

On the Horizon

Key Developments Likely to Affect
Pension Schemes



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There are a number of legislative and regulatory changes in the pipeline.

Expected Date	Topic	Summary
2023		
Winter 2023/24	General code of practice	The Pensions Regulator's (TPR) general code (previously called the single code) is expected to be laid before Parliament.
Winter 2023/24	Automatic enrolment	The Department for Work and Pensions (DWP) is expected to consult on proposals to extend automatic enrolment eligibility and limits.
Winter 2023/24	Collective Defined Contribution (CDC) schemes	The DWP is due to consult on draft regulations for whole-life multi-employer CDC schemes.
Winter 2023/24	Refund of surplus to employer	The government will launch a consultation on changes to DB surplus rules.
2024		
6 January 2024	National insurance contributions (NICs)	The main rate of Class 1 employee NICs will reduce from 12% to 10%.
6 April 2024	State pensions	The triple lock will apply: the basic State Pension and new State Pension will increase by 8.5%, in line with average earnings growth.
6 April 2024	Tax relief in net pay schemes	To address anomalies in tax relief, low earners in net pay schemes become entitled to top-up payments from HMRC for contributions made in 2024/25 onwards (payable from 2026/27).
6 April 2024	Lifetime Allowance (LTA)	LTA due to be abolished. LTA charge has already been removed.

6 April 2024	Refund of surplus to employer	Authorised surplus payments charge will be reduced from 35% to 25%.
April 2024	Scheme funding	Regulations and revised DB code of practice on scheme funding expected to come into force.
Spring 2024	Value for money (VFM)	The FCA will consult on detailed rules for a new VFM framework for contract-based workplace DC pensions.
Spring/Summer 2024	Small pots - multiple default consolidator model	An industry delivery group is to be established in early 2024. It is expected to provide an interim update to government by spring/summer 2024, with proposals for consideration in late 2024.
2024	Pensions dashboards	DWP guidance on dashboards staging timetable expected. Trustees must have regard to this guidance.
2024	DC decumulation	TPR intends to engage with industry and publish interim guidance on decumulation.
2024	Climate change	Subject to consultation, climate risk governance and disclosure requirements may be extended to smaller schemes (assets under £1 bn).
2024	Pensions Regulator	Extension of notifiable events framework.

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