

Spring Budget 2024 brings no big surprises to pensions



What you need to know

- The Chancellor's Spring Budget delivered on 6 March 2024 had limited new pension items. The Pensions content was as expected from previous Treasury announcements and built on the Mansion House proposals and Autumn Statement's focus on creating better value for DC savings.
- As was announced on 2 March, the Chancellor confirmed new disclosure requirements for DC schemes, and the objective to strengthen powers for The Pensions Regulator (TPR) and Financial Conduct Authority (FCA) to intervene in underperforming DC schemes.



Actions you can take

- Consider the impact of the further DC proposals on the management and administration of your DC funds.

Summary of key Budget updates on pension proposals

Item	Affects	Description
Investment disclosures	DC	Will bring forward requirements for DC pension funds to publicly disclose the breakdown of their asset allocations, including UK equities.
Value for Money (VFM) requirements	DC	Signal given that schemes will be required to compare their performance, costs and other metrics against those of at least two schemes managing over £10 billion in assets, increasing significantly over time. The Government will work closely with the FCA to bring this into force.
New regulatory powers	DC	As part of the upcoming VFM pensions framework, full powers will be provided to TPR and FCA to use where schemes persistently give 'poor outcomes' to savers, including closing a scheme to new entrants or winding up a scheme.
Timing	DC	Disclosure and VFM items expected to be covered in FCA consultation over spring. The Government will look to legislate at the earliest opportunity to apply the VFM framework and provide TPR with new powers, ensuring key disclosures are in place by 2027.
Lifetime provider model	DC	Confirmed commitment to exploring this for DC pensions in the long term.
New investment opportunities	DC	As part of proposals for the British Business Bank (BBB) to support DC investment in growth, the organisations that will participate in the Long-Term Investment for Technology and Science (LIFTS) funds were announced.
Maintain triple lock	State pension	Commitment to maintaining the triple lock was confirmed.

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