

# Inside:

- New Chief Executive spells out his plans
- 2006/07 levy invoices
- Strategic plan published

Welcome to the first edition of the Pension Protection Fund's stakeholder newsletter. Inside you'll find up-to-date information and news of the latest developments.

Whether you are a pension scheme trustee, an actuary or a scheme member, we hope you will find this newsletter and the information in it useful.

We at the Pension Protection Fund want all stakeholders, whatever their interest and connection to us, to know about the work we do and where they can find more information about us.

In this edition you will find an article from newly-appointed Chief Executive Partha Dasgupta. Partha, who was formerly our Director of Investment and Finance, outlines his priorities for the organisation's future. There is also a round-up of the latest news and information about forthcoming events.

Crucially, you will also find details of where on the Pension Protection Fund website you can find the information that you are looking for. The website is our main communication tool and is constantly updated. If there is anything you need to know about us or our work, the website should always be your first port of call. You might also want to consider signing up for our email alert service – details of which can be found on the back page.

We plan to produce this newsletter half-yearly. If you have any suggestions for what we might want to include in future editions then please get in touch and let us know – we're always open to suggestions.

Partha Dasgupta joined the Pension Protection Fund in 2005 as Director of Investment and Finance. In the first year of operations, Partha led the development of the risk based levy. He had responsibility for overseeing the investments, finances and levy arrangements of the PPF.

Prior to joining the Pension Protection Fund, Partha spent ten years at Barclays Global Investors, most recently as Managing Director, Fixed Income Europe.



# News from the Chief Executive

Partha Dasgupta has just been appointed Chief Executive of the Pension Protection Fund. He outlines his priorities for the organisation.

There is a new pension paradigm which values security and protection. The Pension Protection Fund is an agent for change, balancing the needs of those receiving compensation with those who fund that compensation, providing incentives to reduce risk. Indeed, risk reduction is a key theme in our strategic plan which we published recently. The full document is available on our website by following this link: [www.pensionprotectionfund.org.uk/strategic\\_plan.pdf](http://www.pensionprotectionfund.org.uk/strategic_plan.pdf)

In my new role as Chief Executive of the PPF I will be emphasising effective communication, innovation and delivery. Clear, open and honest communication is a prerequisite for building trust with our stakeholders. Our consultation on the risk based levy demonstrates our willingness to listen. The recent PPF workshops on the assessment process and levy reinforce our commitment to share information. This newsletter is intended to inform those who have an interest in our activities.

Innovation is a catalyst for change. We will endeavour to continuously improve our processes to ensure that eligible schemes enter into, and transfer from, the assessment process as efficiently and swiftly as possible.

The development of new markets and financial products potentially creates more choice for those who have responsibility for managing pension scheme risks.

We will continue to encourage risk sharing through the use of contingent assets, working together with market participants, building upon the successes of our first year.

Delivery is the critical success factor. It can be expressed simply as 'paying the right people, the right compensation, at the right time'. This is why the PPF was created and we are on track to make our first payments later this year. Working in partnership with trustees and their advisers is our chosen approach to delivery. I intend to ensure that we meet the expectations of those who we protect and those who fund us in a professional and competent manner.

We have a very able and committed team at the PPF who have contributed to the production of this newsletter. Please let us have your comments so that future editions of this publication can reflect your priorities.

**Partha Dasgupta**  
Chief Executive

# Latest News

## 2006/07 levy invoices

Schemes will receive their 2006/07 Pension Protection Levy invoices from September onwards. These will be sent out direct from the Pension Protection Fund and will not be consolidated with other levies (such as the General Levy and the PPF Administration Levy) which will still be billed by the Pensions Regulator.

Schemes will receive an invoice and a leaflet giving details on the levies and worked examples. Schemes will also receive detailed information explaining how their levies have been calculated.

Schemes are strongly encouraged to pay electronically, direct into the Pension Protection

Fund's bank account, quoting their Invoice number/SSID, using BACS, CHAPS or internet banking. This is the simplest, securest and the most effective method, helping to reduce administration costs. Full payment instructions will be provided with the invoice.

## Strategic Plan

The Board of the Pension Protection Fund recently published its medium term Strategic Plan. The six strategic objectives set out in the document remain fundamentally the same as those published in last year's Annual Report, and are:

- Maintaining the solvency of the Pension Protection Fund within agreed limits
- Play our part in building confidence in pensions
- Paying the right people the right compensation at the right time
- Ensuring effective two-way stakeholder communications

- Investing in human capital to deliver the Board's functions
- Achieving high levels of stakeholder satisfaction in respect of the organisation's professionalism, policies, processes and helpfulness

Highlighted in the plan are details of how the Pension Protection Fund can contribute to reducing risk in the pension system. This will be achieved by building confidence and consensus, focusing on risk management and early warning, and incentivising strong levels of pension scheme funding.

## Project management accreditation

The Pension Protection Fund has become the first public sector organisation in the world to receive both P2MM level 3 and P3M3 accreditation. The accreditation has been awarded in recognition of the programme and project management skills built up by the Pension Protection Fund, and demonstrates our commitment to delivering results efficiently and effectively.



## Compensation administrator

The Pension Protection Fund has appointed Capita Hartshead to provide compensation administration and payment services. The appointment of Capita Hartshead follows a rigorous procurement exercise, and supports our principle of using market solutions where appropriate, to help us meet our objective of paying the right person the right amount at the right time.



## Summary of year to date

Since opening our doors for business in April 2005 the Pension Protection Fund has hit a number of milestones including:

- The introduction of the risk based levy following 17 weeks of consultation with industry
- The admission into the assessment period, the process a pension scheme must go through before it can transfer to the Pension Protection Fund, of 84 pension schemes with 36,260 members (as at May 31, 2006)
- The completion of several workshops across the UK for scheme trustees and levy payers.

Later this year we expect to hit another milestone when we will make our first compensation payments to pensioners.

# Notice board

The Pension Protection Fund is committed to effective two-way communications with its broad base of stakeholders.

Whether you are a:

- scheme actuary
- trustee
- adviser
- pension scheme member

or have some other interest in our work, the website carries a wealth of information. Outlined below are some specific examples of information that you can find on-line. We also have a Stakeholder Support Team who can help out with enquiries. They can be reached by calling **0845 600 2541**.



## Trustee guidance

New guidance has been produced for pension scheme trustees that are managing a scheme through the assessment period. The guidance can be found on-line at: [www.pensionprotectionfund.org.uk](http://www.pensionprotectionfund.org.uk). In response to feedback from trustees, the guidance also comes with some tools and standard materials which trustees might find useful throughout the assessment period – such as management plans and standard communications.

## Actuarial/valuation guidance

Guidance is available for anyone that is having to undertake a section 179 or section 143 valuation of a pension scheme. This guidance can be found at: [www.pensionprotectionfund.org.uk/index/other\\_guidance/valuation\\_guidance.htm](http://www.pensionprotectionfund.org.uk/index/other_guidance/valuation_guidance.htm).

## Information for pension scheme members

Pension scheme members will find a wealth of information about the Pension Protection Fund on the website. A good place to start is the leaflet An Introductory Guide to the Pension Protection Fund which outlines in plain English how the organisation works and what compensation someone might expect to receive. The leaflet can be found by going to: [www.pensionprotectionfund.org.uk/420054\\_ppf\\_leaflet\\_v10a.pdf](http://www.pensionprotectionfund.org.uk/420054_ppf_leaflet_v10a.pdf). Copies of the leaflet can also be obtained by calling 020 8867 3297.

## FAQs

On the website's homepage is a link to some frequently asked questions. You will find FAQs produced for industry professionals, for levy payers, for scheme members and section 179 valuations. If you are interested in these FAQ's then follow this link: [www.pensionprotectionfund.org.uk/index/faqs.htm](http://www.pensionprotectionfund.org.uk/index/faqs.htm)

## Vacancies

Vacancies at all levels are advertised on the website. For the latest opportunities, and details on how to apply, go to: [www.pensionprotectionfund.org.uk/index/job\\_opportunities.htm](http://www.pensionprotectionfund.org.uk/index/job_opportunities.htm)

## Email alerts

To ensure that you receive the latest updates, information and news from the Pension Protection Fund, we plan to register your email address with our email alert service. Whenever we publish new information or update information, an alert is sent to everyone on the list. If you are not interested in this service then please send us an email with "Unsubscribe" in the subject line to: [communications@ppf.gsi.gov.uk](mailto:communications@ppf.gsi.gov.uk)

## Contact

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