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**SPC
Dinner
2011**

November 2nd 2011, Dorchester Hotel, London W1

Key information on this year's SPC Dinner is as follows:-

➤ **Principal Speaker**

Rt. Hon. David Willetts, MP (Minister of State for Universities and Science)

David Willetts is an accomplished and stimulating speaker and continues his long-standing interest in pensions and related subjects in his highly acclaimed current book "The Pinch: How the Baby Boomers took their Children's Future – and why they should Give it Back".

Kevin LeGrand (SPC President and Principal and Head of Technical Services at Buck Consultants) will also speak.

➤ **Presentation of the "SPC Journalist 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 2011, as voted by SPC members.

➤ **Venue**

The Dorchester, Park Lane, London W1

Tickets are £170.00 per head and feedback from previous years' Dinners indicates that this is a modest cost, which can be re-paid 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 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 special price of £135.00, as will one additional guest.

For a booking form, please [CLICK HERE](#)

**SPC London
Evening Meetings**

Hand outs are available for the following meeting, and can be obtained by clicking on the meeting subject:

Date	Speakers	Subject
21 September 2011	Stewart Cowley (Old Mutual Asset Managers)	200 years of economic history and how I ruined the world

Details of a forthcoming SPC London evening meeting are as follows:

Date	Speakers	Subject	Venue
13 December 2011	Raymonde Nathan (JLT Benefit Solutions)	Practical Experience of Operating without a Default Retirement Age	Allen & Overy, One Bishops Square, London E1 6AD

SPC contacts

SPC was represented at a meeting between the Occupational Pension Schemes Joint Working Group and HMRC in September, to attempt to resolve outstanding issues on the new annual allowance and lifetime allowance provisions.

We will provide updates on any clarifications which emerge.

SPC online poll result

Our most recent online poll question was:-

“Do you believe that the current pace and volume of tax and pension reform is imposing unfair risks on employers and schemes”?

Yes	The risk of non-compliance with legislation has increased and will continue to do so.	72%
No	The pensions industry has lobbied for many areas of the reforms and it is an acceptable consequence that change is occurring in a short time period	26%
Don't know		2%


Correspondence between SPC and HMRC on RPSM: compensation payments made to pension schemes

We have corresponded with HMRC on changes to RPSM, relating to compensation payments made to pension schemes.

For a copy of the correspondence, please [CLICK HERE](#) 

HMRC consultation: Employer Asset Backed Pension Contributions

We have responded to HMRC's consultation document on employer asset-backed pension contributions.

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

Our overall view is that, provided that they did not prove to be penal in practice, and went no further than removing any unintended double tax relief, we would not expect the options discussed by HMRC to have a significant impact on the viability and use of asset-backed structures.

HMRC responds to SPC comments on draft regulations on restriction of pensions tax relief

HMRC has responded to our comments on its draft regulations on restriction of pensions tax relief.

Its response is available [CLICK HERE](#) 

Our comments are available [CLICK HERE](#) 

SPC invited to comment on DWP consultation: Draft Regulations on Automatic Enrolment

DWP has published a consultation document on draft regulations on automatic enrolment.

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

At the time of preparing this issue of **SPC News** we had the draft regulations under consideration.

DWP Statement: Bridge Trustees vs Houldsworth

DWP has issued a statement in response to the Supreme Court judgment in Bridge Trustees vs Houldsworth.

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

We have asked the Government to pass the legislation referred to in its statement as soon as practicable (perhaps as an addition to the Pensions Bill).

Until legislation is passed, pension schemes will not know whether benefits (such as internally annuitised AVC accounts) are money purchase or salary related benefits. In extreme cases this could apply to the status of a whole scheme – such as a money purchase scheme which contracted out on a salary related basis. Applying the Supreme Court's judgment, these benefits would be money purchase and therefore enjoy priority on a winding up – however they would also not count as defined benefit liabilities for the purposes of legislation such as section 75 and scheme specific funding requirements.

It is vital that certainty is achieved by passing the necessary legislation quickly, otherwise affected schemes will not be able to operate correctly (for example how should a section 75 debt be calculated?).

At the same time, no doubt the Government will be mindful of the impact of the legislation may have on individual members – particularly of those where the scheme starts winding up after the legislation has taken effect. Currently, an internally annuitised AVC pension would enjoy priority on a winding up (over defined benefits) – this priority will disappear if legislation prescribes such pensions as salary related. There may be a Human Rights issue for the Government to consider here.

On a broader perspective, we suggest that the Government's reaction to the judgment helps to illustrate why in practice it is going to be very difficult to make progress with developing "risk sharing" pension scheme designs, which balance risks between members and sponsoring employers away from the opposing ends of the spectrum represented by pure money purchase and defined benefits. The guarantees on investment return, which were a feature of the scheme in question, and which the courts had decided were not incompatible with treating the scheme as a money purchase scheme, will, once the Government has legislated, become salary related (defined benefit) schemes and will represent a disincentive to employers to consider anything other than pure money purchase provision.

As this issue of **SPC News** went to press, the government tabled clauses for the current Pensions Bill, aiming to implement its statement.

Web based communications

We have corresponded with DWP on web-based communications.

For a copy of the correspondence, please [CLICK HERE](#) 

DWP consultation on S75 Employer Debt Regulations

We have responded to the DWP consultation on Section 75 employer debt regulations, reported in **SPC News 5, 2011**.


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

As we went to press, we learnt that the effective date for these regulations has been put back from October 1st 2011 to December 1st 2011.

FSA quarterly consultation 11/11: Chapters 6 and 7

We have responded to FSA on its chapters 6 and 7 of its consultation paper 11/11 (June quarterly consultation).


Chapter 6 related to Adviser Charging under the Retail Distribution Review. Chapter 7 dealt with proposed amendments to the Compensation Sourcebook.


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

SPC responds to EIOPA consultation document on IORP Directive

We have responded to EIOPA on its consultation document on certain aspects of the IORP Directive.

EIOPA (The European Insurance and Occupational Pensions Authority) is the umbrella body in the EU for pension and insurance regulators and this consultation is part of its work in preparing its response to a request for advice from the European Commission on possible changes to the EU Directive on institutions for occupational retirement provision (The IORP Directive).

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


The consultation document is available [CLICK HERE](#) 

House of Commons Work and Pensions Committee: Auto- Enrolment in Workplace Pensions and NEST

The House of Commons Work and Pensions Committee has launched an inquiry into auto-enrolment into workplace pensions and NEST.

The inquiry intends to address:-

- DWP's communication strategy for introducing auto-enrolment and provision of advice and support to employers and employees
- Arrangements for phasing and staging the introduction of auto-enrolment
- Likely impact of auto-enrolment on business, especially small and micro-businesses
- Role of The Pensions Regulator, including in certification of schemes
- Estimated opt-out rates, including the possible impact on NEST if the numbers auto-enrolled are significantly lower than predicted
- NEST's potential market share and the possible effects on other providers
- Whether auto-enrolment is likely to attract new providers and encourage new models of provision
- Likely impact of the limitations placed on NEST, including the contributions cap and the ban on transfers
- NEST's investment strategy
- Possible measures to reduce the proliferation of small pension pots
- How self-employed people, and part-time, temporary, casual and agency staff, will be treated under auto-enrolment; and the equality implications
- The extent to which auto-enrolment is likely to achieve the desired behavioural change in terms of encouraging people to make provision for retirement.

We have made a submission to the Select Committee, which is available [CLICK HERE](#) 

About

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.

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