

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 Pensions Technical Officer

In the News

DB Transfers—FCA's Summary of key findings

DB transfers have been a hot topic for a number of months. Various factors are playing their part in the creation of a large DB transfer market. Over the last 2 years the FCA has been conducting analysis on the quality of the advice, through a review of client files and advice firm visits. Since the start of 2016, 32 firms have chosen to cease providing advice or decided to restrict their transfer activity.

88 transfers were reviewed where the recommendation was made to proceed with the transfer. Of these:

- 47% were deemed suitable
- 17% were deemed unsuitable
- 36% were deemed too unclear to determine suitability

The suitability of the recommended product was also reviewed. Of these:

- 35% were deemed suitable
- 24% were deemed unsuitable
- 40% were deemed too unclear to determine suitability

The consultation CP17/16 - Advising on Pension Transfers is now closed and we await the outcome by early 2018.

TISA is looking into conducting a sponsored research project to establish whether guidance could play a part in this space. If you are interested in learning more, please contact renny.biggins@tisa.uk.com

The cost of tax relief

Figures released by HMRC show that the total cost to the Treasury of tax relief on pension contributions jumped by more than 10 per cent last year to exceed £50 billion for the first time.

With these figures released just weeks before the Budget, this adds to the growing speculation that tax relief changes will feature.

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

Pensions in the Political Party Conferences

It was a fairly quiet affair for Pensions at this year's conferences. Some policies did emerge at the fringe events but nothing substantial from the Conservatives. Guy Opperman, Parliamentary Under Secretary of State for Pensions and Financial Inclusion stated in a fringe event that 'there is no doubt' that Government will bring the self-employed into auto enrolment. So this backs up their manifesto proposal. He also said they would consider the 'side-car' option which would allow the self-employed to access a percentage of their savings prior to retirement.

Two proposals from Labour came in the form of Collective Defined Contribution (CDC) plans, which would protect savers from longevity risks and costs in addition to providing more certainty around retirement outcomes. The other proposal was to allow women affected by the accelerated state pension age increase to retire up to two years early on a reduced pension.

The Liberal Democrats talked about equalising the tax relief rates on pension contributions between high and low earners.

HMRC Newsletter 91

The latest newsletter was issued on 29 September 2017. This covers information on the following areas:

- Scottish rate of Income Tax
- New pensions online service
- Lifetime allowance scheme administrator look-up service
- Reporting the overseas transfers charge on the Accounting for Tax Return (AFT)
- Annual Allowance
- Pensions Tax registration

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

Ageing Population and Financial Services

The FCA have issued an occasional paper relating to their Ageing Population Project. The paper sets out their findings from the research and the strategy for mitigating the potential harm arising. It is intended to:

- help firms to identify and understand the specific needs, characteristics and preferences of older consumers
- encourage sustainable change by helping to create an environment that delivers good outcomes for older consumers. This could be through firm, regulator and consumer actions (recognising the extent to which this is realistic, particularly for those who are vulnerable)
- challenge financial exclusion
- ensure firms proactively recognise the potential vulnerabilities associated with older consumers and act with appropriate levels of care
- encourage firms to consider the issues posed by demographic change, and take steps to mitigate potential risks or harm

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

TISA NEWS

Retirement Outcomes Review - Investment Life & Pensions Moneyfacts article

Following on from the recent FCA publication, Renny Biggins reviews the Interim Report and comments on the findings in the October edition of Life & Pension Moneyfacts. To view this article please [click here](#)

Seminar: The Decumulation Deep Dive

Friday 24 November 9:00-12:00
Legal & General Plc, 1 Coleman St, London EC2R 5AA

Following the launch of pension freedoms in 2015, decumulation continues to dominate pension discussions. Please join us as we delve into the world of decumulation from various perspectives including new consumer research, product innovation, investing for retirement income, drawdown alternatives and technology opportunities.

We are delighted to be hearing from Ray Chinn, NEST's new Head of Retirement Options, Henry Tapper, First Actuarial's ace blogger and Matthew Doyle, MD at Retirement Quality Mark – the independent arbiter of what 'good' looks like in retirement income - and other top speakers.

To kickstart the proceedings, our keynote speaker, Brian Corr, Head of Competition Division at the Financial Conduct Authority will be discussing the results from their recent, wide-ranging and much publicised Retirement Outcomes Review: Interim Report.

To view the full agenda and book your place please [click here](#)

TISA Annual Conference

The Annual Conference is the flagship event in TISA's seminar programme and an ever-popular event across the financial services industry. This year the Conference theme is 'Going Global: Transforming the UK into a smarter global financial centre'. Our speaker line-up is led by Nicky Morgan MP, Chair of the influential Treasury Select Committee. Continuing the political theme, Vicky Ford MP and Chris Leslie MP join our Brexit panel. The programme also features leading economists Rupert Harrison from Blackrock—a former Chief of Staff to the then Chancellor George Osborne and KPMG's Bill Robinson—who has served as Director of the IFS and was once a special adviser to the Chancellor. With presentations on FinTech, the Information Commissioners Office on GDPR and an update on retirement savings, it's a packed event and we hope to see you there. For full details and to book your place please [click here](#)

Retirement Technical and Policy next meetings

Technical Committee: Tuesday 28 November
14:00-16:00
Venue: TBC

Policy Council: Tuesday 12 December
10:30-12:30
Venue: Vanguard, The Walbrook Building, 25 Walbrook, London EC2N 8AF

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

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.