

PPF levy proposals to go ahead



George Osborne

“We remain on course to meet our long term funding target of self-sufficiency by 2030, but substantial risks remain”

Chief Executive Officer of the PPF, Alan Rubenstein

The Pension Protection Fund (PPF) has announced that its proposals for the 2015/16 levy (see the June 2014 issue of Update) are to go ahead largely as planned. The PPF has also set the levy estimate for 2015/16 at £635m, nearly 10% lower than the 2014/15 estimate (although this reduction is not due to the new rules – it is the same amount the PPF would have expected to collect if it had made no changes).

Changes that have been made since the consultation include:

- Reducing ‘scorecard arbitrage’ by limiting the ‘consolidated’ scorecard to genuinely large or complex companies. However, companies filing abbreviated accounts at Companies House will be able to voluntarily share full accounts with Experian;
- Mortgages that are not relevant to insolvency risk will be excluded;
- Asset backed contributions involving assets other than UK property will be recognised, although only to the extent they are worth in the event of insolvency.

Trustees and employers are urged to check their data and scores at www.ppfscore.co.uk before they start to be used from 31 October 2014.

Auto-enrolment research published

Research published by the Pensions Regulator shows that 20% of small and almost half of micro employers do not know their staging date for automatic enrolment. This is despite other data released by NEST suggesting that the majority of these employers support the idea of workers having access to a workplace pension.

www.thepensionsregulator.gov.uk/docs/employer-automatic-enrolment-research-spring-2014.pdf

Company news

The Wedgwood Collection of art, ceramics and paintings has been saved by public donations. The collection faced being broken up to meet the deficit in the Waterford Wedgwood pension scheme, which arose when the rest of the employers in the scheme went into administration in 2009. The museum remained solvent and became the “last man standing”.

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