



**THE NEWSLETTER OF
THE SOCIETY OF
PENSION CONSULTANTS**

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Roger Mattingly named as new SPC President

Council has elected Roger Mattingly to the position of SPC President.

He succeeds Kevin LeGrand, Head of Technical Services at Buck Consultants, who has enjoyed a highly successful two years as President, during a time of unprecedented change in the pension industry.

Roger Mattingly is a board director at JLT Benefit Solutions Ltd, has more than 30 years experience working in the pensions sector. He has sat on the SPC Council for the past 13 years, and has sat on other committees, and has chaired the Public Relations Committee.

With the imminent introduction of Auto Enrolment, the pensions industry is poised for a significant transformation. SPC will continue to seek further dialogue between the pensions industry and political audiences to ensure that the development of the industry continues to provide practical solutions to the issues which it faces. To this end, SPC will continue to explore all potential solutions, in particular risk sharing initiatives, such as "Defined Aspiration" pensions.

In addition, SPC continues to support the Government's plans to facilitate direct investment into infrastructure and other initiatives that match the long term liabilities of pension schemes with secure, long term, income streams.

Roger Mattingly said:

"The pensions industry in the UK is going through some of the biggest changes in its history.

"As we continue to move away from the old Defined Benefit model and prepare for the imminent introduction of Auto Enrolment, SPC remains absolutely committed to its vital role shaping future policy on behalf of members; As President of SPC I look forward to ensuring that SPC continues to play a major role in the development of a new workable system for the future.

"There is no one, quick-fix solution to the challenges facing pensions in the UK, it will require a coordinated effort on a number of fronts. SPC will continue to work with any individual or organisation committed to making pensions work and who shares our ultimate aim of ensuring a good outcome in retirement for all.

"Finally, I would also like to pay tribute to outgoing President, Kevin LeGrand, whose contribution and leadership over the past two years has been critical in shaping the SPC to be the influential industry body it is today. His commitment to the development of both the SPC as an organisation and the wider pensions industry has been invaluable and I would like to thank him for all his efforts in this regard."

SPC London Evening Meetings

Details of the next SPC London evening meeting are as follows:

Date	Speakers	Subject	Venue
16 May 2012	Janice Lambert (The Pensions Regulator) and Vanessa Wells (Eversheds LLP)	EU Issues	Eversheds, One Wood Street, London EC2V 7WS

The hand out for the following London evening meeting is available and can be obtained by clicking on the link on the speakers' names.

Date	Speakers	Subject
29 March 2012	Maggie Anderson and Dave Dally (HMRC)	Improving the Operation of Pay As You Earn - Real Time Information

The meeting was kindly hosted by Aon Hewitt.


SPC Contacts

- Members of the SPC Council have had a meeting with Gregg McClymont, the Shadow Pensions Minister. Topics covered included auto-enrolment, levels of understanding and engagement among employees in relation to pension provision, whether auto-enrolment will eventually lead to compulsory scheme membership and the regulation of pensions.
- SPC was represented by Andrew Short (Chairman of the Administration Committee) at the most recent HMRC Real Time information workshop for the pension industry.
- SPC Members recently had a briefing from Origo on the work it is doing to develop common data integration standards, to facilitate the deployment of, and interaction between, services to help employers meet their new responsibilities under automatic enrolment.
- Origo is a not-for-profit body, established in 1989, owned by 18 of the UK's leading life and pensions companies.
- The SPC Administration Committee has met officials from the Pensions Regulator, to assist the Regulator's development of its principles for defined contribution workplace schemes.
- The SPC Money Purchase Committee has met representatives of NAPF to discuss SPC's response to NAPF's consultation document "Making Pension Charges Clearer".

What's being read on the SPC website?

CLICK HERE  for the latest summary of hits on the SPC website, presented to the PR Committee.

Who's writing about SPC?

CLICK HERE  for the latest summary of SPC press coverage, also presented to the PR Committee.



November 7th 2012, Dorchester Hotel, London W1

The SPC Dinner promises to provide excellent food and entertainment and, in keeping with one of SPC's key roles, represents a peerless networking opportunity to meet with fellow industry professionals.

Key information is:

➤ Principal Speaker

Principal guest and speaker will be Gregg McClymont, MP (The Shadow Pensions Minister)


➤ Presentation of the "SPC Journalists of the Year Awards"

These awards will recognise one journalist from each of the national press and pensions trade media, who has made an outstanding contribution to pensions journalism in 2012, as voted by SPC Members.

➤ Sponsorship

This year, we are again offering SPC Members the opportunity to associate themselves with the prestige and success of the Dinner, through sponsorship.

We would welcome your sponsorship of one or more of the following:

- The printed list of those attending, available to the 300+ diners on arrival
- The menu at each place at the Dinner 
- The SPC National Pensions Journalist of the Year Award
- The SPC Pensions Trade Journalist of the Year Award

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SPC Dinner 2012

The sponsorship amount for each is £1,500 (VAT is not chargeable). Please contact John Mortimer as soon as possible to seize the remaining opportunities.

Tickets are available at £175.00 per head and feedback from previous years' Dinners indicates that this is a modest cost, which can be repaid many times over in terms of the useful networking opportunities, which exist to strengthen your business relationships. The price includes pre-dinner cocktails, a five-course meal, half a bottle of wine with dinner, and a liqueur with coffee.

As ever, we are keen to encourage "new blood" at the Dinner and to ensure that it continues to offer the broadest possible range of networking opportunities for those attending. To that end, if your organisation has never previously been represented at the Dinner, the person making the booking will benefit from a discounted special price of £150.00, as will one additional guest.

The closing date for applications for tickets is **October 10th**.

For a booking form [CLICK HERE](#) .

SPC online poll result

Our latest SPC on-line poll question was:-

"The government is consulting on ways of improving pension transfers and dealing with small pension pots."

Which of the government's three possible approaches do you think is best?"

Voting was as follows:


1	Automatic transfers of small pots into an aggregator scheme	37.78%
2	Making changes to the current voluntary system of transfers	33.33%
3	Automatic transfers of small pots into a new employer's automatic enrolment scheme	28.99%

New members

The latest new Members of SPC are **Clyde and Co.**, solicitors, London EC3 and **MNTES**, Leatherhead.

SPC responds to HMRC consultation: Guidance on Overseas Transfers of Pension Savings

We have responded to HMRC on its consultation on guidance on overseas transfers of pension savings.

For a copy of our response, please [CLICK HERE](#) .

HMRC consultation on authorised employer payments made by NEST

HMRC has published a consultation document on authorised employer payments made by NEST.

For a copy, please [CLICK HERE](#) .


At the time of preparing this issue of **SPC News**, we had the consultation document under consideration.

HMRC update on pensions regulations

HMRC has supplied an update and its pension regulations.

For a copy please [CLICK HERE](#) .

Auto Enrolment Earnings Thresholds and Staging Dates

The eighth and ninth paragraphs of this article are derived from Mercer Select, Mercer's subscriber service offering news and analysis of UK pension developments on-line and by email. For further information please [CLICK HERE](#) . This article was correct on March 29th 2012.

We have responded to DWP's consultation document on the auto-enrolment earnings thresholds review and revision 2012/2013.

We reported the publication of DWP's consultation document in **SPC News no. 2, 2012**.

A copy of our response is available [CLICK HERE](#) .

Our main comment related to the proposal that for 2012/2013 the upper limit of the qualifying earnings band should be capped below the National Insurance Contributions Upper Earnings Limit.

We suggested that not to align the upper limit of the qualifying earnings band with the UEL would create additional complexity and expense for payroll providers and thus for pension providers too. It would also reduce initial savings levels below the government's intended outcome.


We therefore suggested that the upper limit should be £42,475. Increasing it to this level would only affect a very small proportion of earners in the top quintile, as the consultation document states, so the argument for not doing so is rather weak.

We suggested that, if our comment on the upper limit was not accepted, at the very least, for the sake of simplicity, it should be rounded to £40,000.

Draft regulations on the revised implementation timetable for auto-enrolment have now been issued for consultation by DWP. As previously confirmed, no employer with a staging date of February 2014 or earlier is affected, so all employers with 250 or more workers will retain their original implementation dates. The consultation follows the high-level timetable announced on January 25th, and contains a detailed breakdown of the revised implementation dates for medium-sized employers (50-249 employees), starting from April 1st 2014; and small employers (fewer than 50 employees), starting from June 1st 2015. The government has confirmed its intention that the minimum rate of employer contribution will increase from 1% to 2% on October 1st 2017 and from 2% to 3% on October 1st 2018, one year later than originally proposed. The consultation closes on May 4th 2012.

A response to the recent consultation on the earnings trigger for auto-enrolment, referred to earlier in this article, has also been published by the government, confirming earnings thresholds for 2012/2013 of:

- (i) £8,105 for the auto-enrolment earnings trigger;
- (ii) £5,564 for the lower limit of the qualifying earnings band; and
- (iii) £42,475 for the upper limit of the qualifying earnings band (in line with the amount suggested by SPC).

The consultation document on the revised implementation timetable for auto-enrolment, and the government's response to the consultation on auto-enrolment earnings thresholds are available [CLICK HERE](#) .

DWP review of disclosure requirements

DWP has provided us with an update on its review of the disclosure requirements.

DWP has previously talked to SPC about its review of the legislation, which requires private pension schemes to disclose information to members. This work has included:

- consolidating the three main sets of disclosure requirements for Occupational, Personal and Stakeholder schemes;
- a review of the Statutory Money Purchase Illustration requirements; and
- extending provision for electronic communication.

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DWP review of disclosure requirements

DWP's intention was to consult on draft regulations early in 2012 and introduce the regulations in October 2012, in line with the start of automatic enrolment.

Since announcing the disclosure review, the Government has set up the "Red Tape Challenge", which seeks views on whether or not existing legislation should be retained or revoked.

DWP has now decided to conduct the *full* disclosure review as part of the Red Tape Challenge. This means the major changes to the disclosure regulations will not be introduced until after October 2012, and DWP will not be consulting on those changes until later this year.

However, there are some amendments to the disclosure regulations, which need to be in force for the introduction of automatic enrolment in October 2012 and these will still be implemented to the original timetable. DWP will share details of these amendments as soon as it can.

DWP consultation: Automatic Enrolment and European Employers

DWP has published a consultation document on automatic enrolment and European Employers.

For a copy please [CLICK HERE](#) .

At the time of preparing this issue of **SPC News**, we had the consultation document under consideration.

DWP consultation: Improving Transfers and Dealing with Small Pension Pots

We reported DWP's consultation in **SPC News no. 2, 2012**.

Our response is now available [CLICK HERE](#) .

SPC co-hosts workshop with Pensions Regulator

On February 22nd, in cooperation with the Pensions Regulator, SPC arranged a workshop, aimed specifically at scheme administrators, to address certain key aspects of preparing for auto-enrolment. The workshop included participants from the Regulator. Following an introduction by the Pensions Regulator, the workshop split into break-out groups, addressing the following themes:-

Process Issues

Eligibility for Automatic Enrolment

Qualifying Scheme Issues


The Role of the Administrator

The workshop then returned to plenary session, to enable sharing of the conclusions reached in the break-out groups.

The workshop was kindly hosted by KPMG.


SPC responds to FSA consultation: Abolition of Defined Contribution Contracting Out

We have submitted a brief response to FSA's consultation paper covering abolition of defined contribution contracting out.

A copy of our response is available [CLICK HERE](#) .

FSA consultation on pension transfer value analysis assumptions

FSA has published a consultation paper on pension transfer value analysis assumptions.


The consultation paper is available [CLICK HERE](#) .

At the time of preparing this issue of **SPC News**, we had the consultation paper under consideration.

Interim report of the Kay Review of equity markets

The Treasury has published the interim report of the Kay Review of equity markets.

This is available [CLICK HERE](#) .

The Kay Review has indicated that it is open to new evidence until 27/4/12. We are assessing whether we need to add anything to our existing submission, which is available [CLICK HERE](#) .

ASB exposure drafts: Financial Reporting Standards

The Accounting Standards Board has published exposure drafts of revised financial reporting standards. The relevant exposure drafts are 46, 47 and 48.

For a copy please [CLICK HERE](#) .

At the time of preparing this issue of **SPC News**, we had the exposure drafts under consideration.

About SPC

SPC is the representative body for the providers of advice and services needed to establish and operate occupational and personal pension schemes and related benefit provision. Our Members include accounting firms, solicitors, life offices, investment houses, investment performance measurers, consultants and actuaries, independent trustees and external pension administrators. Slightly more than half the Members are consultants and actuaries. SPC is the only body to focus on the whole range of pension related functions across the whole range of non-State provision, through such a wide spread of providers of advice and services. We have no remit to represent any particular type of provision.

The overwhelming majority of the 500 largest UK pension funds use the services of one or more of SPC's Members. Many thousands of individuals and smaller funds also do so. SPC's growing membership collectively employ some 15,000 people providing pension-related advice and services.

SPC's fundamental aims are:

- (a) to draw upon the knowledge and experience of Members, so as to contribute to legislation and other general developments affecting pensions and related benefits, and
- (b) to provide Members with services useful to their business.

THE SOCIETY OF PENSION CONSULTANTS

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