

PATHways



Pension Administration Technical Help

Highlighting pensions news and legislation that has particular relevance to what we do in pension administration



HMRC newsletters

[Pensions schemes newsletter 158](#) was published by HMRC (HM Revenue & Customs) on 4 April 2024. It includes more information in relation to the abolition of the lifetime allowance (LTA) from 6 April 2024.

The newsletter sets out the changes that HMRC plan to make under further regulations to make some 'minor technical changes' in relation to the abolition of the LTA, and highlights some areas that are still under consideration. This includes information on:

- The incorrect formula currently in the legislation in relation to scheme-specific lump sum protection, as well as how HMRC intend this should impact an individual's lump sum allowance availability.
- The calculation of the overseas transfer allowance in relation to any benefits taken before 6 April 2006.
- Transitional tax-free amount certificates, in relation to: the tax treatment of certain lump sums where a certificate is cancelled, the inclusion of any pre-6 April 2024 pension commencement or uncrystallised funds pension lump sums taken from age 75 in the calculations for certificate purposes, and annual relevant benefit crystallisation event statements.
- Those with enhanced protection or primary protection, where there are protected lump sum rights of more than £375,000.
- Payment of lump sum death benefits from funds which crystallised before 6 April 2024.

[Pensions schemes newsletter 159](#) was also published on 25 April 2024, again with much focus on LTA abolition, including:

- Information in relation to various scenarios where a member became entitled to benefits before 6 April 2024, but their benefits are paid after that date.
- Confirmation of a number of requirements that must be met in relation to Pension Commencement Excess Lump Sum (PCELS) payments.
- Some clarity of HMRC's overarching policy intent in relation to scheme-specific lump sum protection.
- Details of some further 'technical errors' identified within the legislation, relating to provisions for the statutory override and the standard transitional calculation for lump sum death benefits.

A consolidated version of the LTA abolition [frequently asked questions](#) that have been included in a number of the recently published newsletters, is also available. Pensions schemes newsletter 158 said that the 'frequently asked questions' will no longer be published on a two-weekly cycle.

Pensions dashboards

On 9 April 2024, the Pensions Dashboards Programme (PDP) published a [blog](#) in relation to the Department for Work and Pensions (DWP) [dashboards connection guidance](#). The guidance includes the staged timetable for when schemes in scope are expected to connect to the dashboards ecosystem, in advance of the statutory connection deadline of 31 October 2026.

The blog highlights that while the staged timetable is not a statutory requirement, schemes must 'have regard' to this guidance. If asked, scheme trustees will need to be able to demonstrate how they have considered the guidance when planning and making decisions for connection to the dashboards ecosystem. Failing to do this could result in action by the Pensions Regulator (TPR).

The PDP has also published its latest [progress update report](#). This includes a look back at developments over the last six months, as well as looking at its focus areas for the next six months.

In addition to DWP's dashboards connection guidance, it also provides an update on a variety of topics, including:

- Preparing for connection to the dashboards and an update on the dashboards standards.
- User testing and industry engagement.
- The PDP advisory group and a new Senior Responsible Owner appointment.
- Updates from the PDP's dashboards partners, DWP, TPR and the Financial Conduct Authority.

MaPS report on pension guidance service

The Money and Pensions Service (MaPS) has published [a report](#) summarising its findings from people using its pension guidance service. This included that:

- 71% of people who had a pension guidance call with MoneyHelper said they have the tools to deal with potential financial crimes and scams.
- 83% of those who had telephone appointments said they felt in more control of their financial situation.
- From 833 people who contacted MaPS' separate dedicated helpline for financial crimes and scams, over £13.6m was estimated to be lost. This amounts to a loss of over £16,000 per consumer.

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