

Secretariat to the Review of Pensions Institutions,
The Adelphi,
Level 3,
1-11 John Adam Street,
London
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29 March 2007

Our Ref: 0329pph.1

By email only

Dear Sirs

Review of Institutional Pensions: emerging issues

Barnett Waddingham LLP is a UK based firm of actuaries and consultants and a large part of our work is in advising companies and trustees about occupational pension schemes. We have therefore considered with interest your consultation paper and have some comments below.

We generally agree with the points made within the consultation document, and have only a couple of specific points to raise:

We do not think that the PPF and TPR should be merged. In particular, it should remain clear that the PPF's powers in terms of setting levies and compensation levels are completely independent from Government. That said, we do think it would be useful to examine the responsibilities of TPR and PPF, with a view to streamlining processes. For example, there are a number of situations when trustees/employers need to get a course of action agreed by both TPR and the PPF – this would seem unnecessary. It should be possible to have a situation where TPR is all that is needed, and for this to be acceptable to the PPF.

In our view, there is not currently a good case for merging TPR and the FSA. The regime in which the FSA operates necessarily works differently to occupational pension provision. This may change over time if defined benefit provision remains out of favour, but now is not the right time to make such a change.

I trust you find these comments useful.