

PREMIER PENSIONS MANAGEMENT

LEGISLATION UPDATE : 27/06

Scheme Wind-Ups

It is not only companies that have gone into liquidation or ceased to exist that have “old pension arrangements” that need to be wound-up.

Many companies, through amalgamations as well as sales and purchases have old schemes which need to enter wind-up. These can be either Defined Benefit (DB) or Defined Contribution (DC). There could also be many Executive Pension Plans set up with the company as a sponsor that also need to be dealt with. These schemes, if they have more than one member, are not exempt from many of the Pension Act 1995, 2005 and Finance Act 2004 legislative requirements.

Historically, especially for contracted-out schemes, the wind-up process has taken many years with no priority being given to finalising the position by advisers or administrators.

This has now come to the Governments attention again. It has stated that scheme wind-ups should take no longer than two years to complete.

The DWP proposes to legislate to force schemes in wind-up to report to the Pensions Regulator after two rather than the current three years.

The Regulator will also target Administrators and Providers with portfolios of schemes which have the longest winding-up times. It may also publish reports, conduct investigations and produce guidance for Trustees and Administrators.

Premier Pensions Management has many years experience in winding-up clients arrangements, be it DB or DC plans.

If you are having problems with your wind-up please contact us at Premier Pensions Management, we would be delighted to assist you.

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This update includes general information and cannot be relied upon for individual schemes issues. You should contact your adviser or Paul Couchman at Premier Pensions Management Ltd, Capital Business Centre, Units 14 & 15, 22 Carlton Road, South Croydon, Surrey, CR2 0BS. DL: 020 8916 2129. Email: paul.couchman@premierpensions.co.uk, if you require definitive advice