

Guidance for calculating and certifying block transfers

2011/12 levy year

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Part 1 -Terminology

1.1 A **block transfer** is the PPF's terminology for where the liabilities for more than one member have been transferred from one scheme to another.

1.2 A **full transfer** is where, on any date or dates prior to 1 April 2011:

- (1) there are fewer than 2 members remaining in a scheme; and
- (2) the transferring scheme has transferred (in groups of two or more members) members to one or more other PPF-eligible schemes

and there remain fewer than two members in the transferring scheme on 1 April 2011.

As the definition of a full transfer is assessed as at 1 April 2011, a scheme will need to ensure that its position, as notified to the PPF by 30 June 2011, is in accordance with this definition. For example, if a transfer has been made out of a scheme and a subsequent transfer has been received by that same scheme, so that the transferring scheme has more than two members on 1 April 2010, the scheme would not have performed a full transfer.

1.3 A **qualifying transfer** is where:

- (1) on any date prior to 1 April 2010, a scheme has transferred all of the liabilities in respect of two or more members to another single destination (being a scheme or insurance company);
- (2) that transfer is not a **full transfer**; and
- (3) the value of the assets transferring exceeds one or more of:
 - (i) 5% of the asset value of the transferring scheme as stated in the last MFR or section 179 valuation as submitted on **Exchange** as at 31 March 2010;
 - (ii) 5% of the asset value of the receiving scheme as stated in the last MFR or section 179 valuation as submitted on **Exchange** as at 31 March 2010; or
 - (iii) £1.5 million.

Qualifying transfers are also known as **partial transfers** on Exchange.

1.4 **Exchange** is the Pensions Regulator's online scheme maintenance system, which schemes should use to notify us of block transfers.

- 1.4 An **eligible scheme** is a scheme that falls within the definition set out in section 126 of the Pensions Act 2004. Very broadly speaking, defined benefit and hybrid schemes are eligible schemes.

- 1.5 An **ineligible scheme** is a scheme that does not fall within the definition set out in section 126 of the Pensions Act 2004. Very broadly speaking, defined contribution schemes and public sector schemes are ineligible schemes.

Part 2 – Purpose of this Guidance

The Board's objectives

- 2.1 The Board has the following objectives in respect of transfers:
- (a) to ensure that liabilities that are transferred between schemes are appropriately included in the levies for one of those schemes;
 - (b) to provide schemes who have transferred assets and/or liabilities with the ability to have those transfers recognised in their levies.
- 2.2 If a full transfer takes place so that a transferring scheme becomes ineligible as at the start of the 2011/12 levy year, the Board would be unable to levy the transferring scheme. The transferred members would not be reflected in the scheme return information for the receiving scheme, as that would have been assessed as at 31 March 2010. However, the transferred members would still represent a risk to the PPF that would not have been levied. Therefore, the Board has imposed requirements on schemes who undertake transfers.

What this Guidance covers

- 2.3 This Guidance covers the certification of transfers involving PPF-eligible schemes, and in particular the following transfers (both full transfers and qualifying transfers):
- Transfers from PPF-eligible schemes to PPF-eligible schemes;
 - Transfers from PPF-ineligible schemes to PPF-eligible schemes;
 - Transfers from either eligible or ineligible schemes where a new eligible scheme is created out of the transferred assets/liabilities.
- 2.4 Parts 1 – 3 of this Guidance are aimed at all stakeholders, including trustees/managers as well as scheme professionals. Parts 4 and 5 are primarily aimed at actuarial advisors as they cover the transfer certification and valuation requirements. Part 4 covers the information to be supplied by schemes, which is the estimated "section 179" valuation position of each of the relevant schemes at a date on or after the date of transfer. The PPF may use this

valuation information in lieu of the formal section 179 valuation information to calculate the levy.

- 2.5 This Guidance does not specifically cover transfers to PPF-ineligible schemes, except to the extent that such schemes are Qualifying Transfers. If a scheme has transferred all of its liabilities and assets to a PPF-ineligible scheme, such a transfer would not be a Full Transfer so the PPF does not require it to be reported. Such a transfer may be a Qualifying Transfer, in which case a scheme may report it.

Where are the PPF's rules on block transfers?

- 2.6 The treatment of block transfers for the levy year commencing 1 April 2011 (levy year 2011/12) is set out in the 2011/12 determination (the **Determination**) and Transfers Appendix, which can be accessed on the PPF's website via the following links:
- http://www.pensionprotectionfund.org.uk/DocumentLibrary/Documents/1112_determination.pdf
- http://www.pensionprotectionfund.org.uk/DocumentLibrary/Documents/1112_determination_appendix_transfers.pdf

The Determination should always be consulted by schemes seeking to certify a block transfer. This Guidance is intended to provide a summary of the rules in relation to block transfers for the 2011/12 levy year. The definitive rules in relation to block transfers for the 2011/12 levy year are set out in the Determination (including the Transfers Appendix). In the event of any conflict between the rules as they are described in this Guidance and as they are set out in the Determination, the Determination will prevail.

- 2.7 In particular, Rule F of the Rules to the Determination and the Transfers Appendix to the Determination set out how the amount to be certified is calculated and how / when the information should be submitted to the Pensions Regulator in order for it to be taken into account for the levy for 2011/12.
- 2.8 The rules in relation to block transfers for the 2012/13 levy year will be set out in the 2012/13 Determination, which has not yet been published. **We can however confirm that there will be no reporting deadline for Qualifying Transfers in June 2011.**

Part 3 - Treatment for 2011/12

Transfers that will be taken into account

3.1 For 2011/12 the Board will take account of the following transfers, if the transfers are notified appropriately:

- **full transfers** that occur before **1 April 2011**; and
- **qualifying transfers** that occur before **1 April 2010**.

Transfer information should be submitted through **Exchange**. The deadlines for submission of information for 2011/12 are:

- **Full transfers** – 5pm on **30 June 2011**
- **Qualifying transfers** – 5pm on **30 June 2010**.

The transferring and receiving scheme(s) must supply the information specified in part 4 of this document

3.2 Schemes should note that the Board's Full Transfer requirements do not extend to transfers **to** PPF-ineligible schemes (for example, to a money purchase arrangement, or to a public sector scheme). This is because in such a case, the members in question will have transferred out of the PPF eligible universe so no longer pose a risk on the PPF that needs to be captured in the levy. The Board's transfer requirements do extend to transfers **from** PPF-ineligible schemes.

3.3 Schemes should note a change to the Board's requirements for levy year 2011/12. Previously, the Board required assets and liabilities to have transferred in order for the levy rules on Full Transfers to apply. For levy year 2011/12 onwards, though, the Board's requirements will apply as soon as liabilities have been transferred, whether or not any of the corresponding assets have been transferred. This change is to reflect the fact that the liabilities pose a risk to the PPF that should be levied, whether or not the corresponding assets have been transferred

Certifying a transfer on Exchange

3.4 Entering a block transfer on Exchange must be initiated by the transferring scheme. It is only once the transferring scheme has entered the transfer that the receiving scheme will be able to participate in entering the transfer.

3.5 When entering a block transfer on Exchange, the scheme will have the option of entering the transfer as a **full** or **partial** transfer. It is important to note that what a scheme might regard as a full or partial transfer, for the purposes of Exchange, **may not in practice always meet the definition of a full transfer and qualifying**

transfer for PPF purposes. The definitions set out in the PPF levy Determination and noted at the start of this Guidance explain how the PPF treats certain transfers for levy purposes. This may not always accord with a scheme's understanding. For example, a scheme may have transferred all its members to another scheme without meeting the PPF definition of a **full transfer**, if the scheme also received a subsequent transfer-in so that it has more than 1 member as at 1 April 2011.

- 3.6 It is the Board's intention that references to full transfers and partial transfers on Exchange should be understood in accordance with the Board's definitions of **full transfer** and **qualifying transfer**. The Board accepts, though, that this will not always be possible as the accurate classification of the transfer might not be possible as at the time of notification. However, the Board's transfer notification deadlines are intended to enable schemes to provide an accurate picture of their position as at 31 March 2011 (for full transfers) and 31 March 2010 (for qualifying transfers). Schemes are, therefore, expected to revisit and review their position as at the relevant notification deadlines.

Certifying a transfer on Exchange: ineligible schemes

- 3.7 When a transfer of assets and liabilities occurs between schemes, the transferring and receiving scheme(s) are able in most cases to notify this information to the PPF via the transfer screens on **Exchange**. Some transfers, though, cannot be notified on Exchange:
- Transfers from an ineligible scheme to an eligible scheme **cannot** be notified on Exchange.
 - Transfers from an eligible scheme to certain ineligible schemes (i.e. to a defined contribution arrangement or to an insurance company) **can** be notified on Exchange.
 - Transfers from an eligible scheme to ineligible schemes that are not defined contribution arrangements or insurance companies (such as a public sector pension scheme) **cannot** be notified on Exchange.

For transfers that **cannot** be notified on Exchange, the scheme should complete the paper block transfer form appended to this Guidance and available from the Board's website, in order to notify the transfer. This method of notification constitutes, **only** for transfers that cannot be notified on Exchange, a "permitted alternative method" of providing information to the Board for the purposes of Rule A2.2(4) of the Determination. Schemes should email the completed form to information@ppf.gsi.gov.uk with the subject heading "Block Transfer Submission", providing contact details in case of any queries. The email submission must be sent so that it is **received** by the PPF in accordance with the specified

deadlines in the Determination for submission of block transfer information.

- 3.8 If, in the case of a transfer from an eligible scheme to an ineligible scheme, the transferring scheme itself becomes ineligible for that year's PPF levies by virtue of the transfer, the PPF still expects this to be reported through a block transfer form so that the transferring scheme does not receive an invoice for the 2011/12 levy. If the scheme does not do so, and receives an invoice, it should notify the PPF through an application for ineligibility (about which further details are available on the Board's website).

What happens if a transfer is not certified, or is certified late?

- 3.9 Where the Board becomes aware that a full transfer took place before 1 April 2011 but was not certified by the above deadline, then the levy for the receiving scheme will be calculated as set out in the Poor Data Methodology section of the Transfers Appendix to the Determination. This involves using the asset and liability figures of the transferring scheme but applying an uplift to the liabilities, and is therefore a less favourable measure for a scheme. If the Board has already invoiced the schemes without taking into account the transfer, the Board is able to revisit those invoices and recalculate them. However, the Board is not obliged to determine the levies of the receiving scheme in accordance with the Poor Data Methodology if the Board is satisfied that the trustees of the receiving scheme have made all efforts that were reasonable in the circumstances to submit or procure that the transferring scheme submits the transfer information by the above deadline. Please refer to Rule F2.5 of the Determination for further details.

http://www.pensionprotectionfund.org.uk/DocumentLibrary/Documents/1112_determination_appendix_transfers.pdf

- 3.10 As to the circumstances in which the Board may exercise its discretion to disapply the Poor Data Methodology, schemes should refer to the Board's Levy Practice Guidance, which sets out principles and case studies showing how the Board expects to exercise its discretionary powers.

Sections

- 3.11 Schemes should note that if a scheme has changed its structure to become a segregated scheme as defined in the Pension Protection Fund (Multi-employer Schemes) (Modification) Regulations 2005, each new section will be treated as a separate scheme for levy purposes and will be given new, separate PSR numbers by tPR. The original scheme (assuming the transfers meet the criteria for full transfers) will therefore be treated as having made full transfers into a number of new schemes. In these circumstances, **the Board's block transfer certification requirements will apply.**

The transfers to the newly-created sections must therefore be duly notified to the Board. For transfers into or between existing sections of schemes, **the Board's block transfer certification requirements will apply**, as each section is, by law, treated as a separate scheme.

New schemes

- 3.12 Schemes should note that if a full transfer is to a newly established scheme that would be a New Scheme under the Levy Determination, or a scheme that is not yet required to complete a section 179 valuation, **the Board's block transfer certification requirements will apply**.

Transfers accepted in previous levy years

- 3.13 Where a transfer was certified and accepted for use in the 2010/11 levy invoice, no further information is submitted and accepted for use as described below and no formal section 179 valuation has been submitted that post-dates the transfer used in 2010/11, the information used in 2010/11 will be carried forward and used for calculating the levy in 2011/12.

Qualifying transfers

- 3.14 The Board's Levy Determination does not place requirements on schemes in respect of qualifying transfers. This is because the Board, in the absence of any transfer information, would still be able to levy both schemes as the transferring scheme would not have become ineligible. In such circumstances the Board provides schemes with the choice of either notifying the transfers to the Board so that the liabilities can be appropriately apportioned between the schemes' levy invoices, or of deciding not to notify the transfer and instead agreeing the payment of the levy invoices between them.
- 3.15 Because the Board does not require qualifying transfers to be notified, the Poor Data Methodology does not apply to schemes that do not comply with the provisions on qualifying transfers.

Examples

- 3.16 **Scheme A transfers Deborah to Scheme B, David to Scheme C, and Alex to Scheme D.**

This is not a Full Transfer or a Qualifying Transfer. For a Full Transfer, the requirement is that members are transferred **in groups of two or more** to one or more other schemes. Transferring individual members would not trigger the requirement. For a Qualifying Transfer, the requirement is that liabilities in respect of **two or more members** are transferred **to another single destination** (being a scheme or insurance company);

- 3.17 Scheme A transfers Richard and Evan to Scheme B on 1 February 2010, and, on 2 February 2010, Ian and Simon to the same Scheme B. Combined, the transfers total £1.5m; Richard and Evan’s transfer is £750,000 and Ian and Simon’s transfer is £750,000.**

This is not a Qualifying Transfer or a Full Transfer. Although the transfers, grouped together, might meet the materiality threshold set out in the Determination, the transfers must take place on the same day.

- 3.18 Scheme A transfers Pete and Anna to Scheme B, and, on the same day in February 2010, Catherine and Jeff to Scheme C. Combined, the transfers total £1.5m; Pete and Anna’s transfer is £750,000 and Catherine and Jeff’s transfer is £750,000.**

This is not a Qualifying Transfer or a Full Transfer. Although the transfers, grouped together, might meet the materiality threshold set out in the Determination, and are on the same day, the transfers must be to a single destination.

- 3.19 Scheme A transfers all of its assets to Scheme B on 30 May 2010, but leaves 2 members in Scheme A. The value of the assets transferred is £1.6m.**

This is not a Full Transfer as Scheme A has 2 members left. However, it is not a Qualifying Transfer for levy year 2011/12 either, as it took place after the cut-off of 1 April 2010. Scheme A remains an eligible scheme as it has 2 members left, but as the transfer is neither a Full Transfer nor a Qualifying Transfer it will not be taken into account for levy purposes.

- 3.20 Scheme A transfers all of its assets but not all of its liabilities to Scheme B on 28 February 2011, leaving 1 member in Scheme A.**

This is a Full Transfer, and Scheme A will be ineligible for the PPF levies because it has fewer than 2 members.

- 3.21 Scheme A completes a transfer all of its assets and liabilities to an insurance company arrangement on 28 February 2011.**

This is not a Full Transfer, as a transfer will only be a Full Transfer if it is to another PPF-eligible scheme. It is not a Qualifying Transfer either, as it took place after the cut-off date of 1 April 2010. In these circumstances, the members in question have left the PPF universe, and Scheme A will be ineligible as at the start of the 2011/12 levy year, so no levy invoices would be raised. Scheme A should be able to notify the transfer on Exchange by selecting

“insurance company” as the receiving scheme. If Scheme A is unable to do so, it may notify it to the PPF using the manual Block Transfer Form, and should then make an application to be deemed ineligible for the PPF levies.

3.22 Scheme A completes a transfer of all of its assets and liabilities to an insurance company arrangement on 30 May 2011.

This is not a Full Transfer, as it is after the deadline for a Full Transfer to be accepted for levy year 2011/12, and it will also only be a Full Transfer if it is to another PPF-eligible scheme. In these circumstances, Scheme A remained eligible as at the start of the levy year, so would be levied in full in respect of the transferred members.

3.23 Scheme A transfers all of its assets and liabilities to Scheme B on 30 May 2011.

This is not a Full Transfer, as it took place after the deadline for a Full Transfer to be accepted for levy year 2011/12. In these circumstances, Scheme A remained eligible as at the start of the levy year, so would be levied in full in respect of the transferred members.

Part 4 - Certification

4.1 To report a block transfer to the PPF, the appropriate screens on **Exchange** must be completed by the appropriate deadline by both the transferring scheme and the receiving scheme(s) if appropriate (see paragraphs 4.4 to 4.5). Except in relation to the transferring scheme where there has been a full transfer (for which see below), each transfer requires submission of the following information:

- Basic transfer information
 - Whether the transfer is a full or a partial transfer
 - Name and PSR number of the appropriate counterparty (i.e. the receiving scheme or transferring scheme)
 - Total amount of assets transferred
 - Date of first transfer payment (referred to as the “Liability transfer date” in the Transfers Appendix to the Determination)
 - Date of last transfer payment
- Valuation details of transferring scheme and receiving scheme post-transfer¹, comprising the following information:
 - Effective date of valuation
 - Version of S179 valuation guidance used
 - Version of S179 assumptions guidance used
 - Total assets
 - Percentage of assets relating to insurance contracts not included in the scheme accounts
 - Active members’ liabilities, excluding expenses
 - Deferred pensioners’ liabilities, excluding expenses
 - Pensioners’ liabilities, excluding expenses
 - Estimated expenses of winding up
 - Estimated expenses of benefit installation/payment
 - External liabilities
 - Total protected liabilities
 - Percentage of active members’ liabilities matched by insurance contracts
 - Percentage of deferred pensioners’ liabilities matched by insurance contracts
 - Percentage of pensioners’ liabilities matched by insurance contracts
 - Proportion of active members’ liabilities relating to service before 6 April 1997
 - Proportion of deferred pensioners’ liabilities relating to service before 6 April 1997
 - Proportion of pensioner members’ liabilities relating to service before 6 April 1997
 - Proportion of active members’ liabilities relating to service between 6 April 1997 and 5 April 2009

¹ Other than in the case of the transferring scheme in the case of a full transfer, where the valuation position post-transfer is not required.

- Proportion of deferred pensioners' liabilities relating to service between 6 April 1997 and 5 April 2009
 - Proportion of pensioner members' liabilities relating to service between 6 April 1997 and 5 April 2009
 - Proportion of active members' liabilities relating to service after 5 April 2009
 - Proportion of deferred pensioners' liabilities relating to service after 5 April 2009
 - Proportion of pensioner members' liabilities relating to service after 5 April 2009 (which, for reporting purposes for 2011/12, can be aggregated with the figure for liabilities relating to service between 6 April 1997 and 5 April 2009 so does not need to be identified separately)
 - Number of active members at the valuation date
 - Number of deferred pensioners at the valuation date
 - Number of pensioners at the valuation date
 - Average age of active members
 - Average age of deferred pensioners
 - Average age of pensioners
 - For the transferring scheme in relation to a full transfer, the actuarial transfer information is a declaration on **Exchange** that the transferring scheme has fewer than 2 members as a result of the full transfer and that **Exchange** will be updated if at any time in the future the transferring scheme has 2 or more members.
 - Certification that the valuation has been carried out in accordance with the Pension Protection Fund (Valuation) Regulations 2005 and with the appropriate section 179 guidance and assumptions issued by the Board of the Pension Protection Fund with the exception that a) the total assets may not have been taken from audited accounts since these were either not yet available or will not be prepared for the scheme at this date, and b) the requirement set out in regulation 7(1) might not be satisfied at the date of the certification
 - Certification that the calculated value of the protected liabilities is, in the actuary's opinion, unlikely to be understated and that the value of the assets is unlikely to be overstated
- 4.2 Separate certification is required for each separate section or segregated part of a multi-employer scheme, in cases where liabilities are transferred to more than one scheme or section.
- 4.3 In the case where a scheme has discharged its liabilities through the purchase of annuity policies with an insurance company (in which case the contracts of insurance would be in the name of the members) block transfer information may be submitted and the relevant insurance company selected as the counterparty. In these cases, only the "transferring scheme" sections are required to be entered on **Exchange**.
- 4.4 Similarly, where a scheme has transferred its liabilities to an insured defined contribution scheme or to a scheme that is not

required to record data on **Exchange** (eg a public sector pension scheme) only the appropriate part needs to be filled in.

- 4.5 Where a scheme has received a transfer from a scheme that is not required to record its data on **Exchange**, the transfer should be completed using the Block Transfer Form at Appendix 1. Schemes should email the completed form to information@ppf.gsi.gov.uk with the subject heading "Block Transfer Submission", providing contact details in case of any queries. The email submission must be sent so that it is **received** by the PPF in accordance with the specified deadlines in the Determination for submission of block transfer information.
- 4.6 Usually the scheme actuary will submit the information, although a substitute who is authorised by the actuary to input data on Exchange on behalf of the actuary is permitted to do so.

Basis of certification

- 4.7 Where an actuary certifies on Exchange that the calculated value of the protected liabilities is unlikely to be understated and that the value of the assets is unlikely to be overstated, the Board does not regard this certification as entirely unqualified. Rather, the Board will regard actuaries as having provided this certification on the following basis:
- (a) That the actuary has rolled forward (or backward) the assets in an appropriate manner;
 - (b) That the actuary has no reason to believe that the amount shown is more than the actual asset value at that date;
 - (c) That estimates of asset values at a date can increase or decrease significantly (for example, as the processing of sales/purchases implemented on or before that date may not be completed), and that the asset value has not been adjusted to reflect this general uncertainty;
- 4.8 The Board does not regard the actuary's certification as extending to the following:
- (a) an opinion that the assets are not actually overstated, in particular (although not exclusively) in respect of schemes with significant holdings in unquoted/illiquid investments;
 - (b) a confirmation that the actuary has taken steps to determine that the scheme accounts are fair and reasonable.
- 4.9 We are aware that some actuaries have previously provided accompanying notes explaining the basis on which the certification has been provided. The Board is happy for this practice to continue, and accompanying notes may be emailed to

information@ppf.gsi.gov.uk with the subject heading “Block Transfer Accompanying Notes”, and stating the PSR of the scheme in question.

Part 5 - Calculating the estimated section 179 position

- 5.1 The valuation should be carried out in accordance with the Pension Protection Fund (Valuation) Regulations 2005 and with the appropriate section 179 guidance and assumptions issued by the Board of the Pension Protection Fund, with the following exceptions:
- that the assets do not need to be taken from audited accounts if these are not available or will not be prepared for the scheme at the effective date of valuation; and
 - the requirement set out in regulation 7(1) may not be satisfied at the date of the certification.
- 5.2 The same effective date must be used for the valuation of the assets and the liabilities.
- 5.3 The valuation should cover the total assets and liabilities of the scheme at an effective date after the transfer value(s) have been paid. This need not be the date immediately after the transfer. A convenient date (for example the scheme accounting date or a month end) may be used.
- 5.4 In cases where it would not be cost effective for the actuary to carry out a full accurate valuation of the relevant scheme, suitable approximations may be made. In all cases the actuary should be mindful of the requirement not to understate the value of the protected liabilities and not to overstate the assets, and should understand the basis on which the certification is expected to be made (see paragraphs 4.7 – 4.9 above).
- 5.5 If an audited asset statement is not available at the valuation date, it is expected that the actuary will be able to place a best estimate or prudent valuation on the assets using the techniques commonly used for other types of valuation (for example in pensions accounting under FRS17 or IAS19).

APPENDIX – Block Transfer Form

This form is **only** to be used where the block transfer cannot be completed in full on Exchange.

Transfer Valuation for transferring/receiving scheme following a transfer to/from a PPF ineligible scheme

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This form is *only* for transfers to or received from a *PPF ineligible scheme*, the details of which cannot be entered on Exchange. Any transfers between two PPF eligible schemes or from a PPF eligible scheme to a Defined Contribution scheme or insurance company must be entered in Exchange. The valuation should show the position after the transfer has taken place.

The information provided in this certificate must be consistent with the most recent block transfer valuation information that has been calculated and certified by the scheme actuary. It is a criminal offence under Section 80 of the Pensions Act 2004 for any person knowingly or recklessly to provide false or misleading information to the Regulator in circumstances in which the person providing the information intends or could reasonably be expected to know that it would be used by the Regulator for the purposes of exercising its functions. It is a criminal offence under Section 195 of the Pensions Act 2004 knowingly or recklessly to provide false or misleading information to the Board of the Pension Protection Fund in the knowledge that the information will be used to calculate the pension protection levy.

Please refer to the attached copy of the Exchange Help File for information on how to fill in this form

Please complete all fields

Your scheme	
PSR	<input type="text"/>
Scheme Name	<input type="text"/>
Details of transfer	
Counterparty scheme name	<input type="text"/>
Effective date of transfer	<input type="text"/>
Direction of transfer	<input type="text" value="IN OR OUT"/>
Amount of transfer	£ <input type="text"/>
S179 valuation	
Effective date of this valuation (dd/mm/yyyy)	<input type="text"/>
Guidance and assumptions	
S179 guidance used for this valuation	<input type="text"/>
S179 assumptions used for this valuation	<input type="text"/>
Assets	
Total assets (this figure should not be reduced by the amount of any external liabilities entered below)	£ <input type="text"/>
Liabilities	
Please tell us liabilities, excluding expenses, for:	
Active members	£ <input type="text"/>
Deferred members	£ <input type="text"/>
Pensioner members	£ <input type="text"/>
Estimated costs of winding up	£ <input type="text"/>
Estimated expenses of benefit installation/payment	£ <input type="text"/>
External liabilities	£ <input type="text"/>
Total protected liabilities including expenses	£ <input type="text"/>

Transfer Valuation for transferring/receiving scheme following a transfer to/from a PPF ineligible scheme

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Pension
Protection
Fund

Insured benefits

Insurance policies and matched liabilities that are required to be included in the section 179 valuation

Percentage of the assets shown above held in the form of a contract of insurance where this is not included in the asset value.

 %

Please provide the percentage of the liabilities shown above that are matched by insured annuity contracts for:

Active members

 %

Deferred members


 %

Pensioner members

 %

Proportion of liabilities

Please tell us the proportion of liabilities which relate to service in all different tranches:

	Before 6 April 1997	6 April 1997 to 5 April 2009	After 6 April 2009
Active members	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
Deferred members	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
Pensioner members	<input type="text"/> %	<input type="text"/> %	 %

Number and average ages of members

Please provide the number of members and average age (weighted by protected liabilities) as at the effective date of this valuation, for each member type, rounded to the nearest whole year.

	Number	Average Age
Active members	<input type="text"/>	<input type="text"/>
Deferred members	<input type="text"/>	<input type="text"/>
Pensioner members	<input type="text"/>	<input type="text"/>

Certification

Please tick both of the boxes below and sign and date the certificate before returning it to the Pension Protection Fund by email to information@ppf.gsi.gov.uk.

Please refer to the PPF's Block Transfer Guidance when providing the certifications below.

I certify that this valuation has been carried out in accordance with the Pension Protection Fund (Valuation) Regulations 2005 and with the appropriate section 179 guidance and assumptions issued by the Board of the Pension Protection Fund with the following exceptions: a) that the total assets may not have been taken from audited accounts since these are either not yet available or will not be prepared for the scheme at this date; and b) that the requirement set out in regulation 7(1) may not be satisfied at the date of this certificate.*

I certify that the calculated value of the protected liabilities (excluding the external liabilities) is, in my opinion, unlikely to be understated and that the value of the assets is unlikely to be overstated.*

Your name

Your email address

Date

Signature

Accompanying notes for the hard copy version of the 2011/12 block transfer certificate

Effective date

This is the 'relevant time' for the purposes of s179 of the Pensions Act 2004 and it means the date in relation to which the assets and liabilities of the scheme are calculated (See Pension Protection Fund (Valuation) Regulations 2005 [SI 2005/672]).

Guidance and assumptions

Please ensure that the guidance and assumptions that you use comply with the correct **effective date** and **signing date** as per the following tables:

a) **Effective date** on or after 31 October 2009

Signing date	Version number of section 179 guidance	Version number of section 179 assumptions
On or after 31 October 2009	G5	A5

b) **Effective date** between 1 April 2009 and 30 October 2009 (inclusive)

Signing date	Version number of section 179 guidance	Version number of section 179 assumptions
On or after 1 April 2009	G5	A4

c) **Effective date** between 31 March 2008 and 31 March 2009 (inclusive)

Signing date	Version number of section 179 guidance	Version number of section 179 assumptions
On or after 1 October 2009	G5	A4
Between 1 April 2009 and 30 September 2009 (inclusive)	G4 or G5	A4
On or before 31 March 2009	G4	A4

d) **Effective date** between 6 April 2007 and 30 March 2008 (inclusive)

Signing date	Version number of section 179 guidance	Version number of section 179 assumptions
On or after 1 October 2009	G5	A3
Between 6 April 2007 and 30 September 2009 (inclusive)	G4 or G5	A3

For effective dates before 6 April 2007 please refer to our website for the valid combinations of valuation and assumptions guidance.

Assets

Please enter monetary amounts where required in pounds, not thousands or millions.

Earlier versions of the s179 certificate required you to deduct external liabilities from the value of the assets. However, you should complete the certificate in line with the current format, which requires you to:

- NOT reduce the assets by the amount of external liabilities, but
- Include the external liabilities in the total protected liabilities figure

Please also include any addition to the assets recorded in the relevant accounts to allow for contracts of insurance – see SI 2005/672 as amended for more information.

Issued: May 2011

Liabilities

Please enter monetary amounts where required in pounds, not thousands or millions. Please do NOT include the expenses within the active, deferred and pensioner components, even where this was the approach taken in the past.

Total protected liabilities

This should include the external liabilities.

Note, external liabilities are **not** money purchase benefits, AVCs or annuities that have been secured outside the scheme. External liabilities are items such as professional advisers' fees which have been incurred prior to the date of the section 179 valuation but had not been deducted from the pension scheme's asset value in the audited accounts at that date.

Insured assets

Please provide the percentage of assets that relates to deferred or immediate annuities purchased to match members' benefits that are not included in the asset value.

Insured liabilities

Please provide the percentage of liabilities in respect of members whose scheme benefits were fully matched by deferred or immediate annuities purchased in the trustee's name.

Proportion of liabilities

If you do not have these figures available then please write N/A. Please do not enter 0% unless this is the correct figure (i.e. all liabilities for that category are in respect of post 1997 service).

Average ages

These should be weighted by the s179 liabilities provided on the certificate. If not available, please provide average ages using the method you consider to be most appropriate.