SPENCE

Your Quarterly Pensions Update

Quarter Two 2022

July 2022

What's inside?

Welcome to your Quarterly Pensions Update

The purpose of this report is to update sponsors and trustees with recent pensions industry changes in the quarter.

For your convenience, Spence has summarised the key developments and highlighted the necessary actions sponsors and trustees may need to take.

The report combines brief written comment with links to any further relevant information and any deadlines you should be aware of. We trust you will find the update useful and informative. If you require further information about how any of the topics covered might impact on your scheme specifically, please get in touch with hugh_nolan@spenceandpartners.co.uk or your usual Spence contact.

2022 Q2 Investment Update

It was another volatile quarter due to concerns regarding a recession, high inflation, and rising interest rates with most equity markets posting losses such as US equities declining c.-10% and UK equities losing c.-5%.

Emerging markets had weak returns due to the depreciation of their currencies versus the U.S dollar and the rise in local interest rates. However, Chinese equities had a positive return as authorities released a set of stimulus measures to jumpstart the economy and eased some Covid restrictions.

Energy provided a positive return with Brent Crude up c.6% over the quarter while industrial metals such as copper were down c.-20% due to continuing concerns about the global economy.

Fixed income assets declined (yields increased) and global credit spreads widened as weaker investor sentiment weighed on risk assets. The U.S. Federal Reserve hiked rates by 0.75%, the largest increase since 1994, aimed at reducing inflation as it reached its highest level in more than 40 years.

The Bank of England raised its base rate by 0.50% to 1.25% in order to reduce inflation. This resulted in long-term nominal and real UK gilt yields increasing. All else being equal, the move in gilt yields acts to decrease the value placed on pension schemes' liabilities.

Government's response to consultation: 'Trustee oversight of investment consultants and fiduciary managers'

Summary

The Department for Work and Pensions (DWP) has, after a considerable delay, published the Government's response to the **2019 consultation** on delivering the Competition and Markets Authority's recommendation for trustee oversight of investment consultants and fiduciary managers. The response sets out the changes to the Government's policy proposals and the rationale for these changes, along with the changes being made to the draft Occupational Pension Schemes (Governance and Registration) (Amendment) Regulations which have now been laid before Parliament and will come into force in October.

Background

By way of reminder, a Competition and Markets Authority (CMA) investigation into the 'Investment Consultants Market' identified weak competition within both the investment consultancy (IC) and fiduciary management (FM) markets. Consequently, the CMA introduced an Order with remedies to address the market failure which came into force on 10 December 2019. Two of the remedies required pension scheme trustees to:

- carry out a qualifying tender process when entering into or continuing an agreement with a fiduciary management provider under certain circumstances; and
- set objectives for the investment consultancy provider when entering into an agreement for the provision of investment consultancy.

DWP needs to integrate these remedies into pensions legislation to enable The Pensions Regulator (TPR) to oversee them. This change is intended to improve IC and FM market engagement and will enable TPR to monitor and enforce compliance.

Government response to 2019 consultation and final regulations

DWP intends to replicate the relevant parts of the CMA Order so that the above duties on trustees will continue 'broadly' as they were. There are, however, some noteworthy changes in the prospective regulations (effective 1 October 2022). In particular, there is more clarity around the application of the requirements:

- carrying out transition management services alone will not mean that a person is a fiduciary management provider
- high-level commentary provided by an actuary in an actuarial valuation will not of itself be a service falling within the definition of 'investment consultancy services'
- exclusion of asset-backed contributions and buy-in policies from the '20 per cent of a scheme's assets' threshold for tendering
- an asset manager that is connected to an investment consulting provider via a joint venture can be a fiduciary manager
- asset managers who provide advice after they are appointed as a manager will be a fiduciary management provider irrespective of whether IC services are provided within the first 12 months of their appointment as asset manager
- schemes' review periods for investment consulting providers are limited to three years.

Also, trustees will report compliance to TPR as the regulator, rather than the CMA.

Currently, the CMA's Order requires pension scheme trustees to submit compliance statements to the CMA confirming the extent to which they had complied with the articles of parts 3 and 7 of the CMA Order which were in force during the reporting period.

The regulations will enable TPR to oversee the remedies that apply to trustees and for them to carry out the appropriate monitoring, compliance and enforcement activity. Trustees will be required, within the existing Scheme

Return process, to report compliance in relation to the new requirements outlined in the legislation.

TPR will be providing further guidance to trustees in due course. There will be penalties for non-compliance.

What do you need to do now?

No immediate action is required. The existing CMA requirements will continue to apply until October after which trustees will need to comply with the new regulations. Working with their advisers, trustees should ensure that, after October, they will be ready to provide the new scheme return information by their scheme return deadline.

Helpful Links

Trustee oversight of investment consultants and fiduciary managers - GOV.UK (www.gov.uk)

DWP response to climate and investment reporting consultation

Summary

The DWP has published the response to its consultation on climate and investment reporting. It has also published the draft Occupational Pension Schemes (Climate Change Governance and Reporting) (Amendment, Modification and Transitional Provision) Regulations 2022 and two sets of guidance.

From 1 October 2022, pension schemes within scope will be required to measure and publish how their investments support the Paris Agreement climate goal of limiting global warming to 1.5 degrees Celsius above pre-industrial levels. The Government suggests that the new measures will mean that from October, more than 80% of UK pension scheme members will be invested in pension schemes subject to these new rules.

The draft regulations amend the Occupational Pension Schemes (Climate Change Governance and Reporting) Regulations 2021 which, **from 1 October 2022, apply to trustees of trust schemes with relevant assets of £1billion or more on their first scheme year end date to fall on or after 1 March 2021.**

DWP has also finalised its statutory and non-statutory guidance for trustees of all schemes to help them understand and consider financially material Environmental, Social and Governance (ESG) factors and stewardship approaches in their investment decision making.

The DWP has launched a 'Green Nudge' trial too, which is intended to test the impact of behavioural nudges and messages on increasing saver engagement with the sustainability of pension investments and how this could translate into greener pension decision-making. The DWP, in partnership with the Behavioural Insights Team (BIT), is working with Aviva, Smart Pension, and Hargreaves Lansdown to deliver the 'nudges' to members to encourage savers to invest in more sustainable pensions or learn more about the sustainability of their pension.

Key Points

- Larger occupational pension schemes (with assets in excess of £1 billion) and authorised DC master trusts will need to calculate and report an additional 'portfolio alignment' metric from 1 October 2022. The portfolio alignment metric will measure the extent to which a scheme's investments are aligned with the Paris Agreement goal of limiting the global average temperature increase to 1.5°C above pre-industrial levels.
- Final stewardship guidance is split into statutory guidance and non-statutory (best practice) guidance. The statutory guidance applies to Implementation Statements for any scheme year ending on or after 1 October 2022. The non-statutory guidance focuses on stewardship reporting in Statements of Investment Principles (SIPs) and applies from 17 June 2022. The final guidance confirms that The Pensions Regulator (as opposed to pension scheme members) is the primary audience for the SIP and Implementation Statements (IS), but member facing summaries of these documents are encouraged.
- New non-statutory guidance for SIPs explains that the Government expects trustees to either set their own voting policy or, if they have not set their own policy, to explain in the SIP how they will monitor their asset manager's voting policy. Trustees should not simply state in the SIP that they delegate engagement and their voting rights to their investment managers.
- Statutory guidance for the IS provides that trustees should explain whether the voting undertaken on their behalf reflects their voting policy (or, if they use their asset manager's voting policy, they should summarise how it reflects the trustees' stewardship priorities). If asset managers are unable to give details of significant votes in time for publication of the IS, trustees should include as much detail as possible (including what information is missing, and why). There is clarification that trustees can provide links to their managers' voting policies, if applicable. Where trustees set an expression of wish on voting in relation to a particular investment, they should indicate in the IS whether this has been taken into account by their asset manager when describing voting behaviour. The guidance also provides information on significant votes and sets out how trustees should disclose the most significant votes (by company name, size of holding, summary of resolution, explanation for vote, voting outcome and next steps).

ACTIONS

The non-statutory guidance on SIPs took effect from 17 June 2022, so trustees should already be starting to consider how to reflect their stewardship policies in the SIP. Trustees should also be thinking about the prospective impact of the new statutory guidance on ISs.

Helpful Links

Climate and investment reporting: setting expectations and empowering savers - GOV.UK (www.gov.uk)

PASA DB transfer good practice guidance

PASA has released new guidance on DB transfers. The guidance contains a number of principles (page 5 of the guidance) which are based on member experience, communications, templates and technology. The guidance is voluntary but PASA expects the Pensions Ombudsman to reference it when considering complaints. The objectives of the guidance are to:

- Improve the overall member experience through faster, safer transfers
- Improve communications and transparency in the processing of transfers
- Improve efficiency for administrators

Key takeaways for trustees and administrators:

- The guidance takes into account the transfer value changes that came into effect at the end of November 2021. Under the changes, a statutory transfer can only be made if one of two conditions is met (see Appendix I of the guidance) and transferring schemes are required to notify members within seven days of a decision to refuse a transfer.
- Pension scams affect a minority of DB transfers so, while some scrutiny is required, this should be focused on those transfers which are likely to represent a higher risk of being a scam. Transfers at low risk should be processed as soon as possible.
- Some elements of the transfer process are outside the control of the transferring scheme administrator. PASA expects all administrators to follow the principles in the guidance and limit the 'stop the clock' downtimes through 'active management' of third parties; e.g. where a third party creates a delay in processing a transfer, the administrator should make this known to both the third party and the member.
- PASA expect all requests for transfer information from an adviser to be based on the FCA Transfer Template DB Transfers – The Pensions Administration Standards Association (pasa-uk.com).
- The guidance covers all transfers except those specifically stated to be out of scope; i.e. bulk transfers, bulk member option exercises, schemes in wind-up/PPF assessment, illustrative transfer values (for active members), pension sharing on divorce and schemes where transfers have been suspended.
- Processes for transfers should take into account the member experience, with the aim being to create as few steps as possible.
- Trustees and administrators should, where possible, agree service levels with the scheme actuary for checking transfer quotes referred to them and should regularly review the threshold levels for actuary checking.
- Turning to the settlement process, the aim should be to always ensure the standard forms and information received are checked for completeness as soon as possible.
- If the member's application to transfer is received too late to meet the guarantee date, they should be informed a recalculation is required straight away. Some schemes may have discretion to permit some leeway whereby the original transfer value quote is honoured if members need more time to decide.
- Confirmation should be sent to the member once payment has been made.

Overall, the guidance is a useful sense check for transfer processes, procedures and templates and it also includes some practical tips on issues not covered by regulations (such as honouring transfer values even though the complete application to transfer was received out of time).

Helpful Links

PASA-DB-Transfers-Good-Practice-Guidance-Final.pdf (pasa-uk.com)

Pensions Dashboards: further consultation and TPR guidance

Following a consultation in January, a supplementary consultation on two further provisions has been launched to complete the Pensions Dashboards Regulations. This is in part in response to industry feedback:

- Dashboards Available Point (DAP): In the January consultation, DWP included some brief information on the DAP. Having carefully considered responses to the consultation, it was clear that industry wanted more clarity. DWP suggests providing further clarity through the proposed DAP provision within the regulations.
- Disclosure of Information: DWP is consulting as this was not included in the earlier draft Regulations. It is a supplementary measure as it is needed to support the dashboard delivery and operational processes. It does not affect what schemes need to do but it is necessary to consult ahead of laying the draft Regulations before Parliament.

Separately, as part of a new campaign launched by The Pensions Regulator (TPR), trustees are being warned they must start preparing for their Pensions Dashboards deadline.

To help trustees meet their duties, TPR has now published new Pensions Dashboards guidance, which outlines the legal duties and includes a handy checklist to help schemes manage their progress – the guidance will be regularly updated.

More detailed and up-to-date guidance will be published by TPR later this year, which will reflect the final regulations and the technical standards being developed by the Money and Pensions Service (MaPS). It is expected that pension schemes will connect to the Pensions Dashboards through a phased approach according to size and type of pension scheme. Each scheme will belong to a category which will have a specific deadline set out in legislation. Connecting to the Dashboards means schemes must have an appropriate interface in place to receive information requests from savers and accurate data to provide them with the information they require about their pensions.

The largest schemes are expected to connect to the dashboards system from June next year and TPR will now begin writing to them to alert them to their connection deadline and will advise them what they need to do.

ACTIONS

Trustees should now:

- check their connection deadline (the date by which they will be legally required to be connected to the Pensions Dashboards
- have Pensions Dashboards firmly on their board agendas
- be deciding how they will connect (whether they will develop a solution in house, or use a pensions administrator or integrated service provider)
- be taking stock of and digitising their data (this is crucial so that savers are successfully matched to their pensions).

Helpful Links

Pensions dashboards: further consultation - GOV.UK (www.gov.uk)

Trustees warned: be prepared - "your pensions dashboards deadline is coming" | The Pensions Regulator

Actuarial Update

The Pensions Regulator (TPR) published its Annual Funding Statement (AFS) on 27 April this year. AFS 2022 is aimed at both trustees and sponsors whose schemes have actuarial valuations between 22 September 2021 and 21 September 2022 – the so called "Tranche 17" valuations.

Content

This year's AFS recognises the pressures (e.g. the economic background) and uncertainties (e.g. Russia-Ukraine conflict) that schemes are facing, and the potential impact of this on their funding position and employer covenant. TPR nevertheless expects trustees and sponsors to continue to think about their Long Term Funding Target and Journey Plan towards their end goal.

Key points from AFS 2022

Current economic uncertainty and events will have an impact on pension scheme management, and this can manifest itself in a range of ways e.g. changes in the funding position and employer covenant, but also in less obvious areas such as the impact of the Russian-Ukraine conflict on cyber risks.

In the context of significant events, trustees should consider the overall impact these may have on the sponsor's business and categorise this in one of three ways:

- Current market events have had a limited impact on the business. In this situation, TPR expects a 'business as usual' approach to setting recovery plans. In practice, this means not reducing deficit reduction contributions or lengthening recovery plans. In fact, ideally, recovery plan lengths should be shortened where possible. Trustees should be aware that the reference recovery plan length has now been reduced to six years.
- Current market events have had a material impact, but trading has recovered or is recovering strongly, or some impact is anticipated but expected to be short-lived. In this situation, sponsors may request a deferral to deficit reduction contributions and /or an extension to recovery plan end dates. Any such requests should be carefully considered by trustees but changes to recovery plans / deferral of deficit reduction contributions should be limited and short-term.
- The impact of current market events continues to be material. In this scenario, sponsors are a lot more likely to request some changes to deficit reduction contribution payments and recovery plan end dates. Where trustees agree to changes, TPR encourages them to seek out suitable mitigations.

Following a hiatus during the COVID-19 pandemic, TPR has seen an increase in employers returning cash to shareholders through recommencing dividends, paying 'special' dividends and share buybacks. In line with previous TPR statements, trustees are expected to consider whether their scheme is being treated fairly compared to other stakeholders. Trustees are also expected to remain vigilant of other forms of covenant leakage.

AFS 2022 covers actuarial and investment considerations (interest rates, inflation rates and mortality) and an integrated approach to managing risks. The extent to which movements in interest rates and inflation rates have impacted schemes will vary depending on the extent to which schemes are hedged against these risks. It is recognised that there will be differing views on how the COVID-19 pandemic will impact mortality for pension schemes. While the latest standard core mortality projection models ignore the potential impact of COVID-19 on future life expectancy, the AFS suggests trustees and sponsors could allow for the impact of COVID-19 by applying a reduction to liabilities of up to 2%.

ACTIONS

For schemes undergoing actuarial valuations this year, careful consideration will be needed when setting their assumptions. Trustees and sponsors need to remain alert, share information with each other, and take appropriate advice from their different professional advisers.

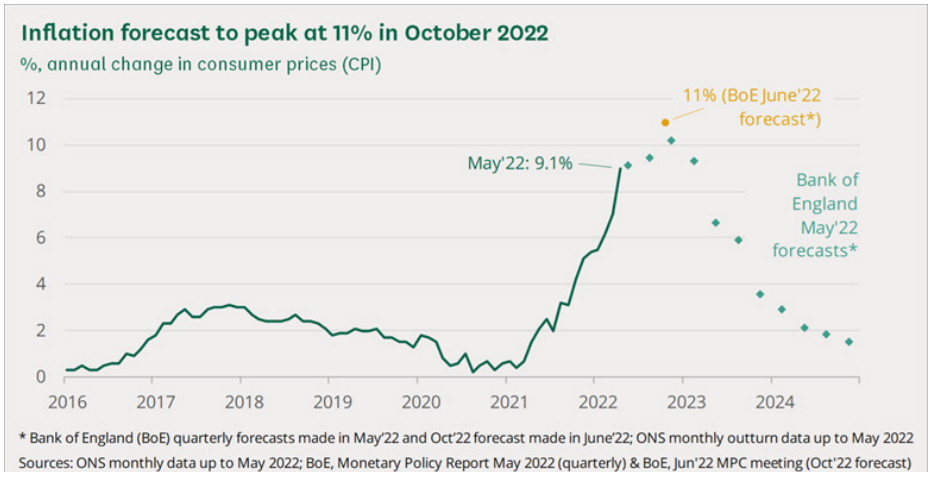
Helpful Links

Annual Funding Statement 2022 | The Pensions Regulator

UK inflation has hit a 40 year high at 9.1% - what does this mean for defined benefit pension schemes?

Funding

Funding defined benefit pensions is a long-term game. The Bank of England forecasts that high inflation will last around two years and will reduce to the long-term target of 2% p.a. after this. Trustees, therefore, should not make any knee jerk reactions.



Pension benefits are inflation linked, but in most cases subject to a cap. If inflation continues to rise, it is unlikely that liabilities will significantly increase as caps are biting.

Investment

Inflation linked assets will increase in value as inflation rises. If assets are hedging inflation risk, they will rise to match rises in liabilities. However, hedging may get out of sync as caps are hit - trustees may need to revisit hedging strategies to ensure they remain appropriate.

Administration

Pension scheme members are likely to read about high inflation in the news and administrators may get more queries than normal. High inflation will erode the value of benefits.

Trustees may wish to consider discretionary increases where there is appetite/funds to do so. It is relatively common for schemes to contain the power to provide additional (discretionary) pension increases but employer consent is usually needed. Trustees may want to review their rules to check whether there is a discretionary increase provision. If there is, consideration can then be given to whether or not it should be exercised and, if so, to what extent. It would be sensible to document the trustee considerations, whether or not the discretionary increase power is used.

Administrators should be aware of anomalies that may exist to ensure that members are not disadvantaged by taking a certain course of action, given high inflation levels. For example, a deferred member giving up uncapped deferred revaluation for capped pension increases. Transfer values for members close to retirement may also need careful consideration. Trustees may want to consider a generic communication to members around issues to consider in light of high inflation.

Company Accounting

Accounting figures are normally carried out on a roll-forward basis, where liability figures are estimated rather than recalculated on a member by member basis.

It is important that this estimate allows correctly for inflation, as allowing for actual inflation over the year may exceed the employer's materiality limits.

DC update

Collective Defined Contribution (CDC)

CDC legislation coming into force this year will assist the Royal Mail scheme to get up and running. Moreover, to further the development of CDC, the DWP is aiming to hold a consultation on multi-employer CDC schemes for non-associated employers later this year. The government believes that there is an appetite for 'third way' schemes, especially amongst workforces that just want a 'wage' in retirement rather than freedom and choice. Even if you accept that the decline of traditional Defined Benefits (DB) is terminal, there is a growing school of thought that conventional DC is not the only option and that, for the same level of contributions, CDC can produce a better outcome for many members.

Stronger nudging

From 1st June 2022 trustees and Group Personal Pension (GPP) providers have to give members with flexible (DC/cash balance) benefits a stronger nudge to book a free Pension Wise appointment when accessing their savings.

The stronger nudge to pensions guidance aims to increase take up of pensions guidance, by requiring trustees to ensure that individuals have either received or opted out of receiving appropriate pensions guidance before proceeding with their application. The goal of this is to present taking pensions guidance as a normal part of the application process and to require members (and other relevant beneficiaries) to make an active choice to opt out of receiving guidance.

The stronger nudge guidance is to be delivered to all relevant beneficiaries, aged 50 or above, who contact a scheme to request to access their pension benefits or to transfer those benefits with the intention of accessing their pension flexibilities. However, schemes will not need to deliver the nudge to beneficiaries transferring for the sole purpose of consolidation.

Trustees should note that, for schemes in scope, they and their administrators need to ensure they have received confirmation of attendance at a Pension Wise appointment, or an opt out, before proceeding with the application process.

Chair Statements and new Value for Members (VfM)

For specified DC schemes with year ends after 31 December 2021 and assets of less than £100m, the new VfM information will need to be included.

When carrying out the new VfM assessment, trustees must consider three factors: costs and charges; net investment returns; and administration and governance.

Net investment returns

Trustees must report on the 'net investment returns' for their default arrangement(s) and for each self-select fund in which members are invested during the scheme year. Net investment returns refer to the returns on funds minus all transaction costs and charges. The information on net investment returns must be stated in the annual Chair's Statement for the first scheme year ending after 1 October 2021, and published on a publicly available website.

Comparators

For the purposes of assessing costs and charges and net investment returns as part of the VfM assessment, each specified scheme must compare itself with three 'comparison schemes'.

Each scheme used as the basis for the comparison should be either an occupational pension scheme which held total assets equal to or greater than £100 million or a personal pension scheme (but not a self-invested personal pension).

Of the three factors, administration and governance is further subdivided into 7 sections:

— Promptness and accuracy of core financial transactions;

- Quality of recordkKeeping (including security of data);
- Appropriateness of the default investment strategy;
- Quality of investment governance;
- Level of trustee knowledge, understanding and skills to operate the pension scheme effectively (including whether sufficient time is spent running the scheme, diversity of trustee board in terms of background, experience and skills, quality of leadership and effectiveness of board decision making, trustee continuous learning and development, quality of working relationships with employer/third parties);
- Quality of communication with scheme members and
- Effectiveness of management of conflicts of interest.

In addition, in September 2021, The Pensions Regulator (TPR) and the Financial Conduct Authority (FCA) published a value for money discussion paper inviting views on developing a holistic framework and related metrics to assess value for money (VfM) in defined contribution (DC) pension schemes. In May 2022, the regulators published a feedback statement on the VfM discussion paper and confirmed that they will further develop common measurements which will allow industry professionals and pension savers to better compare DC pension schemes.

NB. This is separate from the new VfM requirements for Chair Statements which start this year.

Legal action taken against Uber over Sharia compliant pension arrangements

In May 2022, The App Drivers and Couriers Union (ADCU) launched legal action against Uber for its failure to make Sharia compliant pension arrangements. ADCU states legal action will ensure inclusion and access to suitable pension arrangements and argues that Uber is in breach of the Equality Act 2010. The outcome of this action will impact other workplace pensions. A reminder of the issues for pension schemes and trustee duties not to discriminate on grounds of religion or belief.

The consumer journey

The Pensions Regulator (TPR) and Financial Conduct (FCA) published their response to their 'consumer [member] journey' consultation. Some important points for trustees to be aware of in here are: the support for 'mid-life' MOTs; trials of 'side car' savings alongside pensions; the 2023 DWP 'year of the trustee initiative'; and TPR's review of DC communications materials. These subjects could be worth adding to a future trustee meeting agendas.

Decumulation options

Finally, the DWP has launched a call for evidence seeking views on how it can support pension scheme members make informed decisions on using their savings. The paper sets out member expectations, the current position in the trust-based market and plans for the future.

The consultation will have an impact on pension schemes and savers as it is likely it will lead to the introduction of measures to support trust-based scheme members, and the extension of collective defined contribution (CDC) schemes to multi-employer schemes and master trusts. The National Employment Savings Trust (NEST) may also be developed to offer further decumulation options.

Helpful Links

More savers to benefit from new pension provision - GOV.UK (www.gov.uk)

Communicating reporting DC pension schemes | The Pensions Regulator

Value for members | DC pension schemes | The Pensions Regulator

Feedback statement on driving Value for Money in defined contribution pensions | The Pensions Regulator

Pensions consumer journey feedback statement | The Pensions Regulator

Coming up next

A number of changes in pensions law and practice were expected in Q2, 2022. However, with government departments and regulators struggling with workloads and resources, like nearly every other organisation, they did not materialise.

Nevertheless, as our pension tracker, below, shows these developments have been delayed, not dropped. So, to use the well-known football commentator's cliché, 2022 is shaping up to be a real 'game of two halves'. The relative calm of the first six months will, in terms of codes, consultations and regulations, be followed by a storm of prospective changes to workplace pensions. The key ones to be aware of and the issues for trustees and employers include:

- **Final Pensions Dashboard Regulations.** Dashboards are coming! And schemes need to be ready to supply information. Amongst other things, this means that good data is no longer a 'nice to have'; it is a necessity.
- **Single Code.** Somewhat related to the above, The Pensions Regulator's new single code of practice will bring into full force the requirement for schemes to have an Effective System of Governance (ESoG) and carry out regular Own Risk Assessments (ORAs) of their governance and internal controls. Paying the right benefits, to the right people, at the right time (good data) is at the heart of effective governance.
- **New Scheme Funding Code.** Are you going 'Fast-Track' or 'Bespoke'? The new code will probably not take effect before October 2023 but trustees and employers need to consider the impact (more money going into the scheme more quickly?) and what their long-term objective is (self-sufficiency, buy-out, superfund?). Regulations requiring schemes to have a long-term funding strategy will be consulted on before the new Funding Code takes effect.

Date	Development	Notes
June / July	Pensions Dashboard Programme	Final regulations that will set out timetable for mandatory provision of information
31 July	Chair Statements	For DC schemes with assets of less than £100m preparing Chair's Statements after this date (for year ends after 31 December 2021), new 'Value for Members' (VfM) information will need to be included
1 August	The Occupational Pension Schemes (Collective Money Purchase Schemes) Regulations 2021 effective	Legislation to enable single or connected employer collective money purchase schemes to apply to TPR for authorisation
Summer	New Pensions Regulator Single Code of Practice	Further draft of new Single Code, which will eventually replace 15 existing Codes of Practice
14 August	HMRC migration and Accounting for Tax (AFT) return	If a scheme needs to submit a return for the quarter 1 April 2022 to 31 June 2022, it needs to have migrated and must submit the return on the Managing Pension Schemes Service by the filing deadline of 14 August
Late summer	Second consultation on new Scheme-Funding Regime	Second part of TPR consultation on the revised DB funding code

1 October	Extension of climate risk governance and reporting requirements for occupational pension schemes with £1 billion or more assets	Requirements for large schemes to report on climate risk
1 October	Simplified Benefit Statements – Occupational and Personal Pension Schemes (Disclosure of Information) (Amendment) Regulations 2022, SI 2021/1150, come into force	Introduction of '2-page' benefit statement
October	Investment in 'illiquids'	DWP proposals, expected to take effect in October, will require DC pension schemes to disclose and explain their policies on illiquid investment and, for schemes with over £100m of assets, to disclose their current asset classes to members. Also, draft regulations remove certain employer-related restrictions that currently apply to large authorised Master Trusts
October	Changes to Notifiable Events regime expected	Revisions to scheme and employer-related events that must be notified to The Pensions Regulator
31 October	Stewardship Code	Next deadline for applications to becoming signatory to 2020 UK Stewardship Code
Q4	Collective DC schemes	Consultation on multi-employer collective defined contribution (CDC) pensions expected
Q4	Pensions Value for Money (VfM) consultation	TPR and the FCA have published a feedback statement in relation to a joint consultation launched in September 2021, which invited views on how best to measure VfM in DC pension schemes. The feedback does not provide any policy views in response to the issues raised. TPR, the FCA and the DWP plan to publish a new consultation setting out proposals towards the end of 2022

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