

PENSIONS ACT 2004, PART 2 CHAPTER 6

APPEAL TO PENSION PROTECTION FUND OMBUDSMAN

DETERMINATION BY THE DEPUTY PENSION PROTECTION FUND OMBUDSMAN

- Applicant** : Mr J Ingram, Trustee of the Pension Scheme of the Royal Star & Garter Home for Disabled Ex-service Men & Women
- Scheme** : The Pension Scheme of the Royal Star & Garter Home for Disabled Ex-service Men & Women

1. The Pension Protection Fund (**PPF**) Ombudsman has received a reference of a reviewable matter, following a decision by the Reconsideration Committee of the PPF dated 9 June 2008.

BACKGROUND

2. On 21 March 2007, the Director of Finance and ICT at the Royal Star & Garter Home (the **Director**), contacted Dun & Bradstreet (**D&B**) to say that he had been told that the Royal Star & Garter Home's (the **Home's**) D&B rating had been reduced from 89 in the previous year to 52. He asked D&B to call him to discuss how the rating had been assessed so that he could ensure that D&B had the necessary information to make a "correct assessment". The Director has since explained that he also tried to speak to D&B by telephone, but was unable to make contact. He has explained that the Home anticipated that the levy for 2007/08 would be relatively modest, based on the levy for 2006/07, and so "reluctantly accepted" the inability to make contact with D&B.
3. The 2006/07 risk-based levy was £72.32, whereas the 2007/08 risk-based levy is £37,050.
4. The Director submitted an appeal to D&B on 31 October 2007, on the grounds that:
 - The failure score did not reflect the good financial standing of the Home;

- They had tried to contact D&B by telephone and e-mail to ensure that appropriate financial information was available for the purpose of the 2007/08 levy, but had been unable to elicit a response;
 - The name of the Principal Employer had been incorrectly recorded; and
 - They would send D&B a copy of the audited accounts for the year ended 31 December 2006.
5. D&B responded, as follows:
- At the time, D&B did not hold financial data for the Home;
 - In order for financial statements to be incorporated into the Failure Score calculation for the 2007/08 levy, they should have been provided prior to 30 March 2007;
 - Details of how to contact D&B were available from the PPF website;
 - They had no record of having received an e-mail in March 2007;
 - Their records showed no contact other than a telephone call from Punter Southall, on 20 March 2007, to check the failure score as at that date;
 - The accounts would only affect the failure score going forward;
 - The Failure Score of 59 as at 30 March 2007 would stand for the purposes of the 2007/08 levy.
6. In November 2007, the Director e-mailed a set of the Home's accounts to D&B. D&B acknowledged receipt of the accounts and advised the Director that, as at 19 November 2007, the Home's failure score was 91.
7. In his application for review of the levy, the Director explained that the Employer had paid special contributions totalling £1.5 million into the Scheme during 2005 and 2006 (with a further payment of £0.5 million due on 1 December 2007). He also said that the Employer's accounts showed a net increase in "Total Charity Funds" from £25 million as at December 2005 to £31.1 million as at December 2006.
8. In subsequent correspondence with the PPF, Mr Ingram said that the Failure Score had been revised to 91 on the basis of the audited accounts for the Home for the year

ended 31 December 2006. He calculated that, if this failure score had been used for the 2007/08 levy, it would have resulted in a risk-based levy of £3,374.

9. The PPF asked the Director what information he would have been able to provide if he had been able to make contact with D&B. He replied that the Home's accounts for the year ended 31 December 2005 had been filed in 2006 and were available from the Charity Commission or the Home. The Director explained that these accounts showed net assets (excluding pension liability) of £28.6 million. He also said that the Home's Governors had received draft accounts for the year ended 31 December 2006 by 27 March 2007 and that these were little changed when published.
10. The PPF have explained that, when they receive a review application concerning D&B failure scores, they do contact D&B for any information which might be helpful in determining the review. With regard to the Home, the PPF received the following information from D&B,

“I can now confirm the failure score changes were due to changes in the payment data we held at the time. The changes happened over a 7 month period as follows.

18/08/06 Failure score changed from 89 to 85 (Score declined due to payment data current paydex¹ at the time and variance month on month).

01/09/06 Failure score changed from 85 to 81 (Score declined due to payment data, most recent paydex compared to paydex 12 month ago).

08/02/07 Failure score changed from 81 to 52 (Score declined due to payment data, Percentage of satisfactory trade).

22/03/07 Failure score changed from 52 to 59 (Score improved due to paydex score improvement).

The D&B database is dynamic and is constantly fed by a large amount of different data updates, including financial data, mortgages & charges, County Court Judgments, Principal data and general demographics and failure data, D&B proprietary data such as business interviews by our call centre and actual payment experiences from our Trade program. The scorecard will constantly recalibrate the scores as the combination of data available on each case changes.”

RECONSIDERATION DECISION

11. The Reconsideration Committee decided:

11.1. The reviewable matter to which the Applicant's request for reconsideration related was the calculation by the PPF Board (the **Board**) of the pension protection levies for the Scheme in respect of the period 1 April 2007 to 31 March 2008, as set out in invoice number 10055117-000-08, dated 19 October 2007, for £39,632 (£2,582 scheme-based levy and £37,050 risk-based levy).

11.2. The calculation was a reviewable matter by virtue of paragraph 19 of Schedule 9 of the Pensions Act 2004.

11.3. The Applicant had requested the review on the following grounds:

- The risk-based levy was not calculated on the basis of the facts which were available to D&B and the PPF on 30 March 2007;
- There was no reason why D&B could not have obtained publicly available financial information about the Employer from the Charity Commission website;
- In view of the excellent financial standing of the Employer, it did not seem possible that D&B could have arrived at a Failure Score of 59 if they had used the available data;
- It was accepted that the Employer's accounts for the year ending 31 December 2006 (the **2006 Accounts**) had not been filed as at 30 March 2007, but the previous year's accounts were available from the Charity Commission and showed a similar picture of financial health;
- The increase in the risk-based levy was without warning; if the Trustees and the Employer had been warned, steps could have been taken to reduce the levy.

11.4. Certain matters contained in the Board's Review Decision, dated 4 February 2008, were not disputed. These were:

- (a) The Scheme is a multi-employer scheme; and

¹ Paydex is a term used in business, for a numerical score granted by D&B to a business as a credit score for the

(b) No certificate in respect of a recognised Contingent Asset was submitted to the Board on or before 5 p.m. on 30 March 2007; nor was a deficit reduction contribution certificate submitted before 5 p.m. on 5 April 2007.

11.5. The chronology for consultation on the 2007/08 risk-based levy was as follows:

11 September 2006	The Board issued 2007/08 Pension Protection Levy consultation
9 October 2006	Consultation period ended
21 December 2006	The Board issued 2007/08 Pension Protection Levy Estimate consultation
2 February 2007	Consultation period ended
March 2007	Consultation responses published
1 March 2007	Determination under Section 175(5) published (the 2007 Determination)
30 March 2007	Deadline for the submission of: <ul style="list-style-type: none"> • Contingent asset certificates • Section 179 valuation certificates • Scheme return updates
30 March 2007	The date at which Dun & Bradstreet calculated the appropriate failure scores
5 April 2007	Deadline for submission of deficit-reduction contribution certificates
August 2007	The Board published an information paper “Modelling Uncertainty – an introduction to the Pension Protection Fund Long Term Risk Model.

11.6. Under Section 175(5) of the Pensions Act 2004 the Board was required, before the start of each financial year, to determine, in respect of that year:

promptness of their payments to creditors.

- The factors by reference to which the levies were to be assessed;
 - The time or times by reference to which those factors were to be assessed;
 - The rate of the levies; and
 - The time at which the levies became payable.
- 11.7. A review or reconsideration of the amount of a levy was a review of the calculation of the levy in a particular case and not a review of the Board's 2007 Determination.
- 11.8. The risk-based levy had been calculated using the formula:
$$U \times P \times R \times c$$
 (subject to a cap (K) equal to $0.0125 \times$ the Scheme's protected liabilities).
- 11.9. The Committee responded to specific issues raised in the reconsideration application as follows:
- The 2006 Accounts had been published on the Charity Commission's website on or before 29 March 2007, but had not been provided to D&B by that time;
 - Paragraph 32 of the Schedule to the 2007 Determination stated,

“The Failure Score which applies to an employer shall be the failure score which [D&B] informs the Board that it has assigned to that employer, after taking such steps to identify or obtain data relating to that employer as the Board has required. For the avoidance of doubt, the failure scores to be provided to the Board are to be the normal failure scores which were or would have been assigned to that employer by [D&B] in the ordinary course of its business on and as at 30 March 2007, based on data provided to [D&B] on or before 29 March 2007 ...”
 - D&B does not refer to the Charity Commission's website in the ordinary course of its business;
 - Since the 2006 Accounts were not provided to D&B on or before 29 March 2007, the Board is not permitted to take them into account under paragraph 32;

- With regard to the Applicant’s complaint, that D&B did not respond to an enquiry on 21 March 2007, whilst a delay in responding may have occurred, this was not relevant to the reviewable matter, which was whether the levy had been calculated in accordance with the 2007 Determination;
- Any failure or delay on the part of D&B did not give rise to a basis on which a correctly calculated levy can be reviewed;
- The Board’s December 2005 consultation paper provided,

“5.2.17 A large majority of responses to question 7 agreed with the Board’s focus on a market-based approach. Some responses did, however, question whether a broad brush market approach would be appropriate for certain organisations e.g. charities and not-for-profit organisations. While the Board will keep such issues under review, we are currently satisfied that the D&B methodology is appropriate for the full range of sponsoring employers of eligible schemes.

5.2.18 As with other employers, the Board would encourage charities and not-for-profit organisations to liaise directly with D&B to understand the scoring methodology, and take action where necessary that could improve their scores. In addition, Charities’ Statement of Recommended Practice (which provides guidance to charities on the preparation of their accounts) allows charities to exclude certain heritage assets from their balance sheets. The Board suggest that charities consider using such real estate as a contingent asset to improve their levy position.”

- The Board also published and retained a Frequently Asked Question (FAQ) on its website, as follows,

“I am not legally obliged to file accounts at Companies House, would it help if I gave them to D&B

D&B are happy to receive signed, audited accounts. They can be posted or scanned/mailed and need to be supported by a ‘letter of authentication’ (delivered by post) signed by a director or authorised person of the business. The letter should confirm the accounts are an accurate representation of the business and give D&B full permission to abstract and reproduce the data.

The addition of audited accounts may or may not affect the D&B Failure Score it is one of a number of factors that are taken into consideration when assessing and calculating the probability of

failure of a business. The Failure Score can change for a number of reasons and is often as a result of a combination of factors.

Due to the integration of data across a wide range of products and monitoring services to our customers D&B will not remove the accounts, other than for historic reasons, from the database.

If you wish to provide accounts as indicated please send to ... and mail the 'letter of authentication' to ..."

- 11.10. The Reconsideration Committee upheld the original calculation of the levies for the Scheme.

APPLICANT'S GROUNDS FOR REFERENCE

12. The Applicant submits:

- The risk-based levy for 2007/08 was not calculated on the basis of publicly available facts and this gave rise to "an excessive assessment" of the levy;
- An "arbitrary and unjustified" reduction in the Employer's D&B Failure Score gave rise to "an excessive assessment" of the levy;
- The Employer's accounts for the year ended 31 December 2005 were publicly available on the Charity Commission's website and D&B and the PPF should have made use of this information and not produced "an arbitrary assessment".

WRITTEN REPRESENTATIONS

13. The PPF Ombudsman has received written representations from the PPF, which are summarised below.

The PPF

14. In addition to the points already made by the Reconsideration Committee, the PPF submits:
- 14.1. The Board has calculated the levies correctly and in accordance with the terms of the 2007 Determination.
- 14.2. Whilst the Board's application of the 2007 Determination is a reviewable matter, the 2007 Determination itself is not.

- 14.3. Neither the Board nor the Ombudsman are in a position to review the terms of the 2007 Determination, once it has been made, or to make exceptions for individual schemes.
- 14.4. Under Section 175 of the Pensions Act 2004, the Board must impose a risk-based levy and a scheme-based levy. The risk-based levy must be assessed by reference to the difference between the value of the scheme's assets and the amount of its protected liabilities, the likelihood of an employer insolvency event and certain other risk factors as the Board considers appropriate.
- 14.5. The Board must publish details of its determination on the PPF website and, on request, in a paper format.
- 14.6. Section 176 and regulations made thereunder require the Board to consult before making its determination.
- 14.7. The consultation process undertaken between September 2006 and February 2007 exceeded the statutory requirements.
- 14.8. Section 181(3) provides that the Board must determine the schemes in respect of which the levy is imposed, calculate the amount of the levy and notify those liable to pay of the amount of the levy and the due date.
- 14.9. Paragraphs 30 to 32 of the Schedule to the 2007 Determination set out how failure scores and insolvency probabilities will be obtained and used in the levy calculation. It is clear that the calculation of the levy is required to be based on the failure score assigned to the relevant employer by D&B in the ordinary course of its business and notified to the Board.
- 14.10. If a scheme's levy has been correctly calculated in the manner called for by the 2007 Determination, there is no proper basis for changing the amount of the levy on review. The power of review exists to be used where something has gone wrong with the application of the 2007 Determination in a particular case; not where the Determination has been properly applied.
- 14.11. The Employer raised a first stage D&B appeal and D&B have confirmed that the failure score assigned to the Employer was correct for the purposes of paragraphs 30 to 32.

- 14.12. Whilst further information might have been obtained by D&B, it does not in the ordinary course of its business consult the Charity Commission website.
- 14.13. The Board decided to purchase an “off the shelf” arrangement for the provision of failure scores. Although the accounts for registered charities are available on the Charity Commission’s website, to obtain and analyse the information for the charitable sector in general would require a significant degree of analysis and inputting work for D&B for which very little demand exists across its general customer base. D&B receive the relevant information for accounts filed at Companies House via an automated system.
- 14.14. It would have been impracticable for the Board to carry out its own assessment of insolvency risk in relation to every scheme employer; it has neither the expertise nor resources to do so.
- 14.15. Having chosen a provider, it was essential that a consistent and objective approach be taken, which would apply equally to every scheme. This was achieved by providing for the levy to be calculated by reference to the failure scores assigned by D&B in the normal course of its business, subject only to certain defined and clearly stated modifications.
- 14.16. The 2007 Determination does not permit or require the Board to become involved in deciding whether D&B should have assigned a higher or lower score in a particular case (paragraph 32). It is for the schemes to make representations directly to D&B and for D&B to inform the Board, in defined circumstances, if the failure score was too high or too low.
- 14.17. The Scheme appears on the mailing list for a February 2006 mailing in which the Board’s Chairman urged schemes to take the action they needed to in order to reduce their risk and benefit from a lower risk-based levy. Two factsheets were enclosed, which explained how D&B information would be used as a measure of insolvency risk and the steps which could be taken, such as contingent asset arrangements. Although the position of charities was not specifically dealt with, the factsheet referred to further information on the PPF website and provided details of helplines.

14.18. The December 2005 consultation document referred to question and answer information on the PPF website and said,

“The Board would like to encourage all sponsoring employers to obtain their D&B failure score as soon as possible, so that queries can be raised with D&B before 31 March 2006, the date at which failure scores will be measured for the purposes of the 2006/07 levy calculation.”

14.19. The information should have been sufficient to alert the Applicant or the Scheme’s professional advisers to the desirability of checking its failure score with D&B well before 30 March 2007. The FAQ (see paragraph 11.9 above) indicated that accounts not filed at Companies House would not be taken into account unless specifically drawn to D&B’s attention.

14.20. Informing the trustees of issues which might affect the scheme and the levy calculation falls within the remit of a scheme’s professional advisers.

14.21. The Board has made an effort to engage with the charitable and not-for-profit sector, as evidenced by its correspondence with the Charity Finance Directors Group and the Charity Commission.

FURTHER REPRESENTATIONS

The Applicant

15. The Applicant further submits:

15.1. Reference to the amount of work involved in obtaining and analysing information for the charitable sector indicates that D&B have chosen not to implement a system which would enable it to calculate reasonably accurate credit ratings for charities purely because of the cost of doing so;

15.2. The failure to obtain accurate information about charities is a “significant flaw” in the PPF’s approach. This flaw should be corrected by establishing a mechanism for obtaining financial information from the Charity Commission. In the meantime, they should accept information which D&B have not incorporated into their system when the levy is significantly higher than would be appropriate based on proper information.

The PPF

16. The PPF further submits:
 - 16.1. The Board's selection of an insolvency risk product provider is not a matter for the Ombudsman;
 - 16.2. Whilst the Board strives to achieve consistency of approach across eligible schemes, it also sought to achieve a cost effective solution;
 - 16.3. The information available from the Charity Commission is not made available on the same "direct feed" basis as information obtained from Companies House.

CONCLUSIONS

17. This is a reviewable matter by virtue of paragraph 19 of Schedule 9 to the Pensions Act 2004.
18. The reviewable matter in question is the amount of the risk-based levy required of the Scheme in the financial year 2007/08.
19. Under Section 175(5) of the Pensions Act 2004, the Board was required to determine the factors by reference to which the 2007/08 levies were assessed; those factors were set out in the Board's 2007 Determination. The PPF has correctly submitted that the Determination, itself, is not a reviewable matter nor is the Board able to amend the Determination on an individual application for review or reconsideration.
20. Paragraphs 30 to 32 of the Schedule to the 2007 Determination explained the derivation of P and set out the derivation of a failure score. The failure score was to be that assigned by D&B "in the ordinary course of its business". In the ordinary course of its business, D&B do not take steps to obtain the accounts of those employers who are not required by law to submit such accounts to Companies House. They will, nevertheless, take into account such information if it is submitted to them on a voluntary basis. This was not the case here.
21. Paragraph 32(e) provided for reassessment of the levy in circumstances where D&B notified the PPF that the failure score assigned to the employer as at 31 March 2006 was incorrect. However, this does not assist Mr Ingram because D&B have

confirmed, on appeal, that they consider the failure score they assigned to the Home, as at 31 March 2007, to be correct.

22. If the aim of the PPF was to adopt a consistent and objective approach as between eligible schemes in the calculation of the risk based levy, then the 2007 Determination did not match that aim as between different categories of employer, and in particular so far as charities were concerned. By this I mean the fact that D&B took steps to obtain relevant accounts from third party sources in respect of one set of employers (those obliged to file accounts with Companies House), but not for other employers (most notably charities); even though that information was readily available to them. However, D&B had been asked to produce a failure score as it would “in the ordinary course of its business”, and this is what it did.
23. I accept the PPF’s assertions that they took steps to notify schemes as to the methodology of calculating the risk based levy and encouraged liaison with D&B. Clearly however, some schemes are required to be more pro-active in providing D&B with appropriate information in order to produce an accurate failure score than others. This would not seem obviously to sit well with the consistency across eligible schemes that the PPF argue that they strive for.
24. Having said all that, it is the case that the drafting of the 2007 Determination is not the matter before me.
25. I find that the Board has calculated the risk-based levy in accordance with the provisions of the 2007 Determination and is, therefore, not required to take any action.

CHARLIE GORDON
Deputy Pension Protection Fund Ombudsman

16 January 2009

APPENDIX 1

The Pensions Act 2004

“175 Pension protection levies

- (1) For each financial year falling after the initial period, the Board must impose both of the following –
 - (a) a risk-based pension protection levy in respect of all eligible schemes;
 - (b) a scheme-based pension protection levy in respect of all schemes.

- (2) For the purposes of this section –
 - (a) a risk-based levy is a levy assessed by reference to –
 - (i) the difference between the value of the scheme’s assets (disregarding any assets representing the value of any rights in respect of money purchase benefits under the scheme rules) and the amount of its protected liabilities,
 - (ii) except in relation to any prescribed scheme or scheme of a prescribed description, the likelihood of an insolvency event occurring in relation to the employer in relation to the scheme, and
 - (iii) if the Board considers it appropriate, one or more other risk factors mentioned in subsection (3) ...

- ...

- (5) The Board must, before the beginning of each financial year, determine in respect of that year -
 - (a) the factors by reference to which the pension protection fund levies are to be assessed,
 - (b) the time or times by reference to which those factors are to be assessed,
 - (c) the rate of the levies, and

- (d) the time or times during the year when the levies, or any instalment of levy, becomes payable.

...

181 Calculation, collection and recovery of levies

...

- (3) The Board must in respect of the levy -
 - (a) determine the schemes in respect of which it is imposed,
 - (b) calculate the amount of the levy in respect of each of those schemes, and
 - (c) notify any person liable to pay the levy ...

...

Schedule 9

Reviewable Matters

...

- 19 The amount of the initial levy or any pension protection levy payable in respect of an eligible scheme determined by the Board under section 181(3)(b).”

APPENDIX 2

Determination under Section 175(5) of the Pensions Act 2004 in respect of the financial year 1 April 2007 – 31 March 2008

1. The Determination dated 1 March 2007 provided:

“2. The matters referred to in this Schedule shall be assessed, measured, quantified or estimated at such dates and in such manner as is provided for below. In the absence of such provision, it is intended that this Schedule shall be applied in accordance with the factual position as it existed at 30 March 2007.”

“4. Where this Schedule refers to certain information having been provided to the Board ... on or before a certain date, the information shall be treated as having been so provided if but only if the Board is satisfied that it has been received at the Board’s offices ... on or before the date in question ...

... Save where this Schedule specifically provides otherwise, the deadline for any information provided to the Board otherwise than pursuant to a specific request or requirement is 5.00 pm on 30 March 2007. Without prejudice to paragraph 6 and paragraph 12 below, the Board may at its discretion take account of information provided after any applicable deadline, but before the issue of notification of the amount of the levies in respect of the scheme concerned, in circumstances where it appears to the Board that:

- (a) The information was despatched at an appropriate time but was delayed in the course of post or otherwise;
- (b) The provider of the information was prevented from meeting the deadline by the temporary inaccessibility of the Board’s website, or the interruption of electronic communications, or other like cause, and the information was provided as soon as reasonably practicable thereafter; or
- (c) The information in question serves to correct a statement previously made to the Board (or to the Pensions Regulator) in the belief that it was correct, but which was in fact incorrect at the time when it was made.”

“5. It is intended that the provisions contained in this Schedule should in all cases permit the calculation of the amount of the levies in respect of a scheme. However, in the event that any situation arises for which the Schedule fails to make the provision required for a calculation to be performed, the Board hereby determines that the calculation of the levies shall be performed in such manner as, in the opinion of the Board, is reasonably

practicable and best gives effect in that situation to the general approach laid down by this Schedule. This paragraph shall also apply in any case where the Board is unable to obtain some item of information which would normally be required for the application of this Schedule in accordance with its terms.”

“6. Nothing in the Board’s determination or this Schedule shall prevent the Board from reviewing the amount of the levies calculated in respect of a scheme where it subsequently appears to the Board that the information upon which the calculation was based was incorrect in a material respect, or that a notification required by or under a certificate in relation to contingent assets has not been duly given, or that a certificate or declaration given for the purposes of this Schedule was improperly given or contained information which was incorrect in a material respect. Further, in calculating the levies in respect of a scheme the Board may disregard any such certificate or declaration if the Board believes that it has been improperly given, and may similarly disregard any information in the certificate or declaration, or in any notification or return, which is believed to be incorrect.”

“30. P (the insolvency probability associated with the employer(s) in relation to the scheme) shall be:

(a) ...

(b) In the case of a scheme with more than one employer, an amount calculated in accordance with paragraphs 35 to 39 below;

provided that if such amount exceeds 0.15, then P shall be taken to be 0.15.”

“32. The Failure Score which applies to an employer shall be the failure score which [D&B] informs the Board that it has assigned to that employer, after taking such steps to identify or obtain data relating to that employer as the Board has required. For the avoidance of doubt, the failure score to be provided to the Board are to be the normal failure scores which were or would have been assigned to that employer by [D&B] in the ordinary course of its business on and as at 30 March 2007, based on data provided to D&B on or before 29 March 2007, save only that –

...

(e) This sub-paragraph applies in any case where [D&B] informs the Board that it has decided, following representations made to it by or on behalf of the relevant trustees or managers or employer, that the failure score assigned to an employer on and as at 30

March 2007 was either too high or too low because it was based upon information which, on and as at 30 March 2007, was incorrect or incomplete by comparison with the information which should normally have been taken into account by [D&B] in assigning a failure score at that date (whether because information which should normally have been available to [D&B] at that date was not available to [D&B], or because such information was available to [D&B] but was nonetheless not taken into account in assigning the failure score). In a case to which this sub-paragraph applies, the Failure Score shall be the higher or lower failure score which [D&B] informs the Board ought to have been assigned to the employer on and as at 30 March 2007. For these purposes, the Board shall only be obliged to take into account a change to the failure score if it results from representations made to [D&B] not later than 28 days after the date shown on the original notification ...”

APPENDIX 3

The PPF Website

1. Among the Frequently Asked Questions (FAQ) on the PPF website concerning the 2007/08 levy, is the following,

“Why is my Failure Score “X” and how can I appeal it?”

If you just wish to discuss the specific data elements that have been used to determine your 30 March 2007 Failure Score, you should contact D&B’s dedicated Pension Protection Fund helpline on 0870 850 6209, or by emailing customerhelp@dnb.com.

If you then wish to query the data elements included in the calculation of that score, you may request an appeal, up to 28 days after issue of a levy invoice, again by contacting D&B's dedicated UK helpline.

D&B will then undertake a robust appeals process in every case including: stage 1- Data validation; stage 2- Score explanation; and stage 3- Escalation process: if a company still wishes to appeal against its failure score there will be a review through the D&B customer manager, scoring specialist, and finally D&B director. Further information on this appeals process is available in chapter 5 of the Pension Protection Levy Consultation Document August 2007.”