



Pensions Act 2004

2004 CHAPTER 35

PART 2

THE BOARD OF THE PENSION PROTECTION FUND

CHAPTER 3

PENSION PROTECTION

The fund

173 Pension Protection Fund

- (1) The Pension Protection Fund shall consist of—
- (a) property and rights transferred to the Board under section 161(2)(a),
 - (b) contributions levied under section 174 or 175 (initial and pension protection levies),
 - (c) money borrowed by the Board under section 115 for the purposes of this Chapter,
 - (d) any income or capital gain credited under subsection (2),
 - (e) any amount paid to the Board by virtue of section 139 (repayment of loans to trustees or managers and payment of interest),
 - (f) amounts recovered under section 163(4)(a) or by virtue of section 168(2)(e) (overpayments),
 - (g) any amount paid to the Board in respect of a debt due to the Board under section 40(7) by virtue of a contribution notice under section 38,
 - (h) any property transferred or amounts paid to the Board as required by a restoration order under section 52,
 - (i) any amount paid to the Board in respect of a debt due to the Board under section 56(7) by virtue of a contribution notice under section 55,

Status: Point in time view as at 01/04/2006. This version of this provision has been superseded.

Changes to legislation: Pensions Act 2004, Section 173 is up to date with all changes known to be in force on or before 02 July 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)

- (j) amounts transferred from the Fraud Compensation Fund under section 187 (fraud compensation transfer payments), and
 - (k) amounts of a prescribed description (other than amounts paid, directly or indirectly, to the Board by the Crown).
- (2) The Board must credit to the Pension Protection Fund any income or capital gain arising from the assets in the Fund.
- (3) The following are to be paid or transferred out of the Pension Protection Fund—
- (a) any sums required to meet liabilities transferred to the Board under section 161(2)(a),
 - (b) any sums required to make payments in accordance with the pension compensation provisions,
 - (c) any sums required for the repayment of, and the payment of interest on, money within subsection (1)(c),
 - (d) any sums required to make loans under section 139 (loans to trustees or managers),
 - (e) any sums required to make payments under section 163(4)(b) (underpayments during the assessment period),
 - (f) any sums required to make payments under section 166 (payment of unpaid scheme benefits etc),
 - (g) any sums required to discharge liabilities under section 169 or 170 (discharge of liabilities in respect of compensation or money purchase benefits),
 - (h) any sums required to meet any liabilities arising from obligations imposed on the Board by a restoration order under section 52,
 - (i) any property (other than sums) required to meet any liabilities—
 - (i) transferred to the Board as mentioned in paragraph (a) and arising from obligations imposed by a restoration order under section 52, or
 - (ii) arising from obligations imposed on the Board by such an order,
 - (j) any sums required to meet expenditure incurred by virtue of section 161(5) and paragraph 7 of Schedule 6 (expenditure associated with transfer of property, rights and liabilities to the Board), and
 - (k) sums required for prescribed purposes.
- (4) No other amounts are to be paid or transferred out of the Pension Protection Fund.
- (5) In subsection (1) (other than paragraph (d)) and subsection (3) (other than paragraph (c)) any reference to a provision of this Act is to be read as including a reference to any provision in force in Northern Ireland corresponding to that provision.

Modifications etc. (not altering text)

- C1** Pt. 2 modified (8.3.2005 for specified purposes, 6.4.2005 in so far as not already in force) by [The Pension Protection Fund \(Partially Guaranteed Schemes\) \(Modification\) Regulations 2005 \(S.I. 2005/277\)](#), regs. 1(1), **2-11**
- C2** Pt. 2 modified in part (9.3.2005 for specified purposes, 1.4.2005 for specified purposes, 6.4.2005 in so far as not already in force (except ch. 4)) by [The Pension Protection Fund \(Multi-employer Schemes\) \(Modification\) Regulations 2005 \(S.I. 2005/441\)](#), regs. 1, **2-60**, 71, 72

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Commencement Information

- I1** S. 173(1)(b) in force at 20.6.2005 for specified purposes (in so far as it relates to section 174 of the Act (initial levy)) by [S.I. 2005/1436](#), [art. 2\(2\)\(a\)](#)
- I2** S. 173(1)(b) in force at 1.4.2006 in so far as not already in force by [S.I. 2006/560](#), [art. 2\(2\)](#), [Sch. Pt. 2](#)
- I3** S. 173(1)(c)-(e)(g)(i)(3)(b)-(d)(h)(i) in force at 6.4.2005 by [S.I. 2005/275](#), [art. 2\(7\)](#), [Sch. Pt. 7](#)
- I4** S. 173(2)(4)(5) in force at 20.6.2005 by [S.I. 2005/1436](#), [art. 2\(2\)\(a\)](#)
- I5** S. 173(3)(k) in force for the purpose only of conferring power to make regulations (1.6.2005); and for all other purposes (30.6.2005) by [S.I. 2005/1436](#), [art. 2\(3\)](#)

Status:

Point in time view as at 01/04/2006. This version of this provision has been superseded.

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