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STATUTORY INSTRUMENTS

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**2005 No. 3377**

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

**Modification of shared cost schemes**

**16.**—(1) The trustees of a shared cost scheme to which Part 3 of the 2004 Act applies may by resolution modify the scheme with a view to making such provision that, where any additional contributions are required to give effect to a recovery plan, those contributions are payable by the employer and the members in the appropriate proportions, unless the employer and the trustees or managers agree—

- (a) that the additional contributions should be payable by the employer alone, or
- (b) that he should pay a greater proportion than would otherwise fall to be paid by him.

(2) In paragraph (1)—

“shared cost scheme” means a scheme under the provisions of which—

- (a) the level of benefits expected to be provided is defined;
- (b) contributions are payable by the employer and the active members in specified proportions, and
- (c) if—
  - (i) it appears to the trustees or managers, or
  - (ii) an actuarial valuation shows,

that otherwise the assets of the scheme will (or are likely to) fall short of its technical provisions, the rates of contributions payable by both the active members and the employer may be increased in specified proportions, and

“the appropriate proportions” means those specified proportions.

(3) For the purposes of paragraph (2) there shall be disregarded—

- (a) voluntary contributions by members and any associated contributions by the employer, and
- (b) any temporary suspension of the liability to make contributions, or alteration in the proportions in which the contributions are payable, under any provision of the scheme allowing such a suspension or alteration in any circumstances.

**Changes to legislation:**

There are currently no known outstanding effects for the The Occupational Pension Schemes (Scheme Funding) Regulations 2005, Section 16.