



PATHways

PENSION ADMINISTRATION TECHNICAL HELP

HIGHLIGHTING PENSIONS NEWS AND LEGISLATION THAT HAS PARTICULAR RELEVANCE TO WHAT WE DO IN PENSION ADMINISTRATION

FCA review of defined benefit pension transfers

The Financial Conduct Authority (FCA) has provided an [update](#) on its supervisory work on the advice being provided for transfers from defined benefit (DB) schemes to defined contribution (DC) schemes. This has been prompted by the recent growth in the number of these transfers taking place.

The FCA found that for over 50% of the cases reviewed, the advice to transfer was either unsuitable, or that suitability of the recommendation was unclear. Firms were particularly failing to consider the transferring member's personal circumstances, needs and objectives as well as their appropriate level of investment risk. FCA notes that many firms are passing DB transfer cases to specialist pension transfer firms, who are not always adequately considering the appropriateness of the receiving scheme or its investments when recommending the transfer.

The FCA will be taking this work into consideration in its response to its recent [consultation](#) on pension transfer advice. It will also continue to monitor the market and carry out further supervisory assessments.

DWP consultation on DC costs and investment disclosure

The Department for Work and Pensions (DWP) has published a [consultation](#) on proposed regulations which would require managers of many occupational schemes providing DC benefits to publish certain charge and transaction cost information. This information would need to be available to scheme members, beneficiaries and others, and cover default arrangements and alternative fund options available to members.

The consultation also includes the Government's response to a previous call for evidence on investment disclosure. This leads to proposed investment disclosure regulations. These include a duty on trustees and managers to disclose certain information on the pooled fund investment options available. The consultation closes on 7 December 2017.

DWP consultation on bulk DC transfers without consent

DWP has also published a [consultation](#) on draft regulations changing the requirements for bulk transfers of occupational DC pensions without member consent, if these are going to another DC scheme. This replaces the requirement for an actuarial certificate with alternative member protections. The consultation closes on 30 November 2017, with the regulations currently intended to come into effect from 6 April 2018.



TPR 21st century trusteeship programme

The Pensions Regulation (TPR) has launched a [programme of communications](#) designed to make its expectations of standards for trustee governance clearer, with the aim of improving the governance of occupational pension schemes. The programme will continue for a number of months. It has begun with a [post on roles and responsibilities](#) within the management of a pension scheme.

TPR new campaign on pension scams

TPR has also launched a [new online messaging campaign](#) on pension scams. This campaign uses animations on social media to warn consumers about websites and cold-callers which may use anti-scam messaging as cover for fraudulent activity. TPR representatives have recently been attending industry events aimed at informing financial advisers of the risks posed by pension scammers.

Auto enrolment duties for new employers

1 October 2017 was the start date for the statutory duty on new employers to auto-enrol their staff into a workplace pension as soon as they employ them. This coincides with the fifth anniversary of the commencement of automatic enrolment and represents a milestone, as auto enrolment is now an immediate requirement for new employers from that date.

HMRC: Countdown Bulletins 28 & 29

HM Revenue & Customs (HMRC) has published [Countdown Bulletin 28](#) and [Countdown Bulletin 29](#).

These Bulletins cover matters including:

- the process for settling bills for State Scheme Premium Payments
- email address for requests to re-run Scheme Reconciliation Service (SRS) data
- confirmation of differences between the calculation methods of the GMP checker and the SRS calculations
- process for sending termination and transfer notices relating to events pre-6 April 2016
- clarification of use for form CA1611 for members with pre-6 April 2016 service

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