



Pension policies for the main political parties

With the General Election approaching the parties have published their manifestos and a summary of some of the key pledges in relation to pensions is below:

Conservative Party

The Conservative Party [manifesto](#) includes:

- a commitment to retain the 'triple lock' protection (highest of wages, prices or 2.5%) for state pension increases
- to reintroduce the [Pension Schemes Bill](#)
- to address the tapered annual allowance which among others is affecting doctors' pensions. They have stopped short of promising to scrap the taper altogether.
- to conduct a review into the situation where workers earning between £10,000 and £12,500 have been missing out on pension benefits because of a 'loophole' affecting people with net pay pension schemes.

Labour Party

The Labour Party [manifesto](#) includes:

- a commitment to retain the 'triple lock' protection for state pension increases (as above)
- not increasing the future state pension age beyond age 66, and to review retirement ages for physically demanding jobs
- to widen and expand auto-enrolment to low-income and self-employed workers, and to establish a Pensions Commission to recommend target levels for workplace pensions
- creation of a publicly run pensions dashboard including information about costs and charges
- state pensions of UK citizens living overseas rise in line with pensions in Britain

A further policy pledge is to provide a £58bn funding package to compensate women born in the 1950's affected by a rise in the state pension age. The policy was not counted in the party's costings document published alongside its election manifesto and the party have confirmed that the pledge would be funded through increased borrowing.

The Civil Partnership (Opposite-sex Couples) Regulations 2019

[The Civil Partnership \(Opposite-sex Couples\) Regulations 2019](#) came into force on 2 December 2019 and allows opposite sex couples in England and Wales to form a civil partnership, previously only allowed for same sex partners. Trustees will need to ensure, for example, that the scheme rules, member communications and benefits paid from the pension scheme comply with these regulations so that opposite sex civil partners are treated in the same way as same sex civil partners.

HMRC Pension schemes newsletter 115

HM Revenue & Customs (HMRC) has published [Pension schemes newsletter 115](#). This includes:

- **Lifetime allowance and the event report** – how to report details for members who have relied on more recent lifetime allowance protections such as individual protections 2014 or 2016 or fixed protection 2016
- **Managing Pension Schemes service**
 - how to add administrators and assistants through the Government Gateway
 - help with managing pension scheme practitioner IDs before migration from Pension Schemes Online to the Managing Pension Schemes service
- **Annual Allowance charge declarations** – Scheme administrators are asked to remind members subject to an annual allowance charge to declare it on their Self Assessment tax return even if the scheme is paying the tax charge. There is also a [helpsheet](#), [guidance on paying the annual allowance charge](#) and a [calculator](#) to assist members declare this charge on their Self Assessment tax form.

Simpler annual benefit statements for workplace pensions

The DWP has issued a [consultation](#) including proposals for simpler annual benefit statements for members with money purchase benefits, under a workplace pension scheme being used for automatic enrolment purposes. The consultation which closes on 20 December 2019 covers a variety of areas including:

- the principle of short, simple, annual benefit statements to help improve engagement with pensions and how adoption could be delivered through either a voluntary or mandatory approach
- the presentation of information provided, including on costs and charges to help members better identify what they have paid for their pensions
- ownership of the guidance on the assumptions used in benefit statements and how they can help members identify if their savings are on track
- proposals on how to encourage members open their benefit statements, such as by introducing a 'statement season' and by all schemes using a standardised colour of envelope when sending statements

Legislation update

The Occupational Pensions (Revaluation) Order 2019

This [order](#) was laid before Parliament on 31 October 2019 and comes into force on 1 January 2020. It states the percentage increase(s) to be used when revaluing accrued pension benefits in final salary occupational pension schemes and applies for retirements during the 2020 calendar year.

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