



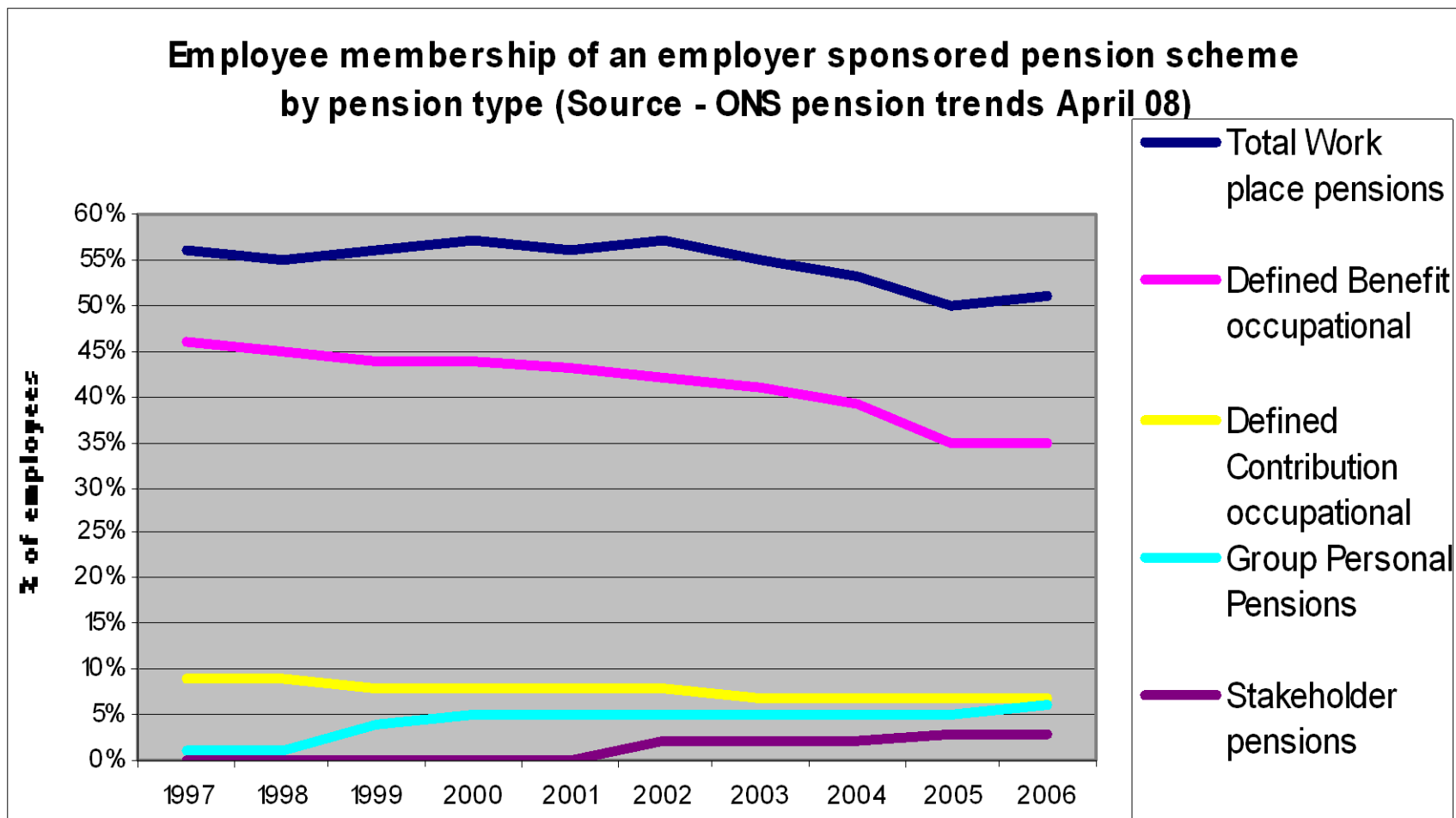
Supervising DC schemes in the UK

Alistair Elliott, Regulatory Policy team, the Pensions Regulator
OECD/IOPS MENA Workshop on Pension Scheme Governance
3 February 2009

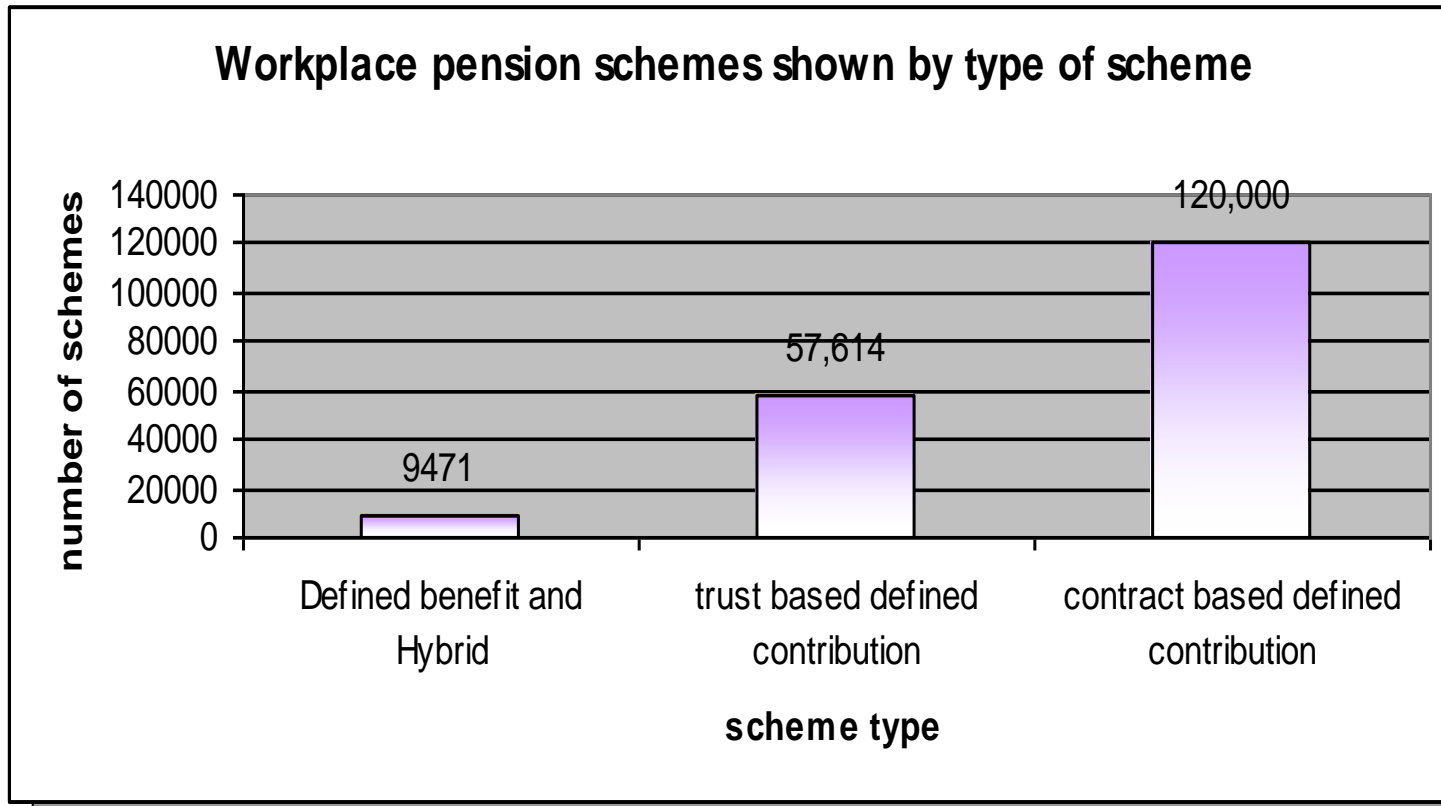
Overview

- DC Landscape
- Regulatory Approach
- DC Issues

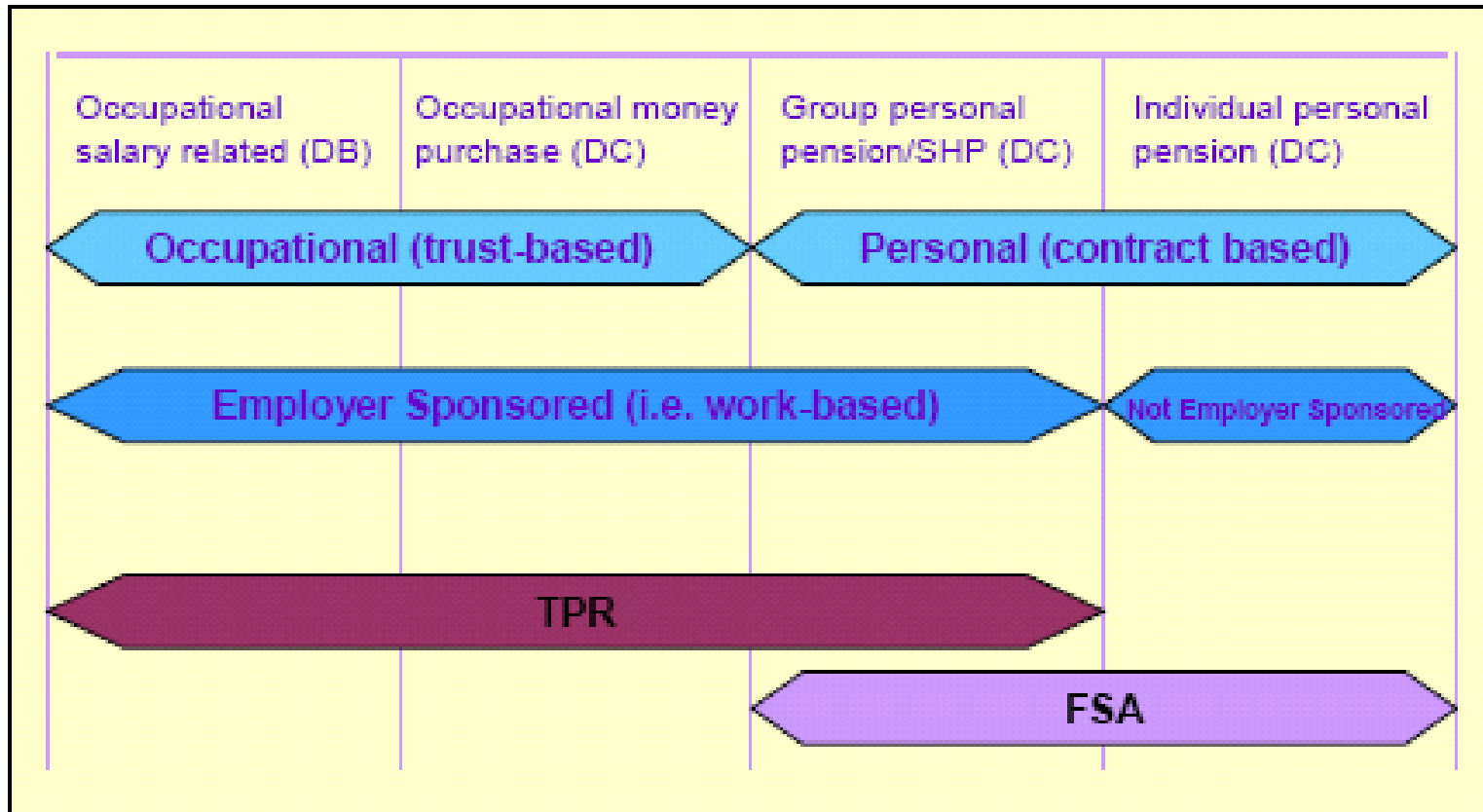
The existing pensions landscape is changing



Pensions Universe - schemes

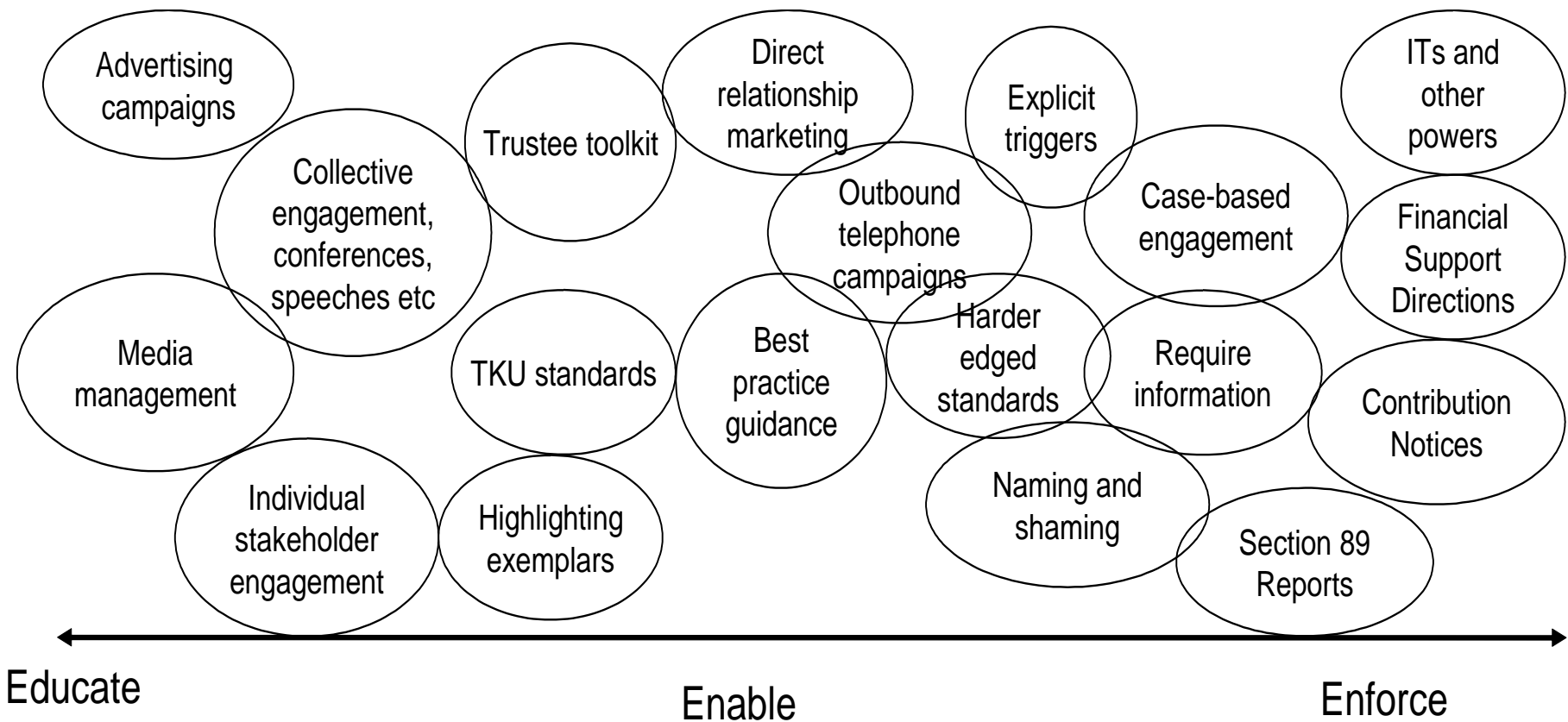


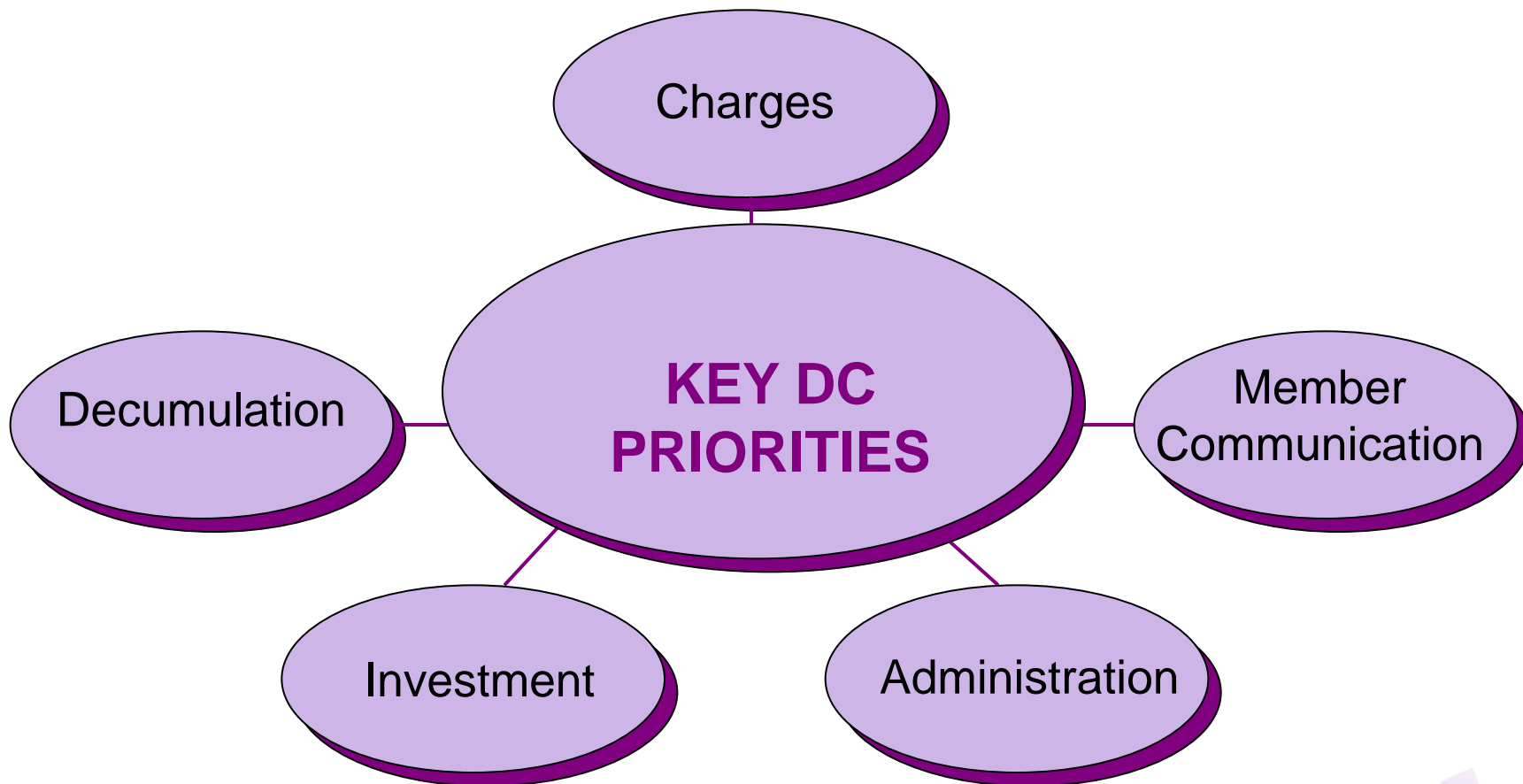
Pensions landscape



Source: Pensions Commission

Regulatory Interventions





Member communications

- Number one DC risk?
 -Join
 -Contribution level
 -Fund
 -Taking benefits
- Trustee guidance on member communications
- Member guide on investment

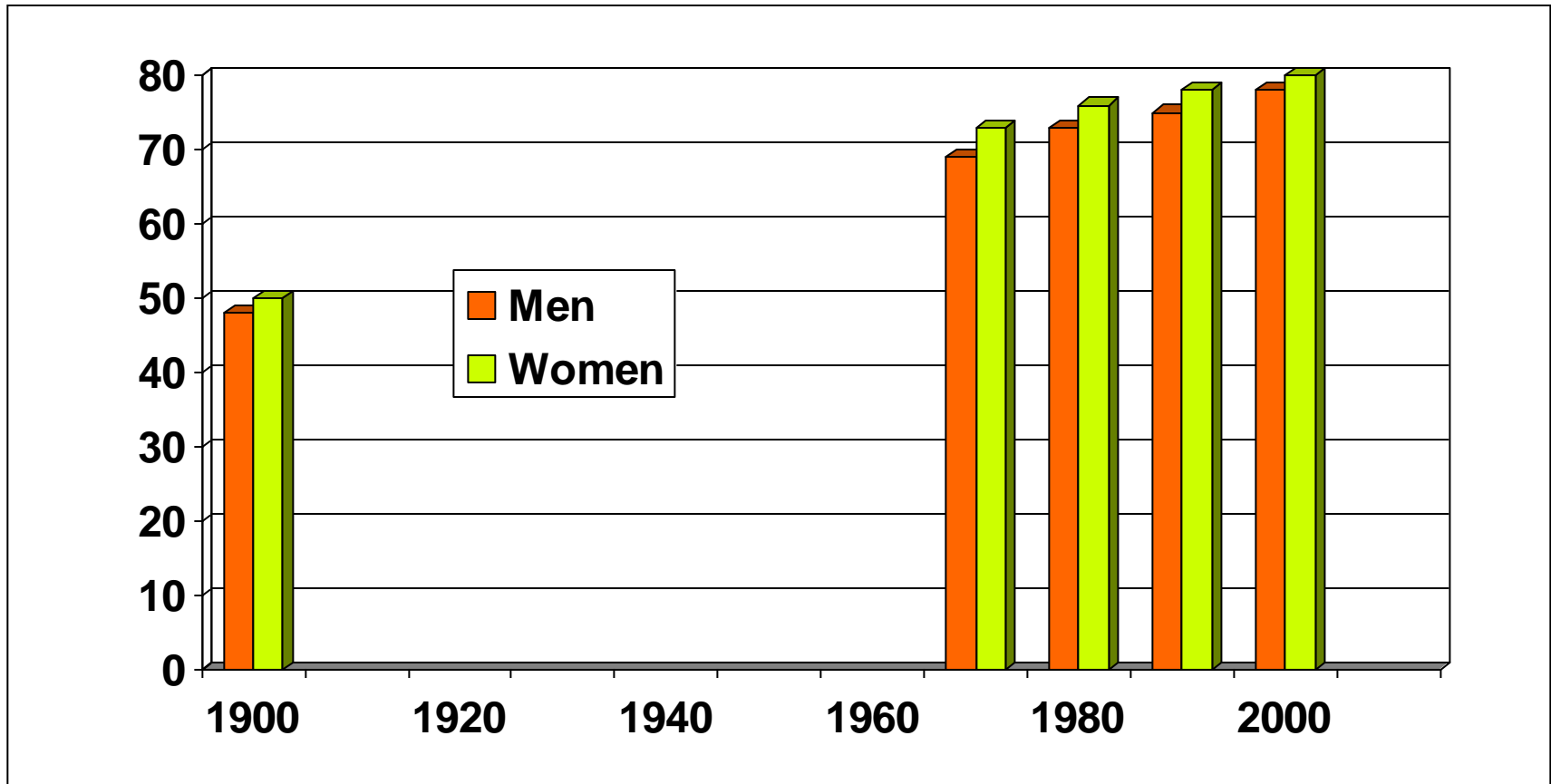
Investment

- Member's choice of funds
- The default option
- The Investment Governance Group
 - Effective decision-making
 - Clear objectives
 - Risk and liabilities
 - Performance and assessment
 - Responsible ownership
 - Transparency and reporting

Administration

- Specific statutory objective
- The glue that holds a scheme together
- Not delivering accurate or timely benefits
- Transfers
- Record-keeping guidance
- Wind-up focus

Retirement – life's longest holiday!



Decumulation

- Retirement options guidance published
- Critical stage in members' retirement planning process
- Trustees have a key role to play
- Open market option
- Importance of good advice

Charges

- Focus on charges borne by members
- Many schemes under 1% pa
- Transparency

Summary

- DC is one of our 4 strategic themes
- Key aims are to **educate** and **enable**
- Enforce as a last resort
- Key performance indicators to track progress
- 2012 changes

www.thepensionsregulator.gov.uk

www.trusteetoolkit.com