



Pensions Act 2004

2004 CHAPTER 35

PART 3

SCHEME FUNDING

Scheme funding

226 Recovery plan

- (1) If having obtained an actuarial valuation it appears to the trustees or managers of a scheme that the statutory funding objective was not met on the effective date of the valuation, they must, within the prescribed time—
 - (a) if there is no existing recovery plan in force, prepare a recovery plan;
 - (b) if there is an existing recovery plan in force, review and if necessary revise it.
- (2) A recovery plan must set out—
 - (a) the steps to be taken to meet the statutory funding objective, and
 - (b) the period within which that is to be achieved.
- (3) A recovery plan must comply with any prescribed requirements and must be appropriate having regard to the nature and circumstances of the scheme.
- [^{F1}(3A) Provision may be made by regulations as to the matters to be taken into account, or the principles to be followed, in determining for the purposes of subsection (3) whether a recovery plan is appropriate having regard to the nature and circumstances of the scheme.]
- (4) In preparing or revising a recovery plan the trustees or managers must take account of prescribed matters.
- (5) Provision may be made by regulations as to other circumstances in which a recovery plan may or must be reviewed and if necessary revised.

Changes to legislation: Pensions Act 2004, Section 226 is up to date with all changes known to be in force on or before 11 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (6) The trustees or managers must, except in prescribed circumstances, send a copy of any recovery plan to the Regulator within a reasonable period after it is prepared or, as the case may be, revised.

The copy of any recovery plan sent to the Regulator must be accompanied by the prescribed information.

- (7) Where any requirement of this section is not complied with, section 10 of the Pensions Act 1995 (c. 26) (civil penalties) applies to a trustee or manager who has failed to take all reasonable steps to secure compliance.

Textual Amendments

- F1** S. 226(3A) inserted (11.2.2021 for specified purposes) by Pension Schemes Act 2021 (c. 1), s. 131(1)(3)(b), **Sch. 10 para. 5**

Modifications etc. (not altering text)

- C1** Pt. 3 excluded by S.I. 2000/3198 Sch. (as inserted (30.12.2005) by The Occupational Pension Schemes (Scheme Funding) Regulations 2005 (S.I. 2005/3377), reg. 1, **Sch. 3 para. 13(4)**)
- C2** Pt. 3 applied (30.12.2005) by The Occupational Pension Schemes (Cross-border Activities) Regulations 2005 (S.I. 2005/3381), regs. 1, **15(1)**
- C3** Pt. 3 modified (30.12.2005) by The Occupational Pension Schemes (Regulatory Own Funds) Regulations 2005 (S.I. 2005/3380), regs. 1, **5(1)**
- C4** Pt. 3 excluded (30.12.2005) by The Occupational Pension Schemes (Scheme Funding) Regulations 2005 (S.I. 2005/3377), regs. 1, **17**
- C5** Pt. 3 modified (30.12.2005) by The Occupational Pension Schemes (Scheme Funding) Regulations 2005 (S.I. 2005/3377), regs. 1, 19, **Sch. 2**
- C6** Pt. 3 extended by S.I. 1996/1172 reg. 49(4)(a)(i) (as substituted (30.12.2005) by The Occupational Pension Schemes (Scheme Funding) Regulations 2005 (S.I. 2005/3377), reg. 1, **Sch. 3 para. 1(5)(a)**)
- C7** Ss. 224-231 modified (30.12.2005) by The Occupational Pension Schemes (Scheme Funding) Regulations 2005 (S.I. 2005/3377), reg. 1, **Sch. 4 para. 7**

Commencement Information

- I1** S. 226 in force at 4.12.2005 for specified purposes by S.I. 2005/3331, art. 2(1), **Sch. Pt. 1**
- I2** S. 226 in force at 30.12.2005 in so far as not already in force by S.I. 2005/3331, art. 2(1), **Sch. Pt. 1**

Changes to legislation:

Pensions Act 2004, Section 226 is up to date with all changes known to be in force on or before 11 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 18(5A) inserted by [2014 c. 19 s. 52\(2\)](#)
- s. 18(6) words inserted by [2014 c. 19 s. 52\(3\)](#)
- s. 18(8) words inserted by [2014 c. 19 s. 52\(3\)](#)
- s. 23(1A) inserted by [2015 c. 8 Sch. 2 para. 26\(3\)](#)
- s. 23(10A) inserted by [2015 c. 8 Sch. 2 para. 26\(5\)](#)
- s. 38(1)-(1B) substituted for s. 38(1) by [2015 c. 8 Sch. 2 para. 27](#)
- s. 38(7)(da) inserted by [2021 c. 1 s. 104\(2\)](#)
- s. 43(1)-(1B) substituted for s. 43(1) by [2015 c. 8 Sch. 2 para. 28\(2\)](#)
- s. 52(1)-(1B) substituted for s. 52(1) by [2015 c. 8 Sch. 2 para. 29](#)
- s. 80(1)(a)(iib) inserted by [2021 c. 1 s. 109\(3\)](#)
- s. 102(2)(a) words in s. 102(2) renumbered as s. 102(2)(a) by [2008 c. 30 s. 44\(5\)\(a\)](#)
- s. 102(2)(b) inserted by [2008 c. 30 s. 44\(5\)\(b\)](#)
- s. 103(1A) inserted by [2008 c. 30 s. 44\(6\)](#)
- s. 117A inserted by [2008 c. 30 Sch. 10 para. 3](#)
- s. 126(1)-(1B) substituted for s. 126(1) by [2015 c. 8 Sch. 2 para. 31](#)
- s. 188(1)(ba) inserted by [2008 c. 30 Sch. 10 para. 6](#)
- s. 189A inserted by [2008 c. 30 Sch. 10 para. 7](#)
- s. 209(9) added by [2008 c. 30 Sch. 10 para. 8](#)
- s. 291(4)(f) and word inserted by [2021 c. 1 Sch. 3 para. 19\(b\)](#)
- s. 318(3)(a)(viii)-(x) inserted by [2015 c. 8 Sch. 2 para. 38\(3\)\(a\)](#)
- s. 318(3)(b)(vi)-(viii) inserted by [2015 c. 8 Sch. 2 para. 38\(3\)\(b\)](#)
- Sch. 4 para. 7(5)(b) inserted by [2008 c. 30 s. 44\(8\)\(b\)](#)
- Sch. 4 para. 13(3) inserted by [2008 c. 30 s. 44\(9\)\(b\)](#)
- Sch. 4 para. 7(5)(a) words in Sch. 4 para. 7(5) renumbered as Sch. 4 para. 7(5)(a) by [2008 c. 30 s. 44\(8\)\(a\)](#)
- Sch. 7 para. 21(2)(c)-(cc) substituted for Sch. 7 para. 21(2)(b)(c) by [2008 c. 30 Sch. 8 para. 11](#) (This amendment not applied to legislation.gov.uk. Sch. 8 para. 10 (3.1.2012) omitted without ever being in force by virtue of 2011 c. 19, Sch. 4 para. 20; S.I. 2011/3034 art. 3(i)(iv))