

27 February 2007

To All Members

Dear Member

GN29: Occupational Pension Schemes – Advisers to the Trustees(GN29)

Introduction

Version 6.0 of GN29, which was entitled *Occupational Pension Schemes – Advisers to the Trustees or a Participating Employer*, came into effect on 6 April 2005 as a Fast Track Guidance Note. An Exposure Draft, EXD71: *Occupational Pension Schemes – Advisers to the Trustees*, which represented a major revision and restructuring of Version 6.0 of GN29, was then issued in October 2006.

The purpose of this letter is to inform you that GN29 version 7.0 is now being issued following consultation on EXD71. It comes into effect on 1 April 2007.

For the avoidance of doubt, members should be aware that Appendix A, which defines and gives guidance to Trustees' Advisers, forms part of the GN and is therefore practice standard.

Detail

The changes made to EXD71 following the consultation were minor clarifications and restructurings, including:

- The definition of Trustees' Adviser has been clarified, including clarification of the nature and extent of 'direct contact' with the trustees and the position of relevant persons who act as a trustee or trustee director. Such relevant persons come under the definition of Trustees' Adviser. However, if, for example, a relevant person who is a trustee or trustee director does not have any relevant pension expertise or sufficient information to form an opinion he or she will not, in practice, have any responsibilities falling within section A 2. In particular, paragraph A 2.2 specifically confirms that no action under A 2.2 is required of a relevant person who does not have relevant expertise to form an opinion on a matter.
- It has also been clarified that the definition of Trustees' Adviser does not include a relevant person employed by an insurance company whose only direct contact with trustees is to provide factual information about the operation of his or her firm's policies.

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- In EXD71 a 12 month transitional period was proposed for Scheme Actuary appointments held at 1 April 2007 so that they would not need to comply with the new requirements in Section 2 which affect appointment terms until 1 April 2008. This transitional period has now been extended to new appointments which are accepted in the period from 1 April 2007 to 30 June 2007 inclusive.
- Paragraphs 3.2.1 and 3.2.2 now allow the Scheme Actuary to omit reports which, in his or her opinion, would no longer in any circumstances be relevant to any future decision on reporting to the Pensions Regulator.
- In paragraph 5.1 it is clarified that a *Scheme Actuary* is not required to police the trustees' compliance with a relevant Code of Practice or Guidance.
- Some additions have been made to Appendix B.

The changes made to GN29 version 6.0 in EXD71 were major revisions and restructurings. These were outlined in the covering letter to members which is available at <http://www.actuaries.org.uk/files/pdf/pensions/exd71cl.pdf>

Version 7.0 of GN29 can be found from the effective date, on the profession's website at http://www.actuaries.org.uk/link/pensions/pensions_gns.xml.

Before the effective date, it can be found at: http://www.actuaries.org.uk/link/professional_affairs/prof_standards.html

A track changes version, showing the changes between version 7.0 and EXD71 can be found at: www.actuaries.org.uk/link/pensions/pensions_gns_track.xml.

Board for Actuarial Standards

GN29 is a Guidance Note that has been retained by the Profession and is not one therefore that is to be adopted by the Board for Actuarial Standards.

Yours sincerely



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