



PRESS RELEASE

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HamishWilson says size of tPR's first contribution notice is 'very surprising' and small schemes should beware

HamishWilson, the specialist pensions adviser, today said that the recent contribution notice recently approved by tPR's Determinations Panel against Michel Van De Wiele N.V. (VDW), the Belgian parent of the principal employer of the Bonas Group Pension Scheme, is a 'very surprising' result at the relatively small sum of £5.089m.

Commenting Gary Tansley, Consultant at HamishWilson & Co said, 'In a nutshell, tPR accused VDW of putting Bonas UK Limited through a pre-pack administration in 2006, paying off all creditors other than the pension scheme and buying back the business free of the pension liabilities, which have been dumped onto the Pension Protection Fund (PPF). It did all this without consulting the trustees or seeking clearance from tPR and, seemingly, fully aware that this contravened the anti-avoidance provisions of the Pensions Act 2004.'

Tansley added, 'Given tPR's risk-based approach (which suggests an emphasis on larger schemes that have larger numbers of members and pose more of a threat to the PPF) and the time and effort required to put a case to the Determinations Panel, many in the pensions industry were expecting the first contribution notice to be issued in a higher profile case.'

The lesson from all this is that there is no room for complacency and even small employers should not feel complacent about the risk of tPR coming after them if they fall foul of the anti-avoidance legislation.'

THE END

FOR EDITORS:

About HamishWilson

We are a specialist actuarial and pension consultancy providing fresh perspectives on all pension issues. We deliver advice on all aspects of pensions – not just on the “big issues” of benefit design, funding, investment strategy, transactions and accounting – but also the timely day-to-day care and problem-solving involved in any relationship.

Unlike other consultants, we don't start from the premise that a pre-determined solution is appropriate. We offer thoughts, ideas, concepts, approaches and challenge thinking; embracing your objectives for your schemes. We've seen how clients can be under-served or neglected in bigger consulting firms and are pleased to say our clients choose us because we are an excellent fit to their business. They know we have the commitment and expertise to meet their needs fully to the quality they expect and, crucially, they matter.

www.hamishwilson.com

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