

2002 No. 2327

PENSIONS

The Occupational Pension Schemes (Member-nominated Trustees and Directors) Amendment Regulations 2002

Made - - - - - *9th September 2002*

Laid before Parliament *13th September 2002*

Coming into force *6th October 2002*

The Secretary of State for Work and Pensions, in exercise of the powers conferred on him by sections 17(1)(c), 19(1)(c), 21(5) and (6) and 124(1) of the Pensions Act 1995(a), and of all other powers enabling him in that behalf, having consulted such persons as he considers appropriate(b), hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Occupational Pension Schemes (Member-nominated Trustees and Directors) Amendment Regulations 2002 and shall come into force on 6th October 2002.

(2) In these Regulations, “the Member-nominated Trustees Regulations” means the Occupational Pension Schemes (Member-nominated Trustees and Directors) Regulations 1996(c).

[Regulation 2 introduces amendment to S.I. 1996/1216.]

[Regulation 3 amends regulation 9(2) of S.I. 1996/1216.]

[Regulation 4 amends regulation 15(2) of S.I. 1996/1216.]

[Regulation 5 amends regulation 20(1) of S.I. 1996/1216.]

[Regulation 6 amends Schedule 3(3) of S.I. 1996/1216.]

Signed by authority of the Secretary of State for Work and Pensions.

9th September 2002

Malcolm Wicks
Parliamentary Under-Secretary of State,
Department for Work and Pensions

(a) 1995 c. 26. Section 124(1) is cited for the meaning given to “prescribed” and “regulations”.

(b) See section 120(1) of the Pensions Act 1995.

(c) S.I. 1996/1216; the relevant amending instruments are S.I. 1997/786 and 1999/3198.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations further amend the Occupational Pension Schemes (Member-nominated Trustees and Directors) Regulations 1996 (“the Member-nominated Trustees Regulations”) which concern the selection and appointment of member-nominated trustees and directors under sections 16 to 21 of the Pensions Act 1995.

The purpose of the Regulations is to extend the approval of alternative arrangements for selecting the trustees or directors of a scheme, and of appropriate rules for that same purpose, so that the approval ceases after a period of ten rather than six years. Where an employer seeks fresh approval of alternative arrangements on or after 6th October 2002 that approval will cease after four years.

Regulation 1 provides for citation, commencement and interpretation.

Regulation 2 introduces the changes made by regulations 3 to 6 of these Regulations.

Regulation 3 amends regulation 9(2)(a) and (c) of the Member-nominated Trustees Regulations by substituting new definitions of “permitted notice time”. These amendments are consequential upon the amendments made to regulation 20(1)(a) of the Member-nominated Trustees Regulations by these Regulations. Regulation 3 further amends regulation 9(2) by inserting a new sub-paragraph (d). This enables an employer who intends to propose alternative arrangements for selecting the trustees of the scheme to give notice of his intention at any time other than the permitted notice times described in regulation 9(2)(a) to (c), provided that the trustees have consented to the employer giving the notice at that time.

Regulation 4 makes similar amendments to regulation 15 of the Member-nominated Trustees Regulations with regard to the employer giving notice to the company in respect of proposing alternative arrangements concerning the selection of directors.

Regulation 5 amends regulation 20(1) of the Member-nominated Trustees Regulations by substituting new sub-paragraphs (a) and (b). Under regulation 20(1)(a)(i) the approval of appropriate rules or alternative arrangements ceases to have effect upon the expiry of ten years beginning with the date the rules or arrangements were treated as approved under those Regulations, rather than upon the expiry of six years. Under regulation 20(1)(a)(ii) the approval of alternative arrangements ceases to have effect upon the expiry of four years, where the employer gives notice in accordance with regulation 9(1)(a) or 15(1)(a) on or after 6th October 2002. Under regulation 20(1)(b) the approval of appropriate rules or alternative arrangements ceases to have effect on the date on which fresh rules or arrangements are treated as approved.

Regulation 6 of these Regulations amends paragraph 3 of Schedule 3 to the Member-nominated Trustees Regulations to modify regulation 15 as amended in its application to cases where a section 18 company is the employer. In such cases alternative arrangements may be proposed at any time.

These Regulations do not impose any costs on business.