

# Pensions and Employment: Pensions Bulletin

Legal and regulatory developments in pensions

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Find out more about our pensions and employment practice by [clicking here](#).

For details of our work in the pensions and employment field [click here](#).

For more information, or if you have a query in relation to any of the above items, please contact the person with whom you normally deal at Slaughter and May or [Rebecca Hardy](#). To unsubscribe [click here](#).

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## Forthcoming Events

### I. Pensions Law Update Seminar

Our next Pensions Update seminar takes place on Wednesday, 17th June, 2015, 10 weeks after “flexi-day”.

The “flexi-day” legislation has only recently been finalised. The seminar will provide an opportunity to look at how the new legislation is working in practice and will discuss some of the teething problems and pitfalls that have been identified.

We will also be looking at the practical impact of some of the relaxations of employers’ automatic enrolment duties which took effect from 1st April, 2015, and the actions affected schemes need to take in relation to the ending of DB contracting out on 6th April, 2016.

Attached is an invitation to the seminar, with details of the topics we expect to cover, and how to respond. Note that programme may change if more pressing topics emerge.

### II. The Watch List

The Watch List is a summary of some potentially important issues for pension schemes which we have identified and where time is running out, with links to

more detailed information. New or changed items are in **bold**.

No.	Topic	Deadline	Further information/action
1.	Automatic enrolment: easements for employers	1st April, 2015	<a href="#">Pensions Bulletin 15/05</a>
2.	Information to retiring DC members about the guidance guarantee	6th April, 2015	Client note dated 17th February, 2015 available from <a href="#">Lynsey Richards</a>
3.	Information to transferring DB members about the requirement for independent financial advice	6th April, 2015	<a href="#">Pensions Bulletin 15/03</a>
4.	Cap on charges in default fund for auto-enrolment qualifying schemes	6th April, 2015	Client note dated 24th February, 2015 available from <a href="#">Lynsey Richards</a>
5.	New governance requirements for all occupational DC schemes	6th April, 2015	Client note dated 24th February, 2015 available from <a href="#">Lynsey Richards</a>
6.	Abolition of refund of contributions for members of occupational schemes with at least 30 days’ pensionable service who are just provided with money purchase benefits	1st October, 2015	<a href="#">Pensions Bulletin 14/14</a>

7.	Proposed ban on corporate directors	1st October, 2015 but exception proposed for corporate trustees	<a href="#">Pensions Bulletin 14/18</a>
<b>8.</b>	<b>VAT recovery changes</b>	<b>31st December, 2015</b>	<a href="#">This Pensions Bulletin</a>
9.	Proposed reduction in Lifetime Allowance from £1.25 million to £1 million	6th April, 2016	<a href="#">Pensions Bulletin 15/05</a>
10.	Abolition of DB contracting-out: managing additional costs	6th April, 2016	<a href="#">Pensions Bulletin 15/05</a>
11.	Abolition of DB contracting-out: practicalities	6th April, 2016	<a href="#">Pensions Bulletin 14/08</a>
12.	Prohibition on Active Member Discounts in auto-enrolment qualifying schemes	6th April, 2016	<a href="#">Pensions Bulletin 14/16</a>
13.	Automatic transfers of DC pots of £10,000 or less	Phase 1 1st October, 2016	<a href="#">Pensions Bulletin 15/03</a>
14.	Registration for Individual Protection 2014	Before 6th April, 2017	<a href="#">Pensions Bulletin 14/12</a>

## 6th April 2015 Changes

### III. Checklist for clients

A checklist setting out action points to deal with the 6th April, 2015 changes is available to clients.

The checklist covers:

- the new **governance requirements** for schemes with money purchase benefits,
- the new **charge cap provisions** applicable to default arrangements in qualifying schemes that provide money purchase benefits,
- the **disclosure** and other requirements arising from the new money purchase flexibilities, and
- the new "**advice safeguard**" applicable to transfers by DB members to take advantage of DC flexibility.

For a copy, please get in touch with your usual pensions contact at Slaughter and May.

### IV. New exemption from charge cap for AVC schemes

The DC charging and governance regulations<sup>1</sup> have been updated before they come into force. The amendment makes it clear that an arrangement that only provides benefits attributable to AVCs will not be affected by the cap.

An AVC arrangement will be subject to the cap only where that arrangement:

- is used by a qualifying scheme to fulfil an employer's automatic enrolment duties in respect of at least one employee, and
- is a "default arrangement" as defined in the regulations.

**Comment:** Following the change, it will be very rare for an AVC arrangement to be caught by the cap. This was, apparently, always the DWP policy intention. The clarification is welcome.

<sup>1</sup> The Occupational Pension Schemes (Charging and Governance) Regulations 2015 (S.I. 2015/879)

### V. Pension scams

#### A. Overview

1. On 16th March, 2015, in anticipation of the 6th April, 2015 changes:
  - 1.1 the Pensions Regulator published a "refreshed" version of its "Scorpion" materials relating to pension scams, and
  - 1.2 an Industry Code of Good Practice on combating pension scams was published.
2. To date, under 55s have been the primary target for what has been known as pensions "liberation". But the concern is that, from 6th April, 2015, people approaching, or having reached, age 55 (and hence, lawfully able to "liberate" their pension) may be contacted by "scammers" seeking to exploit the new flexibility.

#### B. Regulator's Scorpion guidance

1. The Regulator's refreshed Scorpion campaign includes revised guidance for pension scheme trustees, with a checklist of scam hallmarks and signposts to the industry Code of Good Practice. The guidance asks trustees to encourage members to contact Pension Wise before making any decisions.

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2. The “Scorpion” booklet for members has also been updated, and includes advice to members that, if they are approached, they should check that their adviser is registered with the FCA. The FCA’s “ScamSmart” list names investment schemes that are known scams.

The “refreshed” information is on the Regulator’s [website](#).

### C. *Industry Code of Practice*

1. The Industry Code of Practice, which is voluntary, sets out 3 core principles.
  - 1.1 trustees, providers and administrators should raise awareness of pension scams for members and beneficiaries of their scheme,
  - 1.2 trustees, providers and administrators should have “*robust but proportionate*” processes for assessing whether a receiving scheme may be operating as part of a pension scam, and for responding to that risk, and
  - 1.3 trustees, providers and administrators should generally be aware of the known current strategies of the perpetrators of pension scams in order to inform the due diligence they need to undertake, and refer to the warning flags as indicated in the Regulator’s

Scorpion guidance, FCA alerts and Action Fraud.

2. The Code includes a detailed due diligence process for trustees to follow, distinguishing between occupational pension schemes, SIPPs and other contract-based schemes, SSASs, and QROPS.
3. Appended to the Code are sample letters to members and to HMRC. The Code also includes sample discharge form wording and sample decision sheets for trustees to record their decisions about transfers.

### D. *Comment:*

1. The Industry Code of Practice is a useful guide to steps that trustees may wish to take. But, as recent Pensions Ombudsman’s determinations have shown ([Pensions Bulletin 15/02](#)), trustees should focus their activity on whether the member has a legal right to transfer, either by virtue of statute or under the scheme’s rules.
2. If trustees establish that the member does have such a right, they are obliged to effect the transfer.
2. “Scam” schemes usually purport to be “occupational pension schemes” to get round the requirement for FCA authorisation. Transfers to

“occupational pension schemes” must be used to acquire “transfer credits” in the receiving scheme, defined by reference to employment with an employer in relation to the scheme.

3. Where trustees suspect that a transfer may be to a “scam” provider, they should request evidence of “employment” with an “employer” under the receiving scheme to ensure that the transfer will secure “transfer credits” i.e. that the statutory requirements are complied with.
4. Trustees should also check the registration status of the transferee scheme with HMRC: HMRC will now give confirmation only if it has no information to suggest there is a “*significant risk of the scheme being set up or being used to allow pension liberation*”.
5. Please get in touch with your usual pensions contact at Slaughter and May for more information on the precautions trustees should take to ensure they get a good discharge on a transfer.

### VI. *Inheritability of annuities: Finance Act 2015*

The Finance Act 2015 received Royal Assent on 26th March, 2015 following a speedy progression through Parliament.

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The only pensions-related provision enacts the extension of the pensions death benefit changes to include joint life and guaranteed annuities, as announced in the Autumn Statement on 3rd December, 2014 ([Pensions Bulletin 14/19](#)). The change takes effect on 6th April, 2015.

In particular:

- “nominees” and “successors” will be able to receive payments of annuities from money purchase arrangements as an “authorised pension death benefit” on the death of a member. Currently a death benefit paid in the form of an annuity can only be paid to a “dependant”,
- payments of nominees’ and successors’ annuities following the death of a member will be tax free in certain circumstances, and
- it will be possible to purchase a nominee’s annuity as a joint life annuity with a member’s annuity on or after 6th April, 2015. It will also be possible to purchase a nominee’s annuity after the member’s death providing the member died on or after 3rd December, 2014 (the date of the Autumn Statement) so long as the nominee did not become entitled to the annuity before 6th April, 2015.

## Tax

### VII. Budget supplement

A [paper](#) summarising changes announced or confirmed by the Chancellor of the Exchequer on 18th March, 2015 that impact on pension schemes or are otherwise of interest accompanies this Bulletin.

### VIII. PTM replaces RPSM

On 27th March, 2015, HMRC published a consultation draft of its new pensions guidance manual, the Pensions Tax Manual, or “PTM”. Respondents will have “around 2 months” to comment before the final version is published in Summer 2015.

The new manual replaces the Registered Pension Schemes Manual (“**RPSM**”) which will be removed from the gov.uk website to the National Archive site.

The focus of PTM is on providing **technical** guidance on the pensions tax rules (i.e. based on the RPSM technical pages but incorporating areas of guidance previously located in the scheme administrator pages).

The PTM incorporates guidance on pensions flexibility and on the recent annual allowance order. The stand alone guidance on asset backed contributions and individual protection is also included.

The PTM is on HMRC’s [website](#).

**Comment:** We will be reviewing the draft PTM and providing feedback to HMRC on the content.

### IX. VAT on pension fund management costs: Further HMRC brief

Since the decision of the CJEU in **PPG** (Case C-26/12), HMRC have issued a succession of Briefs setting out their evolving views on the implications of that judgment for recovery of VAT borne on pension fund management and administration services.

On 26th March, 2015, HMRC published another Brief (Brief 8 (2015)), in which HMRC developed some aspects of their thinking regarding DB schemes. The new Brief says nothing further about DC schemes.

**Comment:** Although there remain points of uncertainty, the latest Brief suggests it may be possible to restructure a pension fund management contract to enable the employer to treat 100% of the VAT borne on the supply as part of the employer’s input tax and, if it wishes, to pass the cost on to the trustee.

The [Focus](#) accompanying this Bulletin explains the position in more detail.

# Cases

## X. TUPE transfer: *Ellis v. Cabinet Office*

### A. Overview

1. On 24th March, 2015, the Court of Appeal upheld the Cabinet Office's appeal, deciding that the claimant (E) was not entitled to retain her right to receive an unreduced pension from the Principal Civil Service Pension Scheme ("PCSPS") at age 55 on a transfer of her employment to a private sector employer.
2. The Court of Appeal's judgment was based on a construction of the PCSPS rules; it decided that the word "resignation" applied to an employee whose employment within the Civil Service had been terminated involuntarily as well as to those who left voluntarily. That included those who had left the Civil Service by a TUPE transfer to a private sector employer, even though such a situation had probably not been envisaged by the draughtsman.
3. The Court noted that its decision appeared to contradict the version of "Fair Deal"<sup>2</sup> in force at the time, which provided that the pension rights

<sup>2</sup> Non-statutory guidance that applies to occupational pension rights on transfers of public sector staff to the private sector.

of those transferring from the public sector to the private sector should be "broadly comparable" to those in the PCSPS.

### B. Facts

1. E was a prison officer and a member of the "Classic" section of the PCSPS, which gave her a right to retire from active membership at age 55 with an unreduced pension.
2. At the end of March 2011, E was informed that the prison where she worked was going to be managed in future by G4S. Staff were given 3 options regarding the benefits they had built up in the PCSPS. Option 1 was the preservation of the pension within the PCSPS, Option 2 was to transfer benefits into the G4S scheme and Option 3 allowed immediate payment for those age 50 or over. E was under age 50 at the time.
3. The prison was transferred to G4S on 1st October, 2011 and E's employment transferred under the TUPE Regulations. It was accepted that the old "fair deal" arrangements applied. E was told that, if she elected to remain within the PCSPS, she would not be able to take her preserved pension unreduced until she reached age 60.
4. This was on the basis that the PCSPS scheme rules provide that a member who resigns or opts out of

the scheme before reaching age 55 foregoes the enhanced early retirement pension. "Resigned" was defined as "termination of service or voluntary retirement from the Civil Service before pension age".

5. Nevertheless, E elected to remain within the PCSPS. She then complained to the Pensions Ombudsman.
5. The Cabinet Office, with whom the Pensions Ombudsman agreed, argued that E was to be treated as if she had "resigned" from the Civil Service on her transfer to G4S so as to deprive her of the right to early retirement on unreduced pension.
6. The High Court upheld E's appeal on the basis that she had not "resigned" using the common meaning of the word.

### C. Decision

1. The Court of Appeal allowed the Cabinet Office's appeal.
2. The Court noted that, although the rules had been drafted in 1972, at a time when it was unlikely that transfers of undertakings from the public to the private sector were in anyone's mind, the possibility that actions would be taken resulting

in Civil Servants leaving the Civil Service both voluntarily and involuntarily would have been in the draughtsman's mind. It was necessary to look at the rules to see whether the provisions relating to termination of pensionable service on resignation included both voluntary and involuntary methods of departure.

3. On a strict interpretation, it was clear that the rules were concerned with both voluntary and involuntary departure.
4. Even if the definition of "resigned" was ambiguous, which the Court did not think it was, it made business sense for the draughtsman to have wanted to make provision for involuntary departures from Civil Service employment.
5. The High Court judge had placed great emphasis on the normal meaning of "resignation" and the fact that nobody would regard E as having "resigned" in the normal sense of that word. But the normal meaning of the word did not justify ignoring the relatively clear words of the definition in the rules.

**Comment:** The introduction of "new Fair Deal", which permits private sector employers to participate in the PCSPS, in 2013, should prevent this situation occurring in future.

E's right to retire at 55 on unreduced pension was a benefit for "old age" and hence did not transfer under the principles in the **Beckmann** and **Martin** cases.

The decision, which affects large numbers of former Civil Servants who elected to leave their benefits in the PCSPS when they transferred to the private sector on an outsourcing, will have come as a relief to the Government.

#### XI. Employer's duty of trust and confidence in considering early retirement application: Ombudsman's determination in relation to Moulton

On 25th February, 2015, the Pensions Ombudsman determined in this case (PO-2604) that an employer that failed to consider an application for early retirement from active status at the end of a consultation on closing its DB scheme to future accrual was in breach of the duty of trust and confidence between employer and employee.

M had both applied for an early retirement pension and retired from employment during a moratorium on consent to early retirement during the employer consultation. The ban on consents to early retirement was made permanent at the end of the consultation. M then had no option but to reapply for less generous early retirement benefits as a deferred member.

The Ombudsman held that the employer, also acting as scheme administrator, had provided the member with "highly misleading" information prior to his leaving employment, in particular failing to make it clear that a pension from active status would not be available after the consultation since M would then be a deferred member. The information provided had also given M a reasonable expectation that, even if he did not leave, his application from active status would be considered once the consultation was complete.

The Ombudsman directed the employer to reconsider the member's individual application from active status, notwithstanding the general ban on consent. It also directed the employer to pay M £400 for distress caused by its failings (both as employer and scheme administrator) in handling M's application.

The Ombudsman dismissed M's complaint against the scheme trustee on the basis that the trustee was reliant on the employer's consent.

**Action point:** Employers proposing to consult on closure of a DB scheme to future accrual should note this decision and make sure they communicate clearly to members the impact of moving from active to deferred status.

## Points in Practice

### XII. Employer debt easements for non-associated multi-employer schemes: DWP call for evidence

On 12th March, 2015, the DWP published a call for evidence on whether the employer debt legislation, as it applies to multi-employer DB schemes, should be amended for **non-associated employers**.

Employers (particularly charities) in non-associated multi-employer schemes have raised concerns that the requirement to pay the Section 75 debt if the employer stops employing active members is overly onerous for smaller and less financially robust employers and runs the risk of driving some employers out of business unnecessarily.

The DWP puts forward 3 possible further easements (which will apply only to non-associated schemes):

- to provide greater flexibility as to the period over which an employer debt must be paid (for example allowing repayments to be spread over several years),
- to amend the definition of an “employer cessation event” so it no longer includes ceasing to employ active members, where the employer in question is still solvent. This would put non-associated employers in the same position as an employer

sponsoring a single-employer DB scheme that stops employing active members, and

- switching the calculation basis for an employer debt triggered on an employment cessation event from the buy-out basis to some other measure, for example, a scheme specific funding basis.

The call for evidence, on which responses are invited by 22nd May, 2015, is on the [GOV.UK website](#).

**Comment:** The proposed easements will not apply to multi-employer schemes with associated employers i.e. schemes established for a corporate group.

### XIII. Abolition of DB contracting-out: HMRC's Countdown Bulletin 7

This was published on 20th March, 2015 and covers:

- requests for scheme contracting-out numbers (“**SCON**”), noting that employers are now required to report the SCON in addition to the employer’s contracting-out number (“**ECON**”) when reporting contracted-out NICs. To help employers who could not establish their correct SCON information, HMRC allowed use of a temporary SCON. HMRC is withdrawing this facility at the end of the 2014/15 tax year.

HMRC would appreciate the help of scheme administrators/trustees in providing this information to employers, and

- a reminder that any movement, change in method of preservation or fundamental change that occurs prior to 6th April, 2016 will need to be advised to HMRC well in advance of December, 2018 and that HMRC is considering what changes need to be made to existing scheme cessation processes to ensure that all activity on live scheme cessation files is completed by December, 2018.

The Countdown Bulletin is on the [GOV.UK website](#).

**Action point:** As well as dealing with HMRC formalities, employers and trustees of schemes that are currently contracted-out on a salary related basis will need to consider whether to amend their rules:

- to take account of the increase in employer NICs, and/or
- to remove “baked in” contracting out provisions.

Employers will need to comply with the statutory consultation requirements, as any increase in employee contributions or reductions in the rate of future accrual will amount to a “listed change”.



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Remember that exercise of the statutory power may be constrained by existing contractual agreements regarding future changes. An example is the public sector where the Government tied its hands in negotiations over the switch to career average benefits. As a consequence the amendment power will not apply to public sector schemes. Even if there are no contractual agreements, the duty of good faith, may prevent changes and will need to be considered in relation to how any consultation is conducted.

A checklist of points to consider in relation to the abolition of DB contracting-out is available to clients. Please get in touch with your usual pensions contact at Slaughter and May.

#### XIV. Record keeping: Pensions Regulator's interim report

On 26th March, 2015, the Pensions Regulator published a report following up on its thematic review of record keeping after its March 2014 report ([Pensions Bulletin 14/06](#)).

The March 2014 report set out the main findings from the Regulator's review and highlighted areas where the Regulator said it would provide further information.

The Regulator notes that subsequent cases and ongoing research has demonstrated that there is still much to improve in relation to record keeping.

Larger schemes still continue to outperform small schemes in the measurement of "common" data (data used to identify scheme members, such as name, address, N.I. number).

The Regulator notes that good record keeping should remain a priority for trustees, particularly in light of:

- the minimum governance standards for DC schemes which come into force on 6th April, 2015, and which include a requirement to process core financial transactions promptly and accurately,
- the new DC flexibilities, which will result in "vital" decisions being made by members based on the information provided to them. Inaccurate records will impact on that information and consequently on members' understanding and application of the guidance and information available,
- the proposed introduction of automatic transfers from 1st October, 2016, and
- the ending of DB contracting-out on 6th April, 2016; contracted-out data is cited in the Regulator's 2014 record keeping survey as one of

the main reasons for schemes failing to meet a "conditional" data (scheme specific data needed to calculate member benefits) score of 90% or more. In 2018, HMRC will write to all individuals with a GMP entitlement to tell them how much GMP they should receive according to HMRC's records. Schemes that have not reconciled and cleansed their data are likely to receive a large number of queries from members at this time,

- effective scheme derisking, particularly buy-outs, buy-ins, longevity swaps and other arrangements that involve a third party taking on the scheme risk, is dependent on complete and accurate data, and
- scheme wind-ups cannot be completed without complete and accurate data. The cost of leaving data cleansing exercises until the point of wind-up can have a significant impact on benefits received by members and can delay the wind-up process and increase costs if long-standing errors have to be corrected. The Regulator says that, over the next 12 months, it intends to "*reinforce its expectations*" in this area and to reflect them in the material it publishes.

The report is on the Pensions Regulator's [website](#).

**Comment:** As the Regulator notes, the difficulties caused by inaccurate scheme data are likely to

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multiply post-6th April, 2015. Schemes should review their data by reference to the Regulator's September, 2012 [checklist](#).

#### XV. FCA retirement income market study: Final report

On 27th March, 2015, the FCA published its final report on competition in the retirement income market.

The interim report was published on 11th December, 2014 ([Pensions Bulletin 14/19](#)).

The market study looked at how the annuity market, in relation to contract-based schemes, might develop following the 6th April, 2015 DC flexibility, and how the market works today.

The final report confirms the interim reports finding that, in the FCA's view, competition is not working as well as it could for consumers, with many missing out by not shopping around, or not buying the right annuity for their circumstances. The FCA concluded

that consumers are deterred by the length and complexity of provider wake-up packs.

As a consequence, the FCA makes a series of recommendations to improve the way provider firms communicate with customers about their retirement options, including:

- requiring provider firms to provide an annuity quotation comparison so that, once a consumer has decided to buy an annuity, they can easily identify if they could be getting a better deal by shopping around and switching provider,
- improving the way information is framed to consumers to help them make decisions surrounding their retirement income,
- redesigning and behaviourally trailing the information in the wake-up pack,
- in the longer term, creating a pensions dashboard which will allow consumers to see all their pensions in one place, and
- monitoring by the FCA to track market developments and consumer behaviour and

outcomes, as well as the take-up by consumers of the Pension Wise service.

The report is on the FCA [website](#).

**Comment:** Although the recommendations apply only to providers of contract-based pensions, the principles behind them (getting members to engage about their retirement options) apply more widely.

From 6th April, 2015, trustees are required to provide detailed information about their options to members with DC benefits who are approaching retirement, including about shopping around. For more information, please get in touch with your usual pensions contact at Slaughter and May.

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This Bulletin is prepared by the Pensions and Employment Group of Slaughter and May in London.

We advise on a wide range of pension matters, acting both for corporate sponsors (UK and non-UK) and for trustees. We also advise on a wide range of both contentious and non-contentious employment matters, and generally on employee benefit matters.

Our pensions team is described in the 2015 edition of Chambers as follows:

- *"they employ professional and personable members of staff with a great depth of knowledge and practical know how"*, and
- *"their ability to organise a transaction and make sure all things come into action is very, very good and they are incredibly thorough"*

Our recent work includes advising:

- Imperial Chemical Industries Limited and Akzo Nobel N.V. on the de-risking of the ICI Pension Fund by way of a circa £3.6 billion transaction. The transaction, which was announced on 26th March 2014, involved the Trustee of the ICI Pension Fund entering into bulk annuity buy-in policies with Legal & General Assurance Society Limited and Prudential Retirement Income Limited respectively in relation to in aggregate circa £3.6 billion of liabilities of the ICI Pension Fund (which comprise approximately one quarter of the Akzo Nobel pension liabilities). The Legal & General buy-in is the largest ever bulk annuity policy arranged by a pension scheme in the UK
- BBA Aviation plc on the pensions aspects of its disposal of the APPH entities and a "section 75 debt" apportionment arrangement with the trustees of its defined benefit pension scheme, the BBA Income and Protection Plan (the "IPP"), and thereafter on the structuring and implementation of an asset backed funding arrangement with the trustees of the IPP. The asset backed funding arrangement replaces a previously agreed schedule of contributions and is designed to generate an annual income stream of approximately £2.7 million for the pension scheme whilst minimising the risk of scheme over-funding in the future
- Aviva on the de-risking of the Aviva Staff Pension Scheme by way of a circa £5 billion longevity swap transaction involving insurance and re-insurance arrangements. The transaction is the largest of its type to date and allows the defined benefit scheme to re-insure the longevity risk relating to approximately 19,000 of its members (roughly a third of its total longevity risk). Aviva's in-house legal team also advised.
- Premier Foods, on a revised funding arrangement with the group's defined benefit pension schemes as part of Premier Food's refinancing plan. Revisions to the funding arrangements included reduced pension deficit contributions and the granting of additional security to the pension schemes
- Unilever Plc on the creation of an innovative pension funding vehicle under which a unit-linked life policy was established to fund centrally certain overseas unfunded retirement benefit obligations
- General Motors, on the pensions aspects of the sale of Millbrook Proving Ground Limited (the test and engineering technology centre). The sale was dependent on structuring a pensions reorganisation so that the Millbrook Pension Plan and all pension liabilities were retained in the General Motors group
- ConocoPhillips, on complying with its auto-enrolment duties, including analysing how different categories of employees would be provided with pension benefits in compliance with those duties and setting up a new DC pension plan and a new registered life cover pension plan
- Royal Mail on a benefit change exercise which enabled Royal Mail to use some of the c£2bn of assets remaining in the Royal Mail Pension Plan following the 2012 transfer of its pension liabilities to HM Government to fund a £300 million a year gap which would otherwise have opened up between the pension contributions which it could afford and the amount which was required to keep the Plan open for the future accrual of benefits. We had previously advised on the 2012 transfer of approximately £30 billion of Royal Mail's historic pension liabilities to HM Government
- The Trustee of the General Motors UK Retirees Pension Plan, on the surrender in October, 2012 of 2 insurance policies and the purchase of a bulk purchase annuity policy with Rothesay Life. The transaction covered all or substantially all of the Plan's benefit obligations and had an aggregate value of approximately £230 million

If you would like to find out more about our Pensions and Employment Group or require advice on a pensions, employment or employee benefits matters, please contact **Jonathan Fenn** [jonathan.fenn@slaughterandmay.com](mailto:jonathan.fenn@slaughterandmay.com) or your usual Slaughter and May adviser.

**London**

T +44 (0)20 7600 1200  
F +44 (0)20 7090 5000

**Brussels**

T +32 (0)2 737 94 00  
F +32 (0)2 737 94 01

**Hong Kong**

T +852 2521 0551  
F +852 2845 2125

**Beijing**

T +86 10 5965 0600  
F +86 10 5965 0650

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