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SO7

### Abbreviations commonly used in 7 Days

**Alert/News:** Sackers Extra publications (available from the client area of our website or from your usual contact)

**DB:** Defined benefit

**DC:** Defined contribution

**DWP:** Department for Work and Pensions

**ECJ:** European Court of Justice

**FAS:** Financial Assistance Scheme

**GMP:** Guaranteed Minimum Pension

**HMRC:** HM Revenue & Customs

**NEST:** National Employment Savings Trust

**PPF:** Pension Protection Fund

**TPR:** The Pensions Regulator

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## DEPARTMENT FOR WORK AND PENSIONS

### Webb – automatic enrolment will stop the savings slump

Following the publication of [research](#) which shows a drop of 15 per cent in employees' pension saving, Steve Webb, the Pensions Minister, issued a [press release](#), claiming that, "automatic enrolment into workplace pensions will start the monumental shift we need to get millions more people in Britain saving for their retirement".

### Automatic-enrolment and pensions language guide

The DWP has published version 2 of its [automatic enrolment and pensions language guide](#) which builds on work done by NEST, TPR, the Association of British Insurers, the Pensions Advisory Service and the Money Advice Service, to help people understand pensions.

## HM REVENUE AND CUSTOMS

### Overseas pension schemes and the annual allowance

HMRC has published a new version of form [APSS210](#). This form must be used by a manager of an overseas pension scheme to notify HMRC of their intention to pay a member's annual allowance tax charge.

### Updates to registered pension scheme manual

On 25 July 2012, HMRC published several [updates](#) to the registered pension scheme manual, including:

- new guidance covering scheme pays and contracting out minimum payments;
- clarification of when the annual allowance provisions might apply to pre-6th April 2006 deferred members; and
- updated guidance on adviser charging.

## PENSION PROTECTION FUND

### Specialist administration services panel

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The PPF is to shortly announce the next development of its Assess & Pay Programme in the form of the [Specialist Administration Services Panel](#) (SASP).

The PPF has undertaken a thorough procurement process over the course of the first half of 2012 to set up a small core panel of experts in performing administration in PPF assessment periods and FAS wind-ups. The Panel is a follow-up to the launch of the Actuarial Valuation Panel in June 2011.<sup>1</sup>

The setting up of the SASP aims to complement the PPF's long-term strategy of reducing the length of assessment periods and providing certainty to members at the earliest possible opportunity. It will allow the PPF to work closely with a small group of specialists developing best practice, driving efficiencies and setting standards in administration performance.

The SASP will be announced in early August 2012 and further information will follow at this time confirming the structure of the Panel and how this will affect future cases as well as the current schemes in assessment.

## THE PENSIONS REGULATOR

### Statement on financial support directions and insolvency

On 26 July 2012, TPR published a [statement](#) which is intended to help banking, insolvency and restructuring professionals to understand its approach in relation to financial support directions (FSDs) in insolvency situations, and its obligation to ensure that regulatory powers are used reasonably in the interests of the scheme and the PPF.

In 2011, the Court of Appeal in *Bloom v TPR*<sup>2</sup> ruled that FSD liabilities rank as an expense in an administration.<sup>3</sup> Concerns were expressed that the judgment could frustrate the administration process and make banks more reluctant to lend if their debt did not have priority over an FSD in insolvency. TPR's statement aims to allay these fears.

Stephen Soper, executive director for DB regulation, said:

"We fully recognise the importance of an effective restructuring and rescue culture, and do not intend to frustrate its proper workings, nor those of the lending market. We've met with many of the key players in the sector to explain our approach and we hope that today's statement provides further reassurance."

[Press release](#)

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<sup>1</sup> Please see [7days](#) dated 13 June 2011

<sup>2</sup> [2011] EWCA Civ 1124

<sup>3</sup> Please see [7days](#) dated 17 October 2011