

# RETIREMENT ROUNDUP



## TISA'S RETIREMENT NEWSLETTER

Welcome to the latest edition of Retirement Roundup. We hope you find it useful, please do give us your feedback and do let us know if you have colleagues who would benefit from receiving a copy.

Renny Biggins — TISA Retirement Policy Manager

### In the News

#### Financial Claims & Guidance Bill passes into law

The Bill received Royal Assent on 10 May which is earlier than originally anticipated. It is split into two parts:

- Creation of a Single Financial Guidance Body (comprising MAS, TPAS and Pension Wise)
- Transfer of claims management regulation to the FCA

The Act will require Occupational and Personal Pension Schemes to ensure members have received appropriate pensions guidance or have opted out of receiving such guidance prior to flexibly accessing or transferring for the purpose of flexibly accessing their pension benefits.

It also sees the implementation of the pensions cold calling ban, which forms part of Government proposals to help protect members from scam activity.

To read the Act in full please [click here](#)

#### HMRC Newsletter 98

The latest newsletter was issued on 3 May 2018. This covers information on the following areas:

- Manage and Register Pension Schemes service
- Pension flexibility statistics
- Registration statistics
- Annual allowance calculator
- Lifetime allowance additional member functionality
- Relief at source for Scottish Income Tax
- Pension flexibility payments and Scottish Income Tax
- Trust Registration Service
- Reporting of non-taxable death benefits

To read the newsletter in full please [click here](#)

#### HMRC Stakeholder Forum

TISA is a member of the HMRC Stakeholder Forum which meets bi-annually to provide members with policy and technical updates. The last meeting was on 9 May 2018 and some key outputs were:

- Changes are to be made to the RPSCOM100 report to include the new RAS regulations which will include Scottish and Welsh Income Tax. This is proposed for 2019 submissions and HMRC are intending to provide a high level summary of the changes to gather industry views on implementation timescales
- The recent HMRC court case loss regarding the granting of tax relief for in-specie net contributions will be appealed
- There are no plans currently to change the PAYE process for pension income payments, which is resulting in millions being overpaid in tax every year
- The Annual Allowance calculator was recently taken offline as there were some faults. HMRC are taking this opportunity to enhance it following feedback and it is likely to be offline for weeks rather than days
- Draft legislation will be issued in respect of the mandatory reporting of non-taxable death benefits from 2019
- Guidance to be included in the next Newsletter around 'Genuine Error' and when this can be applied to BCE cancellations
- HMRC are currently in conversations regarding the Net Pay vs RAS tax relief discrepancy for low earners. The intention is to consult with industry when these have concluded

If you would like to receive the official minutes from this and future meetings, please contact [renny.biggins@tisa.uk.com](mailto:renny.biggins@tisa.uk.com)

#### DB Transfer Volumes

The DB transfer market continues to be active with an estimated 100,000 transfers taking place between 1 April 2017 and 31 March 2018.

An FOI request placed on the TPR website shows 72,700 reported transfers with a value of £14.3 billion.

TPR estimate transfers in that period to be closer to 100,000, as not all schemes who reported activity provided details on the actual number of transfers that took place.

#### ONS Pension Participation statistics

The proportion of UK employees contributing to a workplace pension has increased to around 73% in 2017. Approximately 43% of this group are contributing to a DC workplace scheme.

However, almost half of private sector employers with DC schemes contributed less than 2%. Employee levels also remain low generally, with around 45% of DC scheme members contributing less than 1%.

This highlights that whilst Auto Enrolment has been a success in terms of significantly increasing participation rates, we have a long way to go from a contribution perspective.

To read the latest ONS research statistics in full please [click here](#)

### TISA NEWS

#### Spring Retirement Seminar – Six of the best for 2018

Friday 18 May 09:00-13:00

Legal & General Plc, 1 Coleman St, London EC2R 5AA

Join us for our Spring Retirement Seminar, where leading individuals from DWP, TPR and industry provide the latest updates and share their unique insight on six key topics of the moment.

#### Speakers & Seminar Programme

Chaired by Baroness Jeannie Drake CBE, the agenda and speakers:

**Fiona Walker, Deputy Director Automatic Enrolment and Defined Contribution Pensions, Department of Work and Pensions 'Maintaining the Momentum – the response to the Auto Enrolment Review 2017'** The long-awaited consultation response was issued at the end of 2017. We look at the proposals, the impact these will have on retirement outcomes and consider the additional work that is to be undertaken by the industry in the coming months.

**Margaret Snowden OBE, Chair of Pension Liberation Group 'Pension Scams'** - Government data shows that over £43 million has been illegally obtained from scammers since April 2014, however those are only the reported numbers and the actual figure is likely to be far higher. New legislation is being introduced, however in the interim, this provides a window of opportunity for scammers and we may see a spike in fraudulent activity. We look at steps the industry could take to minimise the impact to scheme members in this interim period and consider whether the legislation goes far enough.

**Caroline Bailey, Customer Strategy & Development Director, Old Mutual Wealth** - 'The Single Financial Guidance Body (SFGB)' MAS, TPAS and Pension Wise are due to be replaced by the SFGB with an expected launch in Autumn 2018. We review its remit and initial aims, its interaction with the advice market and industry and the implications this has for consumers who are looking to access their retirement savings.

**Stewart Hastie, Senior Actuary, KPMG 'Brexit - what does this mean for pensions?'** - The UK decision to exit the EU has already impacted pension schemes. As we prepare to leave in 2019, what will the continued effect be on DB and DC schemes and what challenges will trustees, providers, employers and members face?

**Diana Illingworth, Head of Operational Taxes and Matt Hier, Project Manager, Legal & General 'Scottish Rate of Income Tax'** - Following the introduction of SRIT for schemes operating Relief at Source from April 2018, we look at the implementation experiences of one organisation, the ongoing requirements and consider the potential implications if the Basic Rate for Scotland diverges from Rest of UK in future years.

**Kim Brown, Head of Master Trusts, The Pensions Regulator 'Master Trust Regulations 2018'** - With the new regime and authorisation process expected to be implemented from October this year, we look at the aspects that existing and new Master Trusts should be focusing on to meet TPR requirements and transition smoothly into the new regime.

To book your place please [click here](#)

#### Retirement Technical and Policy next meetings

**Technical Committee:** Wednesday 6 June 2018

15:00-17:00

Venue: Legal & General Plc, 1 Coleman St, London EC2R 5AA

**Policy Council:** Wednesday 20 June 2018

14:00-16:00

Venue: Blackrock, London Drapers Gardens, Floor 12, 12 Throgmorton Avenue, London EC2N 2DL

TISA members have access to the Retirement Technical helpdesk, where we are happy to provide responses to technical queries and liaise with the appropriate bodies to resolve regulatory gaps. We are a member of the HMRC Pensions Industry Stakeholder Forum. Please email [enquiries@tisa.uk.com](mailto:enquiries@tisa.uk.com)

Members also have the opportunity to join the Retirement Technical Committee and Policy Council, where we look to resolve industry issues and help shape the future of UK Retirement in line with our manifestos. Additional working groups are set up to deal with specific areas of interest and importance.

If you have any queries or comments on the Roundup, please email [renny.biggins@tisa.uk.com](mailto:renny.biggins@tisa.uk.com)

Don't wish to receive these emails? Please email [nicola.robins@tisa.uk.com](mailto:nicola.robins@tisa.uk.com)