

The Society of Pension Professionals Newsletter

November 2024

Message from Fred

Welcome to November's SPP News.

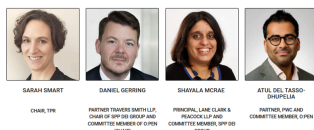
We have recently established a Risk Transfer Group, with its first meeting in early December. This will bring SPP's technical committees and groups to eleven in number and is an important addition. The Group will primarily operate as an expert and educational forum, raising wider industry awareness on key matters within the risk transfer space. Additionally, it will consider efficiencies within the risk transfer process, where appropriate. It comprises a diverse range of professionals, bringing SPP's unique breadth to its analysis – this includes providers, legal, professional trustees, actuarial, administration, investment and covenant specialists. We look forward to sharing its outputs in the period to come.

Have a good month ahead, a well-earned festive break and thank you for your continued support.



SPP Event Recordings

[View All Event Recordings](#)



SPP/O:pen Event: Inclusion in Pensions with TPR Chair Sarah Smart

[View Recording](#)



Practical Implications of the Funding Code

[View Recording](#)



Upcoming SPP Events

[View All Events](#)

SPP Event: LDI - Best Practice for Differing Long-term DB Strategies

SPP Event UK Growth through Productive Finance - The Role of Pension Schemes

Register



Join our expert panel to explore where Liability-Driven Investment (LDI) is now and where it is going as a pension investment tool. In the context of the current DB funding and policy environment, and now, a few years after the gilts crisis, we will examine LDI as a tool in DB run-on and from a buy-out perspective. Our diverse panel brings together asset managers, a senior investment consultant and an investment director to consider the future of LDI.

Register



The Government's Pensions (Investment) Call for Evidence is complete; an interim government report is expected in the next few weeks and SPP has just published its thought provoking [Productive Finance report](#).

Against this backdrop, the SPP has put together an expert panel of pension professionals spanning DC, DB, Investment, and LGPS, to explore the opportunities and challenges presented by the Government's desire to see UK pension funds invest more in UK productive assets.



Early Career Professionals Update

The past month has seen our networking initiative continue apace, as well as further additions to our library of short recordings, with further additions expected before the end of the year.

Earlier this month, our record number of participants in our networking initiative were introduced to their second networking groups, with groups assigned to ensure the broadest range of experience levels and roles.

There have also been further updates to our library of short recordings, with an introduction to CDC now part of our ['Beginner's Guide'](#) series. We have also refreshed the layout of our [recordings library](#), making pages easier on the eye and simpler to navigate.

Our final Early Career event of 2024 will see the return by popular demand of 'The Debates' on December 5th, featuring two informative and lively debates on hot topics in the pensions industry – productive finance and DB strategy. Registrations for this hybrid event, with the in-person element at the London offices of Aon, are now open [on our website](#).



Committee News

[View All Committee Minutes](#)

1 / The **Administration Committee** met in November and considered the draft regulations laid before Parliament relating

2 / The **Legislation Committee** met on 5th November and noted a ShareAction briefing note on the reform of Fiduciary

to the abolition of the Lifetime Allowance. The implications of the recent Budget were debated, most notably, inheritance tax on pensions, removing the exclusion from the Overseas Transfer Charge for transfers to QROPS and requirement for Scheme Administrators regarding their location. Issues to be highlighted at the next HMRC Pensions Industry Stakeholder Forum were agreed and the Government response to the Consultation on Raising Standards in the Tax Advice Market, and the potential implications for pension administrators, were noted.

Duty and Lifetime Allowance regulations. Inheritance Tax on pensions: liability, reporting and payment was discussed as was the DWP consultation on CDC. HMRC's latest Newsletter statement around the taxation of authorised surplus payments was debated and the Government response to the recent consultation on Raising Standards in the Tax Advice Market was noted as something to continue monitoring.

3 / The **Public Sector Group** also met and discussed the myth of gold-plated public-sector pensions, the implications of Mansion House proposals and related consultations, and had a guest speaker, Dave Turner, Director of 3ci who supports local authorities in securing the necessary long-term finance for achieving net zero.

4 / The **CDC Group** also met in November, noting the [DWP consultation](#) on CDC draft legislation, the SPP response and the Government commitment to [present CDC regs to Parliament](#) as soon as they are able to. They also discussed the Mansion House proposals and related consultations as well as phase 2 of Pensions Review (Adequacy) and what role there might be for CDC, as well as examining what role CDC might play in any future reforms relating to decumulation.



Consultation Responses & Papers

[View All Responses](#)

The SPP [responded](#) to the DWP consultation on CDC pensions, supporting the Government's efforts whilst urging them to revisit a small number of areas that could be improved.

We published a report titled, "[Covenant perspectives on the DB Funding Code: opportunities, risks and myth busting](#)" which sheds light on the various potential risks and opportunities by "busting" some of the myths along each stage of a scheme's funding and investment strategy journey.



Parliamentary Engagement

We have liaised with a number of MPs and Peers over the month.

Congratulations were sent to all the newly elected members of both the Work & Pensions Select Committee and the Treasury Select Committee, together with a short note setting out members three main immediate concerns (Virgin Media, PPF Levy and Transfer Regulations).

We also engaged with Labour MP Deirdre Costigan on our [Productive Finance paper](#) and sent all MPs our initial reaction to the Budget plans for Inheritance Tax to be imposed on unused pensions from April 2027.



SPP in the News

The [November edition of PensionsAge](#) contained comment from Steve Hitchiner about imposing IHT on pensions (page 12) and the View from the SPP article by Anish Rav (page 23).

Brian McBride of the Financial Services Regulation Committee, set out SPP's views on the FCA's Value for Money consultation in [Pensions Expert](#).

SPP President Sophia Singleton was [quoted in LoveMoney](#) and [Investment & Pensions Europe](#), in response to the Mansion House proposals.

Our event on the DB Funding Code secured coverage in [Pensions Age](#), [Professional Pensions](#) and [Law360](#).

Our response to the DWP consultation on CDC pension schemes was picked up by [Pensions Age](#) (twice), [Professional Pensions](#), [Actuarial Post](#), [IFA Magazine](#) and [Pensions Expert](#) (twice), and [The Actuary](#).

The latest SPP thought leadership paper, "[A Covenant perspective on the DB Funding Code: opportunities, risks and myth busting](#)" was highlighted in [Pensions Expert](#) and [PensionsAge](#).

Our event on pensions administration capacity challenges, revealed that the largest number of attendees (39%) said that the wider promotion of pensions administration as a career was their top priority. This news was covered in [LAPF Investments](#) and [PensionsAge](#) amongst others.

Two of our Beginner's Guides videos were published on the Business TV platform, with the [guide to CDC Pensions](#) attracting almost 2,500 views and the [guide to Pensions Legislation](#) attracting nearly 3,000 views.



Our People

Arron Slocombe Council Member

What firm do you work for and in what role?

I head the pensions team at international law firm Baker McKenzie, where I've been a partner since 2010. I help corporate sponsors and pension trustees navigate their more difficult or higher value strategic pensions issues, always trying to keep what can be a technical area as simple as possible to get things done.

If you could make one change to current pensions policy, what would it be?



Stop delaying on getting people investing more, and earlier, in their auto-enrolment schemes. The AE reforms just need to be implemented – we can't wait for a "perfect time" that will never come. There's no other way to prevent a car crash of the next generation of retirees being (much) poorer than their parents.

What 3 things can you not live without?

My first morning coffee; time with family and friends (a bit more would be nice); the hope that one day Spurs will win something, anything.

What are you passionate about outside of work?

Outside the pensions "day job" at work, social mobility – I head our London focus group, and we can do so much more to help young people in particular to get on regardless of their background.

Getting up into the Lake District mountains – ideally with family and friends, and add a jar or two of Lakeland beer (plus a weatherproof jacket).

Learning! Podcasts, duolingo, a new recipe – keeping the old noggin warm and refreshed between bouts of section 75, deals, de-risking or helping find a workaround on knotty benefit issues!

The Society of Pension Professionals

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