**TISA RETIREMENT NEWSLETTER**

**TISA Pensions Technical Officer**

Wednesday 5 October 2017

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—TISA’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.

DB 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 CP17/116 - 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 ensuring DB transfers are appropriately assessed in line with the FCA’s consultation. 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 exceeded £50 billion for the first time last year.

While these figures released just weeks before the Budget do nothing to quell 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 Government. Guy Opperman, Parliamentary Under Secretary of State for Pensions and Financial Inclusion stated in a fringe event that there is no doubt that a DB pension will bring the self-employed into auto enrolment. So this backs up what others have said, yet he considered 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 the Collective Defined Contribution (CDC) plans, which would protect savers from longevity risks and costs in addition to providing more certainty around retirement savings. Another proposal to allow women to choose the slower DB pension rate for their Ageing Population Project. The paper sets out their findings from their research and finds the strategy for mitigating the potential harm arising. It is intended to:

- help firms to identify and understand the specific needs of demography 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 action. The research and discussion which is this is realistic, particularly for those who are healthier and live longer
- challenge financial exclusion
- ensure firms proactively recognise the potential vulnerability associated with older consumers and act with appropriate levels of care and address the challenges 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 - Life Investment & Pensions Monefunds article**

Following on from the recent FCA publication, Renny Biggins reviews the Retirement Outcomes Review: Interim Report on the findings in the October edition of Life & Pensions Monefunds. To view the 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

To follow the launch of pension freedoms in 2015, there has been a rise in DB transfers to defined contribution plans. Please join us as we delve into the world of decumulation, focus on the latest regulatory gaps and take a look at some of the key issues. Research, production innovation, investing for retirement income, drawdown alternatives and technology opportunities.

We will be hearing from Ray Chinn, NEST’s new Head of Retirement Options. Henry Tapper, First Actuarial and Matthew Doyle, MD at Retirement Quality Mark – the independent arbiter of what ‘good’ looks like in the 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 research and much publicised Retirement Outcomes Reform Programme.

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 calendar and an ever increasing opportunity to meet key people in the financial services industry. This year the Conference is being held at De Vere Grand Connaught Rooms on the 12th December.

The Conference will also be featuring Rupert Corr, the new Head of Retirement Options, Henry Tapper, First Actuarial and Matthew Doyle, MD at Retirement Quality Mark – the independent arbiter of what ‘good’ looks like in the retirement income - and other top speakers.

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 PS and was once a special advisor to the Chancellor. With presentations by FCA Chair, the Information Commissioners Office on GDPR and an update on retirement savings, it’s a packed one-day event. To book your place please click here for full details and to book your place please click here

**Retirement Technical and Policy next meetings**

**Technical Committee**

Tuesday 28 November 14:00 – 18:00

Venue: TISA Office

**Policy Council**

Tuesday 12 December 10:30 – 12:30

Venue: TISA Office

TISA members have access to the Retirement Technical helpdesk, where we are happy to provide responses to technical queries and liaise with the appropriate regulators. We are a member of the HMRC Pensions Technical Officer Forum. Please email us on enquiries@tisa.uk.com

**Members also have the opportunity to join the Retirement Technical Committee and Policy Council.** TISA co-host workshops to resolve industry issues and help shape the future of UK Retirement in line with our manifesto. Additionally, TISA’s groups are set up to deal with specific areas of interest to our members.

If you have any queries or comments on the Report, please email renny.biggins@tisa.uk.com

Don’t wish to receive these emails? Please email Nicola.Robbins@tisa.uk.com

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