

PRESS RELEASE

8 February 2023

Getting ready for LTA Day - Sackers survey reveals areas of key concern

With the Government pressing ahead with the removal of the lifetime allowance (LTA) from 6 April 2024, Sackers & Partners LLP (Sackers), the UK's leading specialist law firm for pensions and retirement savings, today announced the results of its most recent webinar survey. Having elicited over 200 responses, the survey reveals that the speed with which the changes are being made is causing some trepidation.

Eleanor Daplyn, Sackers' partner and pensions tax expert, comments: "In response to our question about which aspects of the LTA's removal were causing most concern, 28% of respondents identified the time available to make essential updates to scheme administration and processes. Given that the legislation is still making its way through Parliament, and further HMRC guidance is expected, this response hardly comes as a surprise. Time is clearly of the essence for clarifications now.

"Around the time of the 2023 Spring Budget Labour announced that were it to get into power it would reverse-engineer the tax changes. With a General Election looming this year, another natural area of disquiet is political uncertainty, with around a quarter of respondents highlighting this as an issue."

Daplyn added: "Alongside the timetable and political backdrop, nearly a third of those who responded were also grappling with what to say to members considering retiring around LTA-Day and the potential knock-on effect on scheme benefit design. With no word yet on whether legislative help will be forthcoming for those schemes that have woven the LTA into their fabric, their unease is understandable.

"With less than 10% of respondents feeling very confident of being LTA-Day ready, there is a lot to do in the countdown to April. Here's hoping that the remaining jigsaw pieces are slotted together quickly."

- ENDS -

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, The Association of Pensions Lawyers and the Society of Pension Professionals and is technical legal expert partner to the Pensions Management Institute.

In 2023 Sackers won all three of the industry's top awards in pensions:

- UK Pensions Awards - Pensions Lawyers of the Year
- Pensions Age Awards – Pensions Law Firm of the Year
- Corporate Adviser Awards – Best Pensions Law Firm

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