
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations specify the circumstances in which amounts payable by way of any pension protection levy may be waived. Consequential amendments are also made to provide for a review of decisions taken by the Board of the Pension Protection Fund (“the Board”) in determining applications for a waiver.

Regulation 3 provides that, in the circumstances specified in regulation 4, a waiver may be granted by the Board in respect of a scheme. The waiver may relate to the risk-based pension protection levy payable in respect of the scheme or to the scheme-based pension protection levy, or to both.

A waiver may be granted on an application made under regulation 5 by the trustees or managers of the scheme. In the case of a pension protection levy payable in respect of a former approved superannuation fund, the Board may also grant the waiver of its own initiative. The Board must determine any application and notify the applicant of its decision.

Regulations 6 and 7 set out detailed restrictions applying in connection with the grant of a waiver.

Regulation 8 amends Schedule 9 to the Pensions Act 2004 (c.35) to provide for review of any determination made by the Board in response to an application for the grant of a waiver under regulation 3 of these Regulations. The amendment also allows for a review of any failure to make such a determination.

Regulation 9 amends the Schedule to the Pension Protection Fund (Review and Reconsideration of Reviewable Matters) Regulations 2005 (S.I. 2005/669) so as to specify that it is the trustees or managers of schemes applying for a waiver who may seek to review the Board’s decision on the application (or its failure to decide).

These Regulations have only a negligible impact on business, charities and the voluntary sector. Publication of a full Regulatory Impact assessment is not necessary for such legislation.