
STATUTORY INSTRUMENTS

2024 No. 334

The Occupational Pension Schemes (Collective Money Purchase Schemes) (Amendment) Regulations 2024

Amendment of regulation 17

3.—(1) Regulation 17 (calculation of benefits) is amended as follows.

(2) In paragraph (4)(e), after the first time “that” appears, insert “, except where there is a multi-annual reduction in effect,”.

(3) In paragraph (9), for “The trustees” substitute “Except as provided by paragraph (10), the trustees”.

(4) For paragraph (10) substitute—

“(10) Where there is one or more multi-annual reduction or reductions in effect and a subsequent actuarial valuation results in an increase in the rate or amount of benefits provided under the scheme, the trustees, having obtained the advice of the scheme actuary, must vary one or more multi-annual reduction or reductions then in effect, by applying that increase to offset the planned reduction or reductions under the multi-annual reduction or reductions, which take effect on or after the benefit adjustment date following that valuation.”.

(5) After paragraph (10) insert—

“(10A) Paragraph (8)(b) does not apply to a multi-annual reduction that has been varied in accordance with paragraph (10).

(10B) Any offsetting increase pursuant to paragraph (10) must be applied to the remaining years of the multi-annual reduction or reductions so that the total reduction applied in any year of the multi-annual reduction or reductions must not be greater than the total reduction applied in the previous year of the multi-annual reduction or reductions.

(10C) If an offsetting increase has been applied pursuant to paragraphs (10) and (10B) so that a multi-annual reduction has been offset in full, such multi-annual reduction will cease to have effect and, if all multi-annual reductions cease to have effect, any remaining increase must be applied in accordance with the scheme rules made pursuant to paragraph (4)(e).”.