June 2018

TISA’S RETIREMENT NEWSLETTER

RETIREE ROUNDUP

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

Renny Biggins — TISA Retirement Policy Manager

In the News

Office of Tax Simplification - Savings Income: routes to simplification

• This paper issued by OTS explores the taxation of savings income and identifies areas which might be simplified. It looks at income generated from held in cash and stocks & shares.
• Of the areas covered is Pension Income. In particular, it looks at PAYE in relation to Pension Freedoms and the overpayments which frequently occur when initial lump sum withdrawals are taken, due to the application of the emergency tax code.
• As a stakeholder who was consulted for this paper, it is encouraging to see the OTS consider TISA’s concerns in this area and we wait with interest to see what the final outcomes are.

To read the report in full please click here

HMRC Newsletter 99

• The latest newsletter was issued on 30 May 2018. This covers information on the following areas:
  • Pension Schemes Online Service
  • AP9262 form
  • Event report - reportable events 22 and 23
  • Genuine Emirs
  • Relief at source for Scottish Rate of Income Tax
  • Look up residency status for relief at source

To read the newsletter in full please click here

Financial Lives Survey 2017

• The FCA issued their latest Financial Lives survey on 20 June. This started in 2016 and is updated on a biennial basis.
• It provides new data on UK consumers behaviour within the retail financial markets the FCA regulates. It covers issues such as experiences of financial services providers, current financial situations and attitudes towards managing money.
• Some of the headline details are:
  • 3% of adults are unbanked
  • 4.1 million adults are defined as ‘in difficulty’ because they have missed domestic bills or meeting council tax commitments in three or more of the last six months
  • Only 6% of adults have used regulated advice in the last 12 months
  • 31% of adults have no private pension provision
  • The state pension is the main source of income for 44% of adults
  • 23% of adults have experienced an unsolicited approach about pensions or investments that might be of interest to them
  • Only 40% of adults are confident in the UK financial services industry and only 31% feel that financial firms are honest and transparent

To read the survey in full please click here

Combating Pension Scams: PSIG Code of Practice V2

• The Pensions Scams Industry Group (of which TISA is a member) issued version 2 of its much praised Pensions Scams Online Service. Please email Nicola Robbins (nicola.robbins@tisa.uk.com) if you wish to receive these emails.

Pensions Select Committee Pension Freedoms Report

• The long awaited Government response to the Select Committee Pension Freedoms Report was issued on Friday 22 June. Notably default decumulation pathways now sit on the same footing with those agreements between pension freedoms. The response in full covers:
  • Long-term pension freedom objectives and principles
  • Default decumulation pathways
  • NestEFT
  • Pension Passports
  • Mid Life MOT
  • Pension dashboard
  • Automated advice

To read the response in full please click here

HMRC Newsletter Manage and Register Pension Schemes service - June 2018

• An ad-hoc newsletter has been issued to update stakeholders on the new service to manage and register pension schemes.

To read this in full please click here

Pensions Dashboard Survey

• At the Retirement Policy Council meeting in April, Guy Opperman, Under-Secretary for Pensions and Financial Inclusion, gave a speech on the pension industry view on the Pension Dashboard initiative.
• We subsequently conducted a member survey covering fundamental important areas including participation, governance and security.
• 28 firms responded with the results as follows:
  • 71% of respondents support private sector firms being able to offer their own pensions dashboard proposition governed by open standards
  • 89% of respondents support the provision of core information being subject to a degree of standardisation
  • 85% of respondents support a set of open digital identity standards to ensure a secure identity service.
  • 96% of respondents support mandatory participation by all pension scheme administrators to deliver 100% coverage.
• The results have been shared with DWP and HMRT.

To read the survey in full please click here

Pensions World Cup

• We couldn’t decide the June edition without a reference to the World Cup.
• Scottish Widows have researched the design and sustainability of pension systems in the 32 countries participating in the 2018 finals. England is ranked in third place, only being beaten by Australia and Denmark. The research did not cover Wales, Northern Ireland or Scotland.

Retirement Technical and Policy next meetings

• Technical Committee: Wednesday 5 September 15:00-17:00
• Policy Council: Wednesday 19 September 14:00-16:00
• Governance (previously DISI), 4th Floor, 17 Dominion Street, London EC2M 2EF
• TISA members have access to the Retirement Technical Committee meetings. Non-stakeholders are welcome to attend.

• Members also have the opportunity to join the Retirement Technical Committee and Policy Council, where we look to receive 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.

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