

GN19: Retirement Benefit Schemes - Winding-up and Scheme Asset Deficiency

Classification

Practice Standard

MEMBERS ARE REMINDED THAT THEY MUST ALWAYS COMPLY WITH THE PROFESSIONAL CONDUCT STANDARDS (PCS) AND THAT GUIDANCE NOTES IMPOSE ADDITIONAL REQUIREMENTS UNDER SPECIFIC CIRCUMSTANCES

Introduction

Version 4.9 of GN19 is introduced to clarify the application of GN19. In particular, GN19 will no longer apply in relation to any scheme that started to wind-up on or after 1 December 2008. The reason for the change of application is that the legislation relevant in these circumstances no longer needs to be supplemented by an actuarial guidance note.

Application

GN19 is not applicable in respect of:

- (i) wind-up calculations for schemes that started to wind up on or after 1 December 2008; or
- (ii) deficiency calculations for schemes where the deficiency is being calculated as at a date after 5th April 2008.

In such cases:

- (a) the Occupational Pension Schemes (Employer Debt) Regulations 2005, SI 2005/678 ('the Deficiency Regulations'), as amended by the Occupational Pension Schemes (Employer Debt and Miscellaneous Amendments) Regulations 2008. SI 2008/731; and/or
- (b) the Occupational Pension Schemes (Winding up etc.) Regulations 2005. SI 2005/706 ('the 2005 Winding Up Regulations'); and/or
- (c) other relevant legislation including amendments to (a) and (b) above,

will apply.

Northern Ireland has its own body of law relating to pensions and, in relation to Northern Ireland, references to the Great Britain legislation contained in this Guidance Note should be read as including references to the corresponding Northern Ireland legislation.

Version 4.8 of GN19 remains applicable to any Scheme Actuary responsible for giving advice to the trustees of any UK pension scheme to which the 2005 Winding Up Regulations or the Deficiency Regulations apply; broadly any scheme that, on or after 6th April 2005, started to wind-up or has an employer which, between 6th April 2005 and 5th April 2008, became insolvent or ceased to participate in the scheme.

Version 4.5 of GN19 remains applicable in respect of priorities on winding up for pension schemes that started to wind up before 6th April 2005 and in respect of deficiency calculations for schemes where the deficiency is being calculated as at a date before 6th April 2005. Version 4.5 is found at Appendix B to version 4.8.

<i>Version</i>	<i>Effective from</i>
1.0	01.04.93
2.0	01.10.93
3.0	01.02.96
4.0	06.04.97
4.1	01.03.98
4.2	19.03.02
4.3	15.03.04
4.4	10.05.04
4.5	15.02.05
4.6	06.04.05
4.7	02.09.05

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4.8	06.04.08
4.9	01.12.08

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