
Scheme Administration

Benefit Calculations

On 20 December 2011 HMRC published Pension Schemes Newsletter Number 51 which includes articles on filing of event reports and tax returns (see below), disguised remuneration and overseas transfers.

Scheme Accounts

Scheme administrators are reminded that scheme tax returns for the year ending 5 April 2011, where relevant, are required to be submitted by 31 January 2012. This end of January deadline also applies to the submission via HMRC's Pension Schemes Online system of any Registered Pension Scheme Returns or Event Reports. Event Reports document non-standard benefit payments such as overseas transfers, unauthorised payments and large death lump sums.

Actuarial

Pension Protection Fund

Employers and trustees are reminded of the deadlines for submitting information to be included in the calculation of PPF levies for 2012-13. The submission deadlines on Exchange are 30 March 2012 for certification/recertification of contingent assets, 10 April 2012 for deficit reduction contributions and 29 June 2012 for block transfers.

Governance

Scheme Reporting

Trustees are required to complete and submit their annual Scheme Return in January and February 2012, via the Regulator's online Exchange system. All trustees should receive a letter from the Regulator stating the required by date for submission of the 2011-12 Scheme Return.

Investments

Despite an 8.7% rise over Quarter 4 2011, the FTSE100 index fell 5.5% over calendar year 2011.

Consultancy

Defined Contribution

On 19 December 2011 HMRC published draft guidance on how the proposed regulations on commutation of small personal pension pots will apply. The guidance clarifies that the regulations apply at arrangement level rather than scheme level and an individual can be given two lump sum payments less than £2,000 during their lifetime if all the other conditions are met.

On 22 December 2011 the Board for Actuarial Standards (BAS) published version 2.0 of Technical Memorandum 1 (TM1), setting out a revised calculation basis for Statutory Money Purchase Illustrations (SMPIs) to be effective from 6 April 2012. The changes to TM1 include an update to the mortality assumptions and an emphasis on taking account of potential investment returns when setting the long term investment assumption used in the projections.

HMRC has published Issue 5 of the Countdown Bulletin, its newsletter about the abolition of contracting out for defined contribution pension schemes. This fifth bulletin provides information on late rebate payments and recoveries made after April 2015 and contracted out mixed benefit schemes.

On 3 January 2012 the Association of Consulting Actuaries (ACA) released the final report of its 2011 Pensions Trends Survey. The key findings include the statistics that nine out of ten private sector defined DB schemes are now closed to new members and four out of ten are closed to future accrual.

On 10 January 2012 the National Employment Savings Trust (NEST) published a revised version of its phrasebook of plain speaking pensions terms alongside new research which indicates that very few people find the language used to describe pensions straightforward and easy to understand.

TDC Pensions Conferences, Spring 2012

Registration for Thomson Dickson Consulting's Pensions Conferences on current pensions issues is now available on our web site, www.tdcllp.com. We are pleased to announce that the conferences will include guest presentations from leading pensions practitioners in Scotland, including speakers from Johnston Carmichael, KPMG and Shepherd & Wedderburn.

The conferences will run from 8.30am to 11.15am and are being held on the following dates:

Glasgow: Thursday 15 March 2012, Blythswood Square Hotel

Aberdeen: Thursday 22 March 2012, Marcliffe Hotel & Spa

Edinburgh: Thursday 29 March 2012, Balmoral Hotel

"Age only matters when one is ageing. Now that I have arrived at a great age, I might as well be 20."

Pablo Picasso

The information in this note should not be relied upon or taken as an authoritative statement of the law.



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