

22 February 2010

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SO7

Abbreviations commonly used in 7 Days

DC: Defined Contribution
GMPs: Guaranteed Minimum Pensions
HMRC: HM Revenue & Customs
NAPF: National Association of Pension Funds

OECD: Organisation for Economic Co-operation and Development
PPF: Pension Protection Fund
TPR: The Pensions Regulator

ACTUARIAL PROFESSION**Institute of Actuaries: Jane Curtis named president-elect**

Jane Curtis has been named president-elect of the Institute of Actuaries.

A fellow of the Institute since 1987, Curtis is a managing principal with Hewitt, where she has spent her entire professional career. Her election comes after nearly 30 years' service to the profession, most notably in the fields of education and professional regulation.

[Institute of Actuaries Press Release](#)

HM REVENUE & CUSTOMS**More schemes file on time**

HMRC [notes](#) that improvements to its online system, guidance and other support for its customers have helped reduce the need for customers to contact the online services and pensions' helpdesks. According to HMRC, the number of customers who filed their Registered Pension Scheme Returns on time has now exceeded 87%.

NATIONAL ASSOCIATION OF PENSION FUNDS**New Global Investment Performance Standards unveiled**

The NAPF is currently promoting the latest version of standards which harmonise the way in which the investment performance of fund managers is presented. The revised [Global Investment Performance Standards](#) (GIPS) were launched on 17 February 2010.

GIPS are based on the principles of fair representation and full disclosure, and provide an ethical framework for the calculation and presentation of investment performance for investment management firms. Firms which comply with the standards provide investors with consistent and transparent presentations of the firm's performance.

The 2010 edition improves the consistency and precision of GIPS and introduces the concept of fair value presentation of assets where no market value is available, as well as specific provisions related to risk. The revised version reflects the joint co-operation of 32 country sponsors of GIPS across Europe, the Middle East, North America, Africa and the Asia-Pacific region

[NAPF Press Release](#)

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

OECD Working Paper No. 40: Pension Funds' Risk-Management Framework

In its series of Working Papers on Insurance and Private Pensions, the OECD has published a paper on "[Pension Funds' Risk-Management Framework: Regulation and Supervisory Oversight](#)". The paper draws on the experience of the pensions and other financial sectors to examine what sort of risk-management framework pension schemes should have in place.

In the EU, Member States are required to give effect to the requirement under Article 14(1) of the European Directive 2003/41/EC (the Pensions or IORP Directive) that schemes should have adequate internal control mechanisms in place. This requirement has been implemented in the UK under section 249A of the Pensions Act 2004.

The paper breaks risk-management frameworks down into four main categories:

- management oversight and culture;
- strategy and risk assessment;
- control systems; and
- information and reporting.

It also considers various ways in which supervisory authorities can check that such systems are operating and includes a checklist which is designed to assist pension supervisory authorities with their oversight of risk-management.

Reference is made to TPR's approach in the UK, where it has set out in its code of practice on internal controls (a revised draft of which is currently being consulted on) its expectations as to how occupational pension schemes should satisfy the legal requirement to have internal controls in place.

THE PENSIONS REGULATOR

Winding-up: Consultation on revised guidance

In June 2008, TPR published "good practice guidelines" to help trustees and others meet the two-year timeframe for winding-up occupational pension schemes. TPR is now formally [consulting](#) on a revised version of this guidance.

TPR's suggested limit of two years for schemes to complete the key activities of winding-up remains in place in the draft guidance. The key changes are listed in Annex 1 of the consultation document and include:

- a list of key activities for DC schemes on winding-up;
- references to new TPR guidance, such as the recent guidance on record-keeping; and
- updates to reflect the transfer of responsibility for the Financial Assistance Scheme to the PPF.

¹ For information on recent developments in relation to GMP equalisation, please see 7 Days dated [1 February 2010](#)

In addition, and of particular note, is the removal from the revised draft guidance of TPR's comments which specifically allow for a scheme-specific approach to GMP equalisation for schemes in wind-up.¹ However, aside from the table of key changes, the consultation document does not include any commentary or explanation for the updates.

The consultation closes on 5 May 2010.