
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend regulation 35 of the Occupational and Personal Pension Schemes (Automatic Enrolment) Regulations 2010 ([S.I. 2010/772](#)).

Regulation 2 amends regulation 35 to include an additional condition that must be satisfied in relation to any part of an occupational pension scheme or any part of a personal pension scheme that provides money purchase benefits if the scheme is to be an automatic enrolment scheme. The scheme will not be an automatic enrolment scheme if it contains a provision allowing for any amount to be deducted from contributions or investment returns, or for the value of a jobholder's rights to be reduced by any amount, if that amount is to be paid to a third party under an agreement between the employer and the third party. A third party is any person apart from the jobholder, the trustee or manager of the scheme, or, in the case of a personal pension scheme, the provider of the scheme. New regulation 35(1A) provides that the additional condition does not apply where the employer has entered into a legally enforceable agreement with a third party before 10th May 2013 under which the third party is to be paid an amount which will be deducted from the jobholder's contributions or investment returns, or which will reduce the value of the jobholder's rights.

An impact assessment has not been produced for this instrument as it has no direct impact on businesses, the public sector or civil society organisations.