
STATUTORY INSTRUMENTS

2016 No. 590

FINANCIAL SERVICES AND MARKETS

The Financial Services and Markets Act
2000 (Pensions Guidance) Regulations 2016

<i>Made</i>	- - - -	<i>17th May 2016</i>
<i>Laid before Parliament</i>		<i>23rd May 2016</i>
<i>Coming into force</i>	- -	<i>15th June 2016</i>

The Secretary of State for Work and Pensions makes the following Regulations in exercise of the powers conferred by sections 333A(2B) and 428(3) of the Financial Services and Markets Act 2000(1).

Citation and commencement

1. These Regulations may be cited as the Financial Services and Markets Act 2000 (Pensions Guidance) Regulations 2016 and come into force on 15th June 2016.

Interpretation

2. In these Regulations—

“the 2000 Act” means the Financial Services and Markets Act 2000;

“the 2004 Act” means the Finance Act 2004(2);

“pension scheme” means—

- (a) a scheme that is a registered pension scheme for the purposes of Part 4 of the 2004 Act(3);
- (b) a scheme that would have been treated as becoming a registered pension scheme on 6th April 2006—
 - (i) had it not been wound up before that date; or
 - (ii) if the relevant administrator had not notified Revenue and Customs under paragraph 2 of Schedule 36 (opting out of deemed registration) to the 2004 Act that the pension scheme was not to become a registered pension scheme on that date;

(1) 2000 c.8; section 333A(2) was amended, and section 333A(2B) inserted, by section 32(3) of the Bank of England and Financial Services Act 2016 (c.14). The power in section 333A(2B) is for purposes relating to section 333A(2) as amended.

(2) 2004 c.12.

(3) See section 150(2) of, and paragraph 1 of Schedule 36 to, the 2004 Act.

“primary beneficiary” means—

- (a) a person who is in receipt of payments under an annuity; or
- (b) a person who has a right to payments at a future date under an annuity;

“relevant administrator” has the meaning given in paragraph 2(6) of Schedule 36 to the 2004 Act;

“secondary beneficiary” means a person with a right to payments under an annuity that is contingent on the death of the primary beneficiary, whether or not that right is subject to the discretion of another person.

Relevant annuity

3. For the purposes of section 333A(2)(b) of the 2000 Act (meaning of “pensions guidance” in Part 20A of that Act), an annuity is a “relevant annuity” if—

- (a) it was purchased out of funds from a pension scheme; and
- (b) it is not an asset of a pension scheme.

Relevant interest

4.—(1) Subject to paragraph (2), for the purposes of section 333A(2)(b) of the 2000 Act, an interest is a “relevant interest” if it is—

- (a) the receipt of payments under an annuity;
- (b) the right of the primary beneficiary to payments at a future date under an annuity; or
- (c) the right of a secondary beneficiary to payments under an annuity that is contingent on the death of the primary beneficiary, whether or not that right is subject to the discretion of another person.

(2) The interests of—

- (a) a pension scheme; or
 - (b) the purchaser of the right to payments under an annuity from the primary beneficiary, or any subsequent purchaser of those rights,
- are not relevant interests.

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

17th May 2016

Altmann
Minister of State,
Department for Work and Pensions

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations specify terms used in the amended definition of “pensions guidance” in section 333A of the Financial Services and Markets Act 2000 (c.8) (the 2000 Act). That section was amended by the Bank of England and Financial Services Act 2016 (c.14).

Regulation 2 contains interpretation provisions for these Regulations.

Regulation 3 specifies when an annuity is a “relevant annuity” for the purposes of section 333A(2) (b) of the 2000 Act.

Regulation 4 specifies when an interest is a “relevant interest” for the purposes of section 333A(2) (b) of the 2000 Act.

An analysis of the impact of these Regulations on the costs to business and the voluntary sector has been made. A copy of this impact assessment is available in the libraries of both Houses of Parliament. Copies may also be obtained from the Better Regulation Unit of the Department for Work and Pensions, 2D, Caxton House, Tothill Street, London SW1H 9NA.