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Sackers' survey shows industry is split on new transfer regulations

Sacker & Partners LLP (Sackers), the UK's leading specialist law firm for pensions and retirement savings, today announced the results of their most recent webinar survey* showing the industry is still very much split when it comes to new transfer regulations.

James Bingham, partner at Sackers, commented: "The new statutory transfer regulations, which very firmly put the onus on trustees and advisers to better protect members, seem to be causing a split reaction in the industry with half of respondents in our survey (49%) believing they will help reduce the risk of pension scams and 47% still waiting to see what the reality holds for them and their members. These results aren't entirely surprising. As is often the case with new regulations that are rushed in, as these were, there are grey areas that are likely to give rise to increased confusion, conflict, and claims."

Bingham continued: "One of the most significant challenges that trustees will face are the subjective judgements that they and their administrators will have to make to assess the red and amber flags. These decisions will not always be straightforward, and the disconnect between the general guidance and prescriptive regulations has the potential to make them more challenging. Add in the possibility of member dissatisfaction due to delays, requests for evidence and referrals to Money Helper, and claims companies have their perfect storm."

Bingham concluded: "But there are steps trustees can take to help them in the long term. Managing member expectations through carefully crafted communications and accurately recording and evidencing every decision is critical. Adding in a carefully monitored and accurate 'clean list' of receiving schemes will help accelerate the process and mitigate complaints too (67% of respondents already operating such a list). It's clear that the onus for the implementation of the new transfer regulations is very much on trustee shoulders but good decisions and updates to processes will help them navigate the new regime."

* Based on 87 respondents representing trustees and employers of both DB and DC schemes

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Notes to Editors:

Sacker & Partners LLP (Sackers) is a top tier commercial law firm specialising in advising pension scheme trustees, employers, providers and corporate investors on all aspects of their pension arrangements.

Widely viewed as leaders in the field, Sackers advises more of the UK's top 200 pension funds than any other law firm. Sackers is consistently ranked in the top tier for pensions by both leading UK legal directories (Chambers UK and the Legal 500) and has been for over twenty years.

Based in London, Sackers provides support to trustee boards, sponsoring employers, providers and Government bodies across a range of areas, including day to day scheme management, funding and investment, projects, risk and litigation.

Sackers is an active member of the Pensions and Lifetime Savings Association and The Association of Pensions Lawyers and is technical legal expert partner to the Pensions Management Institute and Pension Chair. Sackers also works closely with TPAS, the SPP, and the Pensions Investment Academy.

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