
STATUTORY INSTRUMENTS

2005 No. 706

**The Occupational Pension Schemes
(Winding up etc.) Regulations 2005**

Winding up

Corresponding PPF liability: modifications of the pension compensation provisions etc.

4.—(1) For the purposes of section 73 of the 1995 Act, when determining the corresponding PPF liability in relation to any liability of a scheme to or in respect of a member for pensions or other benefits, the pension compensation provisions apply as if—

- (a) those provisions applied to all schemes to which section 73 of the 1995 Act applies and any reference in the pension compensation provisions to members, employers or any other expression the construction of which is dependent on the meaning of “scheme” were to be read accordingly (but subject to the following provisions of this regulation);
- (b) sections 140 to 142, 164 and 168(2)(a) and (c) to (f) of the 2004 Act were omitted;
- (c) Schedule 7 to that Act (pension compensation provisions) applied—
 - (i) with the substitution for the references in paragraphs 5(4A), 15(5A) and 19(5A) ^{MI} to the Board of references to the trustees or managers of the scheme;
 - (ii) with the substitution for the references in paragraphs 20(1)(a) and 32(1)(a) to the commencement of the assessment period of references to the commencement of the winding up period;
 - (iii) with the substitution for the reference in paragraph 35(4) to the time immediately before the assessment period which begins on the assessment date of a reference to the time immediately before the winding up period begins;
 - (iv) with the addition at the end of paragraph 35(5) of the words—

“and in this sub-paragraph as it applies for the purposes of section 73(4)(b) of the Pensions Act 1995, “the employer” includes both any person included by virtue of regulation 4(1)(a) of the Occupational Pension Schemes (Winding up etc.) Regulations 2005 and any person who is the employer apart from by virtue of that regulation.”;
 - (v) with the substitution for other references to the assessment date of references to the winding up date; and
 - (vi) with the omissions specified in paragraph (2);
- (d) no determination might be made under paragraph 29 of Schedule 7 (Board's powers to alter rates of revaluation and indexation) after the time as at which the corresponding PPF liability is determined for the purposes of section 73 of the 1995 Act;
- (e) no order might be made under paragraph 30 of that Schedule (Secretary of State's powers to vary any percentage paid as compensation) after that time;
- (f) the Pension Protection Fund (Compensation) Regulations 2005 applied with the modifications specified in paragraph (3); and

- (g) (so far as they are included in the pension compensation provisions) the Pension Protection Fund (Hybrid Schemes) (Modification) Regulations 2005 ^{M2} applied with the substitution for the reference in regulation 3(2) of those Regulations to the assessment date of a reference to the winding up date.
- (2) The omissions are—
 - (a) paragraphs 2, 20(4), 23A ^{M3}, 24, 25, 27 and 31A ^{M4} and all references to those paragraphs;
 - (b) in paragraph 26—
 - (i) in sub-paragraphs (2)(b)(i), (6B)(a) ^{M5} and (9)(a) and (b), the words “or a connected occupational pension scheme”;
 - (ii) in sub-paragraph (6B)(b) the words “or a relevant connected occupational pension scheme”; and
 - (iii) the words following sub-paragraph (6B)(b).
- (3) The modifications are—
 - (a) in regulation 4 (compensation for surviving dependants)—
 - (i) in paragraph (2) omit the words following “otherwise”;
 - (ii) for regulation 4(3) substitute—
 - “(3) In the case of a surviving dependant the circumstances are where the admissible rules of the scheme provide for the payment of pension or other benefits to that person.”;
 - (b) for references in regulations 5, 6, 9, 10(1), 11(1), 12(1), 13, 14 and 15 to the assessment date, wherever they occur, substitute references to the winding up date; and
 - (c) omit regulation 16 (modification of admissible rules).
- (4) In this regulation—
 - (a) “corresponding PPF liability” has the meaning given in section 73(5) of the 1995 Act;
 - (b) “the pension compensation provisions” has the same meaning as in Part 2 of the 2004 Act (see section 162 of that Act); and
 - (c) “the winding up date” means the date on which the winding up period began or, if the crystallisation date for the scheme for the purposes of regulation 4 of the Occupational Pension Schemes (Winding Up) Regulations 1996 (calculation of amounts of liabilities) is an earlier date, that date.

^{F1}(5)

Textual Amendments

F1 Reg. 4(5) revoked (31.8.2005) by [Occupational Pension Schemes \(Winding Up\) \(Modification for Multi-employer Schemes and Miscellaneous Amendments\) Regulations 2005 \(S.I. 2005/2159\)](#), regs. 1(2), 3(2)

Marginal Citations

- M1** Paragraphs 5, 15 and 19 are modified in their application to cash balance schemes by regulation 25 of the [Pension Protection Fund \(Compensation\) Regulations 2005 \(S.I. 2005/670\)](#).
- M2** [S.I. 2005/449](#).
- M3** Paragraph 23A is inserted by regulation 3 of the Occupational Pension Schemes (Modification of Pension Protection Provisions) Regulations 2005 (S.I 2005/705).

- M4** Regulation 3(4) of the Pension Protection Fund (Hybrid Schemes) (Modification) Regulations 2005 modifies Schedule 7 in its application to hybrid schemes so that it reads as if it contained paragraph 31A.
- M5** Sub-paragraph (6B) is inserted by regulation 22 of the Pension Protection Fund (Compensation) Regulations 2005.

Changes to legislation:

There are currently no known outstanding effects for the The Occupational Pension Schemes (Winding up etc.) Regulations 2005, Section 4.