

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
2024		
6 January 2024	National insurance contributions (NICs)	The main rate of Class 1 employee NICs reduced from 12% to 10%.
Early 2024	Automatic enrolment	The Department for Work and Pensions (DWP) is expected to consult on proposals to extend auto-enrolment eligibility and limits.
Early 2024	Collective Defined Contribution (CDC) schemes	The DWP is due to consult on draft regulations for whole-life multi-employer CDC schemes.
Early 2024	Refund of surplus to employer	Government consultation expected on DB options including changes to surplus rules.
6 March 2024	Taxation	The Spring Budget will take place.
27 March 2024	General code of practice	The Pensions Regulator's (TPR) general code is expected to come into force.
6 April 2024	Lifetime Allowance (LTA)	LTA due to be abolished (LTA charge has already been removed).
6 April 2024	Scheme funding	Scheme funding regulations expected to be in force that will apply to valuations with effective dates on or after 22 September 2024.
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	Refund of surplus to employer	Authorised surplus payments charge will be reduced from 35% to 25%.



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 (payable from 2026/27).
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 2024	Pensions dashboards	A formal announcement about DWP guidance on dashboards staging timetable is expected. Trustees must have regard to this guidance.
Spring/Summer 2024	Small pots - multiple default consolidator model	Industry group is expected to provide an interim update to government, with proposals for consideration in late 2024.
2024	Scheme funding	TPR's revised code of practice is due to be laid, to apply to valuations with effective dates on or after 22 September 2024.
2024	Pensions Regulator	Extension of notifiable events framework.
Late 2024	DC decumulation	TPR intends to publish interim guidance on decumulation.
Late 2024	Climate change	Subject to consultation, climate risk governance and disclosure requirements may be extended to smaller schemes (assets under £1 bn).

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