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At a glance

DEPARTMENT FOR WORK AND PENSIONS

- Report on attitudes to age in Britain

HM REVENUE AND CUSTOMS

- Registered Pension Schemes Manual updates

NATIONAL EMPLOYMENT SAVINGS TRUST

- NEST updates its pensions phrasebook

PENSIONS INSTITUTE

- Discussion Paper: Pension funding constraints and corporate expenditures

PUBLIC SECTOR PENSIONS

- The switch from RPI to CPI: Appeal to Court of Appeal

SO7

Abbreviations commonly used in 7 Days

Alert/News: Sackers Extra publications (available from the client area of our website or from your usual contact)

DB: Defined benefit

DC: Defined contribution

DWP: Department for Work and Pensions

ECJ: European Court of Justice

FAS: Financial Assistance Scheme

HMRC: HM Revenue & Customs

NEST: National Employment Savings Trust

PPF: Pension Protection Fund

TPR: The Pensions Regulator

DEPARTMENT FOR WORK AND PENSIONS

Report on attitudes to age in Britain

The DWP has published a research report on "[Attitudes to Age in Britain 2010-2011](#)". The report, which is based on analysis of the survey published by the Office for National Statistics, looks at factors associated with age discrimination and prejudice and compares attitudes between two key groups: people in their twenties; and those aged 70 and over.

Key findings from the report include:

- more than one third of respondents said they had experienced some age-related prejudice in the past year. Experience of age discrimination was more common in younger groups, with the under 25s at least twice as likely to have experienced discrimination than other age groups;
- people aged over 70 are viewed as being more friendly, more competent and as having higher moral standards than those in their 20s;
- when asked to say how acceptable or unacceptable they would find a suitably qualified 30 year old or 70 year old boss, although most respondents were accepting of either, three times as many (15% and 5% respectively) thought that having a 70 year old boss would be unacceptable, compared with having a 30 year old boss; and
- on average, respondents thought that "youth" ends at 41 and that "old age begins at 59, although the responses varied by as much as 20 years in relation to the age of the respondent.

[DWP Press Release](#)

HM REVENUE AND CUSTOMS

Registered Pension Schemes Manual (RPSM) updates

On 9 January 2012, HMRC published a number of [updates](#) to the RPSM. These include clarifications, corrections and some new entries, including:

- worked examples for DB schemes on calculating the annual allowance (AA) where the member's benefits under a scheme have different 'normal pension ages' (for example, as result of the equalisation of men's and women's benefits in the scheme);

- paying benefits to a member with fixed protection;
- giving up enhanced protection for fixed protection; and
- payment of a lump sum death benefit after 5 April 2012 in respect of a member's death before 6 April 2012 (i.e. taking account of the reduction of the Lifetime Allowance to £1.5 million from that date).

NATIONAL EMPLOYMENT SAVINGS TRUST

NEST updates its pensions phrasebook

Having launched its pensions phrasebook in 2011, NEST has now published an updated version of the [NEST phrasebook](#), following research into potential future members and employers and their understanding of pension terms.

Alongside the new phrasebook, a number of journalists and NEST personnel have posted some light-hearted videos on NEST's [YouTube](#) channel, discussing the pensions jargon they would most like to dispense with.

[NEST Press Release](#)

PENSIONS INSTITUTE

Discussion Paper: Pension funding constraints and corporate expenditures

The Pensions Institute has published a [discussion paper](#) which examines the impact of a company's pension contributions on its dividend and investment policies.

The authors of the report (using a sample of DB pension schemes in FTSE350 UK between 2001 and 2007) note a strong negative relation between pension contributions and corporate dividends. They also note that the funding requirements of the Pensions Act 2004 have had a more pronounced effect on both dividend and investment sensitivities to pension contributions, than the "Minimum Funding Requirement" that was in place previously.

PUBLIC SECTOR PENSIONS

The switch from RPI to CPI: Appeal to Court of Appeal

In 7 Days on [5 December 2011](#), we reported the High Court's dismissal of the application for judicial review, brought by public sector unions and others, of the Government's decision to switch from RPI to CPI as the measure for increases to public sector pensions.

The unions have confirmed that they are appealing this decision, citing as their main reason for doing so the fact that one of the judges (McCombe LJ) had supported the unions' position in the High Court. We continue to monitor developments in this case.

[GMB Press Release](#)