

## **Guidance to Scheme Actuaries in relation to the Transfers Appendix to the 2011/2012 PPF Levy Determination**

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<b>To be reviewed:</b>	On an annual basis by the Pensions Practice Executive Committee
<b>Status:</b>	Non-mandatory resource material

On 3 March 2011, the Profession issued the following guidance to Scheme Actuaries in relation to the Transfers Appendix to the 2011/12 Levy Determination issued in December 2010 by the Pension Protection Fund (PPF). It replaces the guidance issued in June 2010 in relation to the 2010/11 Levy Determination. The guidance follows below:

### **Guidance**

The 2011/12 Levy Determination requires that, following a bulk transfer, both the Transferring and the Receiving Schemes provide a Post-Transfer Valuation (in accordance with the s 179 requirements) by 30 June 2011. The PPF allows this Post-Transfer Valuation to be based on an asset value that has not been audited, but requires that the actuary certify that the value of the assets is unlikely to be overstated. Paragraphs 4.7 to 4.9 of the PPF's guidance for calculating and certifying block transfers issued on 2 March 2011 describe the basis of certification and can be found by clicking [here](#).

The electronic version of the PPF's block transfer certificate does not by itself provide for clarification of the basis on which the actuary is certifying that the asset value is not overstated; nor does it, unlike the paper version shown as an appendix to the PPF guidance, include any link to the guidance referred to above. Nevertheless, the Profession considers that, in the light of the PPF's guidance, the steps an actuary takes to satisfy the professional requirements in relation to this certification should include providing his or her client with adequate information about the basis of certification in a separate document, and copying this to the PPF as anticipated in paragraph 4.9 of the PPF's guidance.

If you have any questions, or would like to discuss any of the issues raised, please contact one of the Profession's Communities Manager, Kirsten Lambert on [kirstin.lambert@actuaries.org.uk](mailto:kirstin.lambert@actuaries.org.uk) or by telephoning 020 7632 2168.