
STATUTORY INSTRUMENTS

2005 No. 3377

**The Occupational Pension Schemes
(Scheme Funding) Regulations 2005**

Actuarial valuations and reports

7.—(1) In addition to the regular valuations provided for in section 224(1)(a) of the 2004 Act, the trustees or managers of a scheme must obtain an actuarial valuation where the Regulator has given directions under section 231(2)(b)(i) of that Act as to the manner in which the scheme's technical provisions are to be calculated.

(2) Where the trustees or managers have obtained an actuarial valuation or an actuarial report, they must ensure that it is received by them—

- (a) in the case of a valuation under section 224(1)(a), within 15 months after its effective date;
- (b) in the case of a valuation where the Regulator has given directions under section 231(2)(b)(i)—
 - (i) within three months after the date of the directions if the effective date of the valuation is before the date of the directions, and
 - (ii) within six months after the effective date of the valuation if that date is the same as or later than the date of the directions;
- (c) in the case of a report, within 12 months after its effective date.

(3) Where the assets taken into account in an actuarial valuation include rights under an insurance policy, the valuation must state the reason why the value given to such rights is considered appropriate in the circumstances of the case.

(4) An actuarial valuation must include—

- (a) the actuary's certification of the calculation of the technical provisions, in the relevant form set out in Schedule 1, and
- (b) the actuary's estimate of the solvency of the scheme.

(5) An actuarial report must include an assessment by the actuary of changes in the value of the scheme's assets since the last actuarial valuation was prepared.

(6) In paragraph (4), “the actuary's estimate of the solvency of the scheme” means—

- (a) except in the case referred to in sub-paragraph (b), an estimate by the actuary of whether, on the effective date of a valuation, the value of assets of the scheme to be taken into account under paragraph (1) of regulation 3 exceeded or fell short of the sum of—
 - (i) the cost of purchasing annuities, of the type described in section 74(3)(c) of the 1995 Act^{MI} (discharge of liabilities by purchase of annuities satisfying prescribed requirements) and on terms consistent with those in the available market, which would be sufficient to satisfy the liabilities taken into account under paragraph (2) of regulation 3, and
 - (ii) the other expenses which, in the opinion of the actuary, would be likely to be incurred in connection with a winding up of the scheme,

and the amount of the excess or, as the case may be, the shortfall;

Changes to legislation: *There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Occupational Pension Schemes (Scheme Funding) Regulations 2005. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

(b) where the actuary considers that it is not practicable to make an estimate in accordance with sub-paragraph (a), an estimate of the solvency of the scheme on the effective date of the valuation made in such manner as the actuary considers appropriate in the circumstances of the case.

(7) Where the actuary's estimate of solvency is made under paragraph (6)(b), the valuation must include a brief account of the principles adopted in making the estimate.

Modifications etc. (not altering text)

C1 [Reg. 7](#) modified (30.12.2005) by [Occupational Pension Schemes \(Regulatory Own Funds\) Regulations 2005 \(S.I. 2005/3380\)](#), regs. 1, **5(2)(a)**

Marginal Citations

M1 [Section 74\(3\)\(c\)](#) was amended by [S.I. 2001/3649](#).

Changes to legislation:

There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Occupational Pension Schemes (Scheme Funding) Regulations 2005. Any changes that have already been made by the team appear in the content and are referenced with annotations.

[View outstanding changes](#)

Changes and effects yet to be applied to :

- reg. 7(4)(a) word omitted by S.I. 2024/462 reg. 20(3)(a)(i)
- reg. 7(4)(b) full stop omitted by S.I. 2024/462 reg. 20(3)(a)(ii)
- reg. 7(6) words substituted by S.I. 2024/462 reg. 20(3)(c)

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

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

- reg. 7(4)(c) and word inserted by S.I. 2024/462 reg. 20(3)(a)(ii)
- reg. 7(4A) inserted by S.I. 2024/462 reg. 20(3)(b)
- reg. 7(8)-(10) inserted by S.I. 2024/462 reg. 20(3)(d)
- reg. 8(1A) inserted by S.I. 2024/462 reg. 20(4)(a)
- reg. 8(2)(f) and word inserted by S.I. 2024/462 reg. 20(4)(b)(ii)
- reg. 8(7A)(7B) inserted by S.I. 2024/462 reg. 20(4)(c)