



**For immediate release**

**Date: 11<sup>th</sup> March 2020**

## **TISA responds to the Spring Budget**

On Thursday 11<sup>th</sup> March, the Chancellor, Rishi Sunak, delivered the Spring Budget. Sunak put on an assured performance considering the challenging and uncertain times in which he presented it, focusing on measures to support business through the coronavirus epidemic with a £30 billion package of financial support. This was co-ordinated with an emergency interest rate cut to 0.25% announced by the Bank of England earlier in the day.

TISA, the cross-industry financial services membership body, responded publicly to two announcements: the pension taper threshold increase and the promised introduction of a Digital Identity Unit.

### **Pension Tax Relief**

The Chancellor announced that the pensions tax relief threshold will be increased by £90,000 to a maximum of £240,000. Charles McCready, Strategic Policy Director, commented:

*“The increase of £90,000 to the pensions taper threshold will take 98% of doctors out of the scope of the tax. A change to this was predicted and will almost certainly help encourage more doctors to work longer hours, which is especially helpful at a time when COVID-19 is expecting to hit the NHS. More widely, it sends a signal to savers that putting money into your pension is a good thing to do.*”

*“We are pleased that the Chancellor has decided not to undertake sweeping reform of pension tax relief more generally, especially as TISA’s extensive research has demonstrated that this requires careful consideration. We hope any future changes follow a rigorous debate on options and benefits.”*

### **Digital Identity Unit**

The government announced that it will work to create a digital identity market which makes it possible for people to prove information about themselves without showing paper documents. This will help make opening a bank account, claiming benefits or buying a house simpler, safer and quicker. More secure and cost-effective online transactions will also boost business and the digital economy.

Harry Weber-Brown, Digital Innovation Director at TISA, commented:

*“TISA supports the Government’s plans to create a Digital Identity Unit as digital identity is key capability required by financial services to reduce fraud, improve customer service and that enables innovation.*”

*“TISA is developing a Digital ID scheme, which is interoperable with the Gov.UK Verify scheme, that meets all of the relevant regulatory requirements (KYC and AML) and will be positioned to consumers, as the prime means for securely identifying themselves to UK Financial Services. This will support the goal of delivering a ‘world class digital economy’.*”



## Ends

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### Notes for Editors

***TISA's ambition is to improve the financial wellbeing of UK consumers by bringing the financial services savings industry together to promote collective engagement, to deliver solutions and to champion innovation for the benefit of people, our industry and the nation.***

We do this by focusing on good consumer outcomes and harnessing the power of our broad industry membership base to deliver practical solutions, new digital infrastructure and by devising innovative, evidence-based strategic proposals for government, policy makers and regulators. This holistic approach to address the major consumer issues uniquely positions TISA to deliver independent insight, promote innovation and facilitate good practice.

TISA's rapidly growing membership is representative of all sectors of the financial services industry. We have over 200-member firms involved in the supply and distribution of savings, investment products and associated services, including the UK's major investment managers, retail banks, online platforms, insurance companies, pension providers, distributors, building societies, wealth managers, third party administrators, Fintech businesses, financial consultants, financial advisers, industry infrastructure providers and stockbrokers.

Our current strategic policy focus includes making financial guidance more widely available; financial education for young people; retirement savings and addressing consumer engagement, particularly for the vulnerable. These will form essential elements of - *Vision 2025* - TISA's strategic policy roadmap towards delivering a material impact in enhancing consumers' financial wellbeing.

Complementing our development of consumer policy and thought leadership, TISA has become a major industry delivery organisation for consumer focused, digital industry infrastructure initiatives (TeX/STAR, Digital ID, MiFID II and Open Savings & Investment). This reflects TISA's commitment to open standards and independent governance.

TISA is also recognised for the support it provides to members on a range of operational and technical issues targeted at improving infrastructure and processes, establishing standards of good practice and the interpretation and implementation of new rules and regulations. This work currently includes MiFID II, CASS, SM&CR and addressing cybercrime.



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