
STATUTORY INSTRUMENTS

2005 No. 3377

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

Recovery plan

8.—(1) Where section 226(1) of the 2004 Act applies, and the trustees or managers of a scheme are required, following an actuarial valuation, either to prepare a recovery plan or to review and if necessary revise an existing recovery plan, they must do so—

- (a) in the case of the first actuarial valuation obtained by them under section 224 of the Act and each subsequent valuation under section 224(1)(a), within 15 months after the effective date of the valuation;
- (b) in the case of a valuation under section 224(1)(b) and regulation 7(1), within whichever period is applicable under regulation 7(2)(b).

(2) In preparing or revising a recovery plan, the trustees or managers must take account of the following matters—

- (a) the asset and liability structure of the scheme;
- (b) its risk profile;
- (c) its liquidity requirements;
- (d) the age profile of the members, and
- (e) in the case of a scheme under which the rates of contributions payable by the employer are determined—
 - (i) by or in accordance with the advice of a person other than the trustees or managers, and
 - (ii) without the agreement of the employer,the recommendations of that person.

(3) A recovery plan must be reviewed, and if necessary revised, where the Regulator has given directions under section 231(2)(b)(ii) of the 2004 Act as to the period within which, and manner in which, a failure to meet the statutory funding objective is to be remedied.

(4) Where paragraph (3) applies, the review and any necessary revision must be completed within a reasonable period after the date of the Regulator's directions.

(5) A recovery plan may be reviewed, and if necessary revised, where the trustees or managers consider that there are reasons that may justify a variation to it.

(6) A recovery plan must specify the date on which it was prepared, or, if it has been revised, the date on which it was last revised.

(7) A copy of any recovery plan sent to the Regulator by the trustees or managers of a scheme must be accompanied—

- (a) in a case where the plan has been prepared or revised following an actuarial valuation, by a summary of the information contained in the valuation, and

(b) in a case where the plan has been revised in the circumstances described in paragraph (5), by an explanation of the reasons for the revision.

(8) The commencement of the winding up of an eligible scheme, as defined in section 126 of the 2004 Act (eligible schemes), during the recovery period specified in the scheme's recovery plan is a notifiable event for the purposes of section 69(2)(a) of that Act (duty to notify the Regulator of prescribed events in respect of eligible schemes).