

Countdown Bulletin Update June 2017

Scheme Reconciliation/Active Member queries

Query Templates

We previously advised you to raise your Closure scan or Scheme Reconciliation queries on separate query templates i.e. closure scan query template or scheme reconciliation query template

Acting on recent feedback, there is now no need to place the queries on separate templates.

All query types will be accepted on the same template

Automated Solutions

We have started to receive queries in respect of the closure scan and, following analysis, we feel that the automated solutions currently used to clear Scheme Reconciliation queries, can be utilised to clear closure scan queries.

If you'd like to take advantage of the automated responses, please complete the template as per the SRS automated guidance.

Query Responses

We have received a number of requests to standardise the HMRC responses for those queries where a clerical response is provided (as opposed to automated response). As it is not always easy to provide a standard response in all cases we have agreed to start **most** of the HMRC responses with the following:

Accept (we have updated the account as advised by the scheme)

Reject (we have not been able to update the account as requested by the scheme)

Conditional (the account requires further update/information i.e. request for a CEP to be made)

Information (we are providing information only i.e. spouse details)

We are in the process of updating our internal guidance so you should start to see these responses in the next few months.

Department for Work and Pensions (DWP) update

Changes to DWP Legislation regarding Contracting-Out (Transfer and Transfer Payment)

Contracting-Out (Transfer and Transfer Payment) (Amendment) Regulations 2017 (SI 2017/600)

- The regulations which come into force on 3 July 2017 concern changes in secondary legislation to enable transfers of pensioner members, with consent, from formerly contracted-out (defined benefit) occupational pension schemes to schemes that have never been contracted-out in certain circumstances.
- Whilst transfers of deferred contracted-out schemes pension rights with members consent are permitted to a scheme that has never been contracted-out, this is not possible for transfers of pensioners' rights.
- The Department for Work and Pensions is aware that certain schemes would like to perform these transfers, but are prevented from doing so by the legislation.
- If these transfers do not take place, because of the financial position of some of the schemes, pensioner members may have to transfer to the Pension Protection Fund. The benefits members receive may then be less than if a transfer could be made to a newly established scheme.
- The transfers will be restricted to circumstances where the scheme is undergoing a PPF assessment or where a regulated apportionment arrangement has been entered into.