

Pensions law – the week in review

20 April 2009

AT A GLANCE

ASSOCIATION OF BRITISH INSURERS

- “Bulk Insured Pensions” guide for trustees

HMRC

- Change to HMRC bank account details
- Employee’s guide to minimum contributions (CA17)

NATIONAL ASSOCIATION OF PENSION FUNDS

- NAPF publishes its fourth Workplace Pensions Survey

TPR

- TPR issues an “Alert to risks in the economic downturn”
- Corporate Plan for 2009-2012

1 ASSOCIATION OF BRITISH INSURERS (ABI)

1.1 “Bulk Insured Pensions” guide for trustees

In order to help trustees (and employers) of defined benefit (DB) schemes understand the range of insured options available to them, the ABI has published a de-risking guide explaining how bulk insured pensions work. The guide briefly looks at a variety of de-risking options available to DB scheme trustees, ranging from full buy-out to longevity insurance.

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To view the ABI's press release and their guide, please follow the links below:

<http://www.abi.org.uk/Newsreleases/viewNewsRelease.asp?nrid=17588>

<http://www.abi.org.uk/Members/circulars/viewAttachment.asp?EID=22560&DID=17588>

2 HM REVENUE & CUSTOMS (HMRC)

2.1 Change to HMRC bank account details

The sort code and account number required to make pension scheme payments for Accounting for Tax (AFT) Returns changed with effect from 6 April 2009.

HMRC has now published amended notes to form APSS302 (the form to be used for completing the Return) containing the new HMRC banking details.

To access the notes, please follow the link below:

<http://www.hmrc.gov.uk/pensionschemes/apss302-notes08.pdf>

2.2 Employee's guide to minimum contributions (CA17)

On 15 April 2009, HMRC published a revised version of the CA17 guidance (Employee's guide to minimum contributions).

The guidance explains about minimum contributions for employees who have taken out an Appropriate Personal Pension/Appropriate Personal Pension Stakeholder Pension instead of paying into:

- the State Second Pension, formerly known as the State Earnings Related Pension Scheme; or
- an employer's contracted-out pension scheme.

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For a copy of the guidance, please follow the link below:

<http://www.hmrc.gov.uk/guidance/2009/ca17.pdf>

3 NATIONAL ASSOCIATION OF PENSION FUNDS (NAPF)

3.1 NAPF publishes its fourth Workplace Pensions Survey

The NAPF has today (20 April 2009) published its fourth Workplace Pensions Survey which aims to track the opinions of the general public on pensions, and to assess confidence in pensions as a way of saving for retirement.

Despite current economic circumstances, the survey found that public confidence in pensions has increased over the last 12 months from +3% to +7% (and up from a low of +1% in December 2008). The survey findings also indicate that employees consider a pension to be the most important workplace benefit which an employer can offer in addition to basic salary, “ahead of bonuses and holidays”.

To view the NAPF’s press release and survey, please follow the links below:

[NAPF Press Release](#)

[Workplace Pensions Survey](#)

4 THE PENSIONS REGULATOR (TPR)

4.1 TPR issues an “Alert to risks in the economic downturn”

TPR has today (20 April 2009) issued a statement to the pensions industry “to explain how they can work in partnership through the economic downturn”. This Alert follows two earlier statements (issued in October 2008 and February 2009 to trustees of work based pension schemes and to UK employers of DB schemes respectively) on the impact of the prevailing economic conditions for those involved in the running of occupational pension schemes.

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In today's statement, TPR confirms that it is continuing "to monitor the economic situation closely, working with the Pension Protection Fund (PPF), the FSA and key partners" and that it remains "assured that the regulatory framework is flexible enough to cope with the impact of the economic downturn".

The statement focuses on behaviour which has the potential to increase risks to members' benefits and the PPF, for example dishonesty and fraud, and highlights TPR's powers to sanction behaviour and protect schemes. It also reminds those involved in running both occupational and personal pension schemes of the duty to report materially significant breaches of any legislation or rule of law concerning the administration of pension schemes (known as "whistle-blowing").

To view TPR's press release and today's statement, please follow the links below:

<http://www.thepensionsregulator.gov.uk/mediaCentre/pressReleases/pn09-04.aspx>

<http://www.thepensionsregulator.gov.uk/pdf/EconomicDownturnStatement.pdf>

4.2 Corporate Plan for 2009-2012

On 17 April 2009, TPR published its third Corporate Plan, covering the period 2009 to 2012.

The Corporate Plan identifies TPR's key priorities and strategic direction for the next three years. Its focus will be on:

- improving governance and administration;
- reducing risks to DB members (by continuing to monitor and review scheme funding, and by monitoring new business models "to ensure that members' interests are appropriately protected");
- reducing risks to defined contribution (DC) scheme members (by building understanding of DC risks in a changing landscape);

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- preparing for 2012 (by building capacity and considering the wider impact of reforms); and
- better regulation.

Incorporated in this three-year view is a more detailed business plan for the year 2009-2010.

To access TPR's press release and corporate plan, please follow the links below:

<http://www.thepensionsregulator.gov.uk/mediaCentre/pressReleases/pn09-03.aspx>

<http://www.thepensionsregulator.gov.uk/pdf/CorporatePlan20092012.pdf>



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