

2023 No.

PENSIONS

**The Occupational Pension Schemes (Fraud Compensation Fund
Payments and Pension Protection Fund Compensation)
(Amendment) Regulations 2023**

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| <i>Made</i> | - - - - | *** |
| <i>Laid before Parliament</i> | | *** |
| <i>Coming into force</i> | - - | *** |

The Secretary of State for Work and Pensions makes the following Regulations, in exercise of the powers conferred by sections 186(1)(a)(ii), 315(2), (4) and (5) and paragraph 23 of Schedule 7 to the Pensions Act 2004(a).

In accordance with section 317(1) of the Pensions Act 2004, the Secretary of State has consulted such persons as the Secretary of State considers appropriate.

Citation and commencement

1. These Regulations may be cited as The Occupational Pensions Schemes (Fraud Compensation Fund Payments and Pension Protection Fund Compensation) (Amendments) Regulations 2023. These Regulations shall come into force on [].

Extent

2. The Regulations extend to England and Wales and Scotland.

Amendment of the Occupational Pension Schemes (Fraud Compensation Payments and Miscellaneous Amendments) Regulations 2005

3. In regulation 8 of the Occupational Pension Schemes (Fraud Compensation Payments and Miscellaneous Amendments) Regulations 2005 (interim payments)(b), after sub-paragraph (1)(b)(iv) insert—

“(v) costs and liabilities that arise as a consequence of the application.”

Amendment of the Pension Protection Fund (Compensation) Regulations 2005

4. In regulation 7 of the Pension Protection Fund (Compensation) Regulations 2015 (Period of payment)(c), in sub-paragraph (2)(b) omit “and within one year of leaving the previous course,”.

(a) 2004 c. 35. See section 318(1) for definitions of “prescribed” and “regulations”.
(b) S.I. 2005/2184.
(c) S.I. 2005/670.

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

Parliamentary Under Secretary of State
Department of Work and Pensions

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Occupational Pension Schemes (Fraud Compensation Payments and Miscellaneous Amendments) Regulations 2005 and the Pension Protection Fund (Compensation) Regulations 2005.

The Fraud Compensation Fund makes compensation payments to certain occupational pension schemes that have suffered a reduction in the value of their assets because of an act or omission constituting a dishonesty offence.

Regulation 3 amends the Occupational Pension Schemes (Fraud Compensation Payments and Miscellaneous Amendments) Regulations 2005, to include an additional specific liability incurred by the trustees of a scheme, when they make an application for compensation from the Fraud Compensation Fund.

The Pension Protection Fund (PPF) makes compensation payments to members of schemes who have entered the PPF, following their employer experiencing an insolvency event. The PPF will also make compensation payments to the dependents of members of occupational pension schemes in circumstances where the dependent would have received a payment if the original scheme had not closed because of the insolvency event.

Regulation 4 amends the Pension Protection Fund (Compensation) Regulations 2005 to remove the requirement for a dependent child survivor to commence a qualifying course within one year of leaving the previous course. Regulation 4 expands the time period to allow dependent children to continue to receive compensation payments up to the earlier of either the date they turn 23 years of age or the conclusion of the approved course.

An impact assessment has not been published for these regulations.