Wedlake Bell

THE PENSIONS COMPASS

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INTRODUCTION

To all our many readers – *Happy Christmas and a very Healthy New Year*.

Despite the challenges of COVID, pensions law has continued non-stop and we are here to help you sort the wheat from the chaff with our constructive advice.

Written by the members of our highly experienced Pensions & Employee Benefits Team, the articles in this issue highlight major legal issues and important areas for 2021.

On a personal note, I started the Wedlake Bell pensions practice a few years ago in 1980! Having now transitioned from Partner to Consultant, I continue as an active member of the Pensions & Employee Benefits Team. Justin, Alison, Paul and myself all look forward to seeing you, in person if at all possible, during 2021.

Articles in this Christmas issue:

Part 1 – Employee Hardship Trusts – Justin explains how Hardship Trusts work, particularly relevant at present.

Part 2 – Transfers and GMP Equalisation – Clarity at last? – Clive and Paul consider the "final" pieces of the jigsaw following the Lloyds Transfers' judgment on 20 November 2020.

Part 3 – RIP for RPI? – Clive comments on the Government's changes announced on 25 November 2020.

Part 4 – Subject Access Requests – Alison and Paul view the new ICO guidance.

Part 5 – Quick review of Superfunds including TPR 'Clearance' – a whistle-stop tour.

Part 6 – Pensions Ready Reckoner – snapshot of recent and future key developments in the pensions legal world.

Best wishes for 2021 from us all.

Clive Weber, Consultant and Editor-in-Chief
Justin McGilloway, Partner and Team Leader
Alison Hills, Partner
Paul Ashcroft, Solicitor

PART 1 – THE RESURGENCE OF THE BENEVOLENT SOCIETY

The COVID-19 pandemic has sparked a tremendous amount of interest in employee benevolent societies or hardship funds. Sometimes described as one of the charitable sector's best kept secrets these occupational societies have seen a resurgence as many employees and their dependants face financial hardship. Currently in the UK there are over 3,000 benevolent societies/hardship funds.

Largely borne out of the industrial revolution and before the creation of the welfare state which sought to provide state pensions and social security benefits, benevolent societies can be established to provide a wide range of assistance and services for people with connections to particular industries, trades and professions. Originally set up by occupational groups – for example, police officers, armed forces, road hauliers, vicars, musicians and health service employees – many societies have modernised and rebranded themselves in response to modern day needs. Even before the Covid 19 pandemic struck, the number of people turning to these societies showed a sharp increase in recent years due to (amongst other things) declining living standards, high levels of personal debt, wage freezes and the pressures of stressful working lives.

Setting up a Benevolent Society or Hardship Fund

In recent years establishing a Charitable Incorporated Organisation (**CIO**) has become the most popular structure for those employers who decide to set up a benevolent society or hardship fund for the long term. CIOs are run by a body of trustees, benefit from significant tax benefits and will have a detailed constitution governing their operation. Setting up a charity also fits well with employers' corporate social responsibility and allows donations and bequests to be made and received.

Less formal structures such as ad-hoc taxable grants or making of loans to those in need are also possible. Employee benefit trusts can also be used in order to relieve hardship.

What sort of help can be offered?

A wide range of assistance can be made available via these arrangements. Traditionally, funds tended to focus on general financial help as a result of unemployment, bereavement or ill-health. This could be for one off expenses such as funeral expenses, holiday grants or residential care to regular payments covering education, training or accommodation costs. However, forward thinking funds are now committed to providing more than this in order to reach a younger audience, often in decent jobs but with limited savings who are at the mercy of a single lifestyle event (illness, bereavement, unemployment) causing a spiralling crisis. Many are adopting a preventative and more holistic approach to offering help and support. For instance, some funds

provide access to helplines offering counselling services on issues as diverse as career progression, workplace bullying, drug abuse, claiming benefits and legal issues. With the isolation many are now facing as a result of the Covid 19 pandemic and working from home, many funds are also focussed on combating loneliness by offering regular phone calls or visits where possible.

The benefits of setting up a CIO

The benevolent society will have a 'legal personality' of its own, meaning unlike unincorporated entities such as charitable trusts, it can conduct business freely in its own name in the same way as a company can, without the added bureaucratic burden of answering to both the companies and charities regulators (as it would if structured as a charitable company). Trustees of the CIO are usually personally safeguarded against any financial liabilities incurred by the charity (in the same way that directors of a company are), which is not usually the case for unincorporated charities or other unincorporated groups.

Finally, as a charity the CIO will benefit from specific tax exemptions and reliefs which can allow tax free provision of support to employees as well as tax reliefs for those who donate to the CIO and for the CIO upon receipt of donations.

There remains a strong need to raise awareness of these funds and the benefits they can offer.

Wedlake Bell's Pensions & Employee Benefits and Charities' specialists provide a comprehensive and holistic approach to employers looking to explore these arrangements. We are very well placed to advise on this area including the coordination of applications to The Charity Commission and drafting all necessary legal documentation.

Justin McGilloway,
Partner and Head of Pensions & Employee Benefits Team

Victoria Mahon de Palacios, Senior Associate – Charity Specialist

PART 2 – TRANSFERS AND GMP EQUALISATION. CLARITY AT LAST?

The High Court Judgment in the Lloyds Bank Transfer case on 20 November 2020 provides answers but leaves plenty undecided.

Here is a bird's eye view of what was decided, what is left undecided and how we can help:

1. What did the Court decide?

Decision – Trustees of a transferring scheme are under a *legal obligation* to the member to pay a top-up to the receiving scheme so far as needed to iron out any GMP inequality.

Transferring scheme trustees need to identify the members affected, carry out the calculation and pay the top-up to the trustee of the receiving scheme. What could be simpler?

2. Potential difficulties:

2.1. Data difficulties are likely to loom large as the GMP rights concerned accrued a long time ago (in the period from 17 May 1990 (the 'Barber' decision) to 5 April 1997 when GMPs ceased to accrue) and transfers will have occurred over the last 30 years.

The Lloyds transfer case also decided that member claims for top ups against the transferring scheme are not time barred meaning trustees should not overlook any historic data or transfers.

Can the legal principle of 'de minimis' – ignoring small matters – be relied on to any extent to limit the work and cost involved? We can advise on this.

2.2. Identifying and categorising transfers made – the Court made it clear that the legal obligation to top-up applies only in relation to statutory transfers under the cash equivalent legislation. Even if the member signed a discharge form, the Court said that the top-up obligation still applies to *statutory transfers*. However, in the case of non-statutory transfers, the Court accepted that the scheme rules and any signed discharge may, depending on the wording used, mean a top-up transfer is not required.

As for bulk transfers where mirror image benefits are given in the receiving scheme, the Court said the top-up requirement does not apply to members' "short service benefits" transferred in accordance with the 1991 Preservation Regulations (transfers without member consent).

The categorisation of transfers into types of transfer and the effect of discharge forms where relevant are topics on which trustees should obtain legal advice.

3. Must the transferring trustees be pro-active in calculating and paying any top-up payment due?

The Court confirmed transferring trustees should be pro-active but left this ultimately for each trustee board to decide. Unless there are

special circumstances it is likely the member could apply to the Court for an order compelling trustees to carry out their legal obligation to top-up.

Trustees will need advice on whether special circumstances exist in their particular scheme.

4. What types of special circumstances may exist?

The judgment relates to top-up payments due from an existing DB transferring scheme to an existing DB receiving scheme being an occupational pension scheme.

But what of the following circumstances:

4.1. the member has moved on from a receiving scheme to another scheme; or

4.2. the receiving scheme has been wound up; or

4.3. the transfer was not to a DB occupational pension scheme, but to another arrangement such as a DC arrangement or applied in buying an annuity policy with an insurer.

These circumstances were not in issue in the Lloyds case and so the Court gave no clear answers to them. We will be pleased to discuss our views with you.

5. The other end of the telescope – what must *receiving scheme* trustees do if the transferring scheme will not implement a top-up payment, or cannot do so e.g. because it has been wound up?

These are further difficult legal questions which the Court left open in the Lloyds Bank case as they were not the factual circumstances before the Court. Trustees will need legal advice in this area.

6. Conclusion

Many issues will arise as trustees try to fulfil their legal obligations in accordance with the Lloyds Transfer decision.

We are acutely aware of the need for practicality and we look forward to helping trustee boards to find the right way forward.

NB. For our September 2020 podcast on GMP equalisation (prepared prior to the Lloyds Bank Transfer case), visit ***https://wedlakebell.com/episode-1/***.

Clive Weber, Consultant – Pensions & Employee Benefits Team

Paul Ashcroft, Solicitor – Pensions & Employee Benefits Team

PART 3 – RIP FOR RPI?

TREASURY AND UK STATISTICS AUTHORITY RESPONSE 25/11/2020

Background

On 11 March 2020 the Treasury and the United Kingdom Statistics Authority (**UKSA**) jointly consulted on the UKSA proposal to adopt the CPIH (consumer prices index with a housing component) method and data sources for calculating the Retail Prices Index (**RPI**) and the effective date for the change.

The proposal was developed in 2019 by the previous Chancellor of the Exchequer. Not only do we now have a new Chancellor, but also a radically different economic environment due to COVID.

Why is the Response joint ?

The Statistics and Registration Service Act 2007 established UKSA as an independent body with responsibility for producing and maintaining the RPI. In certain circumstances changes to the RPI require the Chancellor of the Exchequer's consent, hence the joint Consultation and joint Response.

The Response

UKSA confirms its proposal to adopt the CPIH method and data sources for RPI purposes. RPI will still be published as a separate Index. The change is intended to take effect from 2030.

Impact on pension schemes, in particular defined benefit (DB) schemes

In a nutshell:

For Members – detrimental where pension increases are linked to RPI and overtime significantly so;

For Trustees – the impact depends on the extent to which the scheme's pension liabilities are RPI linked and/or the scheme's assets include index linked gilts, and any hedging in place; and

For Employers – the scheme's funding may be impacted and if so, the employer covenant affected.

Truly RIP for RPI ?

Looking like it albeit some observations:

(1) The Response mentions recent correspondence between the UKSA, the Bank of England and the Chancellor. The upshot is that "the Authority **would** [Wedlake Bell emphasis] be able to legally and practically implement" the RPI change in 2030.

Wedlake Bell comment: So, there is a glimmer of hope that when the time comes it could be the change will not actually happen. One week is a long time let alone nine years – much could change in the intervening time; and

(2) The Government has declined to offer any compensation to the holders of index linked gilts, saying that index linked gilts' contractual terms refer to the RPI and there is no change to RPI "flowing from the implementation of the Authority's reform".

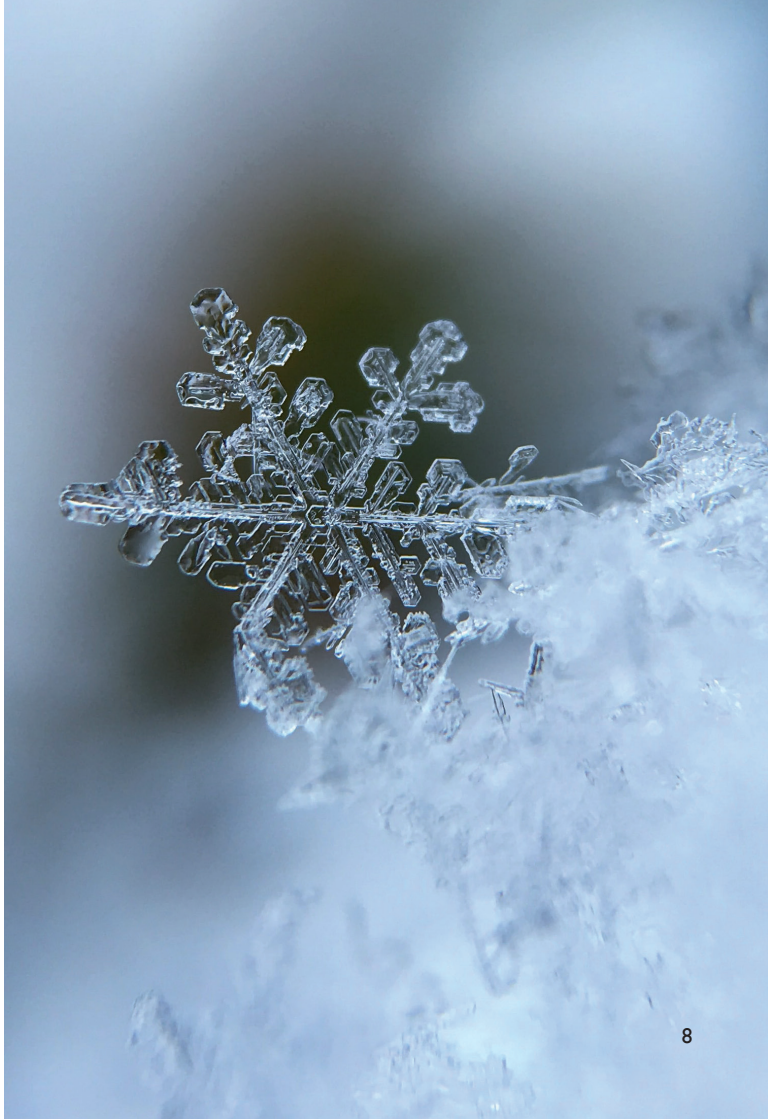
Wedlake Bell comment: True RPI remains in place but from 2030 in name only as in substance the change to RPI is fundamental. To say there is no change is disingenuous but whether this gives ground for a legal challenge to the Government's no compensation policy is another matter.

Please see the following for further background:

- our article "DB Schemes – Abolition of Libor and (possibly) RPI" in the February 2020 edition of Pensions Compass ***https://wedlakebell.com/pensions-compass-february-2020/***; and

- visit ***https://wedlakebell.com/episode-2-rip-for-rpi*** to view our September 2020 podcast.

Clive Weber, Consultant – Pensions & Employee Benefits Team



PART 4 – HO! HO! HO! HOPE YOU'VE REVIEWED YOUR SUBJECT ACCESS REQUEST POLICIES IN TIME FOR CHRISTMAS!

To avoid Santa's naughty list this year, scheme trustees should ensure they have a suitable data subject access request ("**DSAR**") policy which reflects the updated guidance on DSARs published by the Information Commissioner's Office (the "**ICO**") on 21 October 2020.

In pension scheme scenarios, requests to access personal data often form part of wider more general requests around the benefits an individual is entitled to receive. In their simplest form, a DSAR is an individual's right to access and receive a copy of their personal data and other supplementary information. DSARs may also be used to seek confirmation that the scheme trustees or administrators are processing their personal data, particularly, if details have been lost over time or if members are making use of a tracing service to locate historic entitlements.

DSARs come in all sorts of shapes and sizes. They can be made verbally, written and even posted on social media. No specific form is required to make a subject access request.

On receipt of a DSAR, the information requested must be provided without delay and by the standard deadline for providing the requested information namely within one calendar month of receipt of (i) the DSAR; and (ii) all other information needed to process the request (e.g. ID). A one month timescale is likely to be somewhat tight in many instances and prompt action is therefore needed to carry out the various tasks, including:

- ensure the person making the DSAR is the data subject; the identity of the applicant should be carefully verified;
- notify the data processors of the request and request copies of the relevant information they hold for the individual;
- identify all relevant information held by the trustees; and
- check all extracts for information which should not be issued to the applicant (e.g. any data relating to another data subject, including correspondence from another data subject).

DSARs are still relatively rare in the pensions field but, when made, can often be a precursor to pension claims, including to the Pensions Ombudsman and/or to the Courts, as illustrated by the following case:

(PO-17560) *Mrs L v Aviva Pension Plan* (the "Aviva Plan")

In the 2018 Pensions Ombudsman case of *Mrs L v Aviva Pension Plan*, Mrs L complained that Aviva had incorrectly recorded the first line of her address. As a result, Mrs L had missed out on certain communications in relation to her pension entitlement on retirement. Mrs L was concerned that, in light of this data protection issue, Aviva may have also erred in her pension entitlement calculations, particularly, when Aviva was unable to provide certain documents that she had requested.

By way of background, Mrs L had been a member of her employer's defined benefit pension scheme known as the Samuel Rains & Son Pension Scheme (the "**Scheme**"). She left her employer's business and became a paid-up deferred member of the Scheme which was wound-up in 1999 at which time the Scheme's liabilities were subject to a buy-out and Mrs L's benefits were transferred to the Aviva Plan.

In 2009, Aviva migrated all the information relating to the Aviva Plan onto a new system. It was at this point in time that the incorrect address details were recorded against Mrs L's records. Consequently, Mrs L did not receive all of the communications that were issued to her in relation to her retirement benefits payable from the Aviva Plan. As Mrs L approached retirement age, she made use of the Pensions Tracing Service to contact Aviva requesting information in relation to her retirement benefits.

TOP TIP:

Note that a request to a data controller, such as a pension scheme administrator, to confirm whether they are processing the individual's personal data is a SAR, as is requesting details of the individual's address that is held on the system. Personal data includes information that can identify a person from the information in question whether directly or indirectly in combination with other information.

Aviva was not able to provide Mrs L with all of the requested documents including a record of her contribution history (because no contributions had been paid) nor a deferred annuity replacement policy schedule dating back to 1985 (due to the lapse of time). Mrs L was offered £100 in recognition of Aviva's error over using the incorrect address (which happened on more than one occasion despite having updated the records).

The Ombudsman did not uphold Mrs L's complaint that her benefit entitlement was wrong, but did suggest that Aviva's revised offer of £300 for the distress and inconvenience caused was reasonable and advised that if Mrs L had any further data concerns she should contact the Information Commissioner's Office.

The moral of the story is:

- check the accuracy of member data to avoid time consuming and costly complaints, especially where any changes of systems are involved, or data has been handed over to a new service provider; and
- maintain up to date and accurate records and documentation – the better the state of the records, the more information can be provided to the member, the less likely they are to result in time consuming and costly complaints.

The ICO's Guidance on DSARs

On 21 October 2020 the ICO issued updated guidance on DSARs. Three key areas which were updated include:

1. **stopping the clock for clarification** – requests often do not give enough time to respond; the ICO guidance explains that in suitable cases, organisations can stop the clock whilst the requester clarifies their request;

2. **what is a manifestly unfounded or excessive request** – the ICO says that, to combat confusion, they have provided additional guidance and broadened the definition of what would fall within this label; and

3. **what can be included when charging a fee for manifestly unfounded or excessive or repetitive requests** – under article 12 of the GDPR, it is generally not possible to charge a fee for DSARs. However, a reasonable fee can be charged if it is deemed to be manifestly unfounded, excessive or repetitive in nature, taking into account the administrative burden.

The ICO gives the following example of when a reasonable fee can be levied:

EXAMPLE

An individual repeatedly requests a personal file through the right of access. You have given them the same file before, but you decide to respond to the request because you think they may have lost the file and it is harmful for them not to have this information.

You tell the individual you are charging them a fee for the repeat provision of this information, based on the cost of administration. Once you have received the fee, you provide the information within one calendar month.

Scheme trustees should review the updated ICO guidance and, if appropriate, revise their policy accordingly. Trustees should ask their advisers to review the scheme's GDPR policy and any privacy notices to the extent that they cover DSARs.

Alison Hills, Partner – Pensions & Employee Benefits Team
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PART 5 – QUICK REVIEW OF SUPERFUNDS

This article focuses on Superfunds including 'Clearance' aspects.

Where are we now with Superfunds?

In our recent article on Superfunds (published in Investment & Pensions Europe, 7 August 2020) ***https://www.ipe.com/viewpoint-uk-superfunds-super-fast-or-dead-in-the-water/10047079.article*** we ask whether UK Superfunds are superfast, or dead in the water. At present Superfunds are somewhere in between these two extremes. There are tricky issues to navigate as we explain below.

Background

TPR has followed up its interim guidance published in June 2020 with further detailed guidance entitled "Superfunds Guidance for Prospective Ceding Trustees and Employers" published on 21 October 2020. Some salient points from this further guidance:

- The further guidance is a stop-gap pending legislative authorisation and supervisory framework.

  The Pensions Minister has stated that he expects this new legislation will be included in a new Pensions Bill in 2021.

- A transfer of members' benefits to a Superfund should occur only if the transfer improves the likelihood of members' receiving full benefits; and

- Transfers to Superfunds should be considered only if there is no realistic prospect of a buy-out in the forceable future (for example, in the next five years).

What does TPR say about "Clearance" on transfers to Superfunds?

Superfunds are new vehicles and involve the severance of employer liability to its DB fund, so TPR is rightly cautious in its approach. It requires ceding employers (employers severing liability) to apply to TPR for Clearance that TPR will not exercise its contribution notice and financial support directions powers in relation to the transaction ("Existing Anti-Avoidance Powers").

In support of the Clearance application both the ceding employer and the trustees will have to provide extensive information and opinions, including on:

- why the Superfund solution is better than other options;

- whether past corporate activity has weakened the pension scheme; and

- whether any potential detriment to the scheme caused by the transfer has been adequately mitigated.

Overall, TPR expects trustees and employers to work collaboratively to demonstrate that the transfer to a Superfund provides the best outcome for members. TPR expects trustees to have obtained professional advice in considering and undertaking a transfer to a Superfund.

New criminal offences under the Pension Schemes Bill

As mentioned in our Pensions Ready Reckoner in this issue, the Pension Schemes Bill provides for new criminal offences for reckless conduct in relation to DB schemes.

Assuming the ceding employers obtain TPR Clearance under the Existing Anti-Avoidance Powers, one would not expect the transfer to the Superfund to trigger the new criminal offences in the absence of material non-disclosure. However, one should bear in mind:

1. Unsurprisingly there is no 'Clearance' process in relation to the new criminal offences;

2. The parties who may potentially come within the net of the criminal offences are much wider than under the Existing Anti-Avoidance Powers; the net extends beyond those "connected or associated" with the employer, to anyone whose conduct has been reckless and could, at least in theory, extend to lending banks and/or advisers; and

3. One would expect very few actual prosecutions under the new offences and the criminal standard of proof applies namely beyond reasonable doubt. Nonetheless, the existence of the new criminal offences will not make the severing of employer liability implicit in the Superfund transfer any easier to arrange and execute.

Royal Assent of the Pension Schemes Bill is likely by 31 December 2020 with the new criminal offences expected to take effect during 2021. Even so, as the legislation contains no cut-off point for past acts or omissions on which the new offences can be based, the new offences are already relevant.

Conclusion

Our conclusion on whether UK Superfunds are superfast, or dead in the water remains the same namely the jury is out and this is notwithstanding TPR's October 2020 more detailed Guidance. It may be only the arrival of the legislative and supervisory framework – which the Pensions Minister promises soon – will bring the Superfund vessel safely home.

Clive Weber, Consultant – Pensions & Employee Benefits Team

Paul Ashcroft, Solicitor – Pensions & Employee Benefits Team

PART 6 – PENSIONS READY RECKONER

Clive Weber, Consultant, Pensions & Employee Benefits Team. Please contact Clive with any queries on this Ready Reckoner.

PARLIAMENT		
Forthcoming Legislation	**Date**	**Effect**
Pension Scheme Bill	Royal Assent expected by 31 December 2020	The Bill is progressing speedily through Parliament and includes the expected new criminal offences for persons recklessly dealing with DB schemes, as well as introducing collective defined contribution schemes; restrictions on statutory transfers; new funding and investment strategy requirements for DB schemes; pension dashboard provisions and enabling power to impose climate change obligations on scheme trustees.
Finance Bill 2020-2021	Expected effective date 6 April 2021	Includes tax changes to enable collective money purchase benefits schemes under the Pension Schemes Bill (see above) to become registered pension schemes under Finance Act 2004.
Draft Governance and Registration Amendment Regulations	Delayed	The Regulations to amend pensions law to align with the Competition & Markets Authority Order 2019 relating to investment consultants and fiduciary managers are still awaited.
New Pensions Bill 2021 – not yet published	Unknown	The Pensions Minister has stated the Government intend to legislate to provide for the proper authorisation and regulation of DB Superfunds – see our article in this issue of Pensions Compass ***"Quick review of Superfunds"***.
New Pensions Bill 2021?	Unknown	On 3 September 2020 the Government confirmed its intention to increase the minimum early retirement pension age for men and women from age 55 to age 57 in 2028 (by then State Pension Age will be age 67).

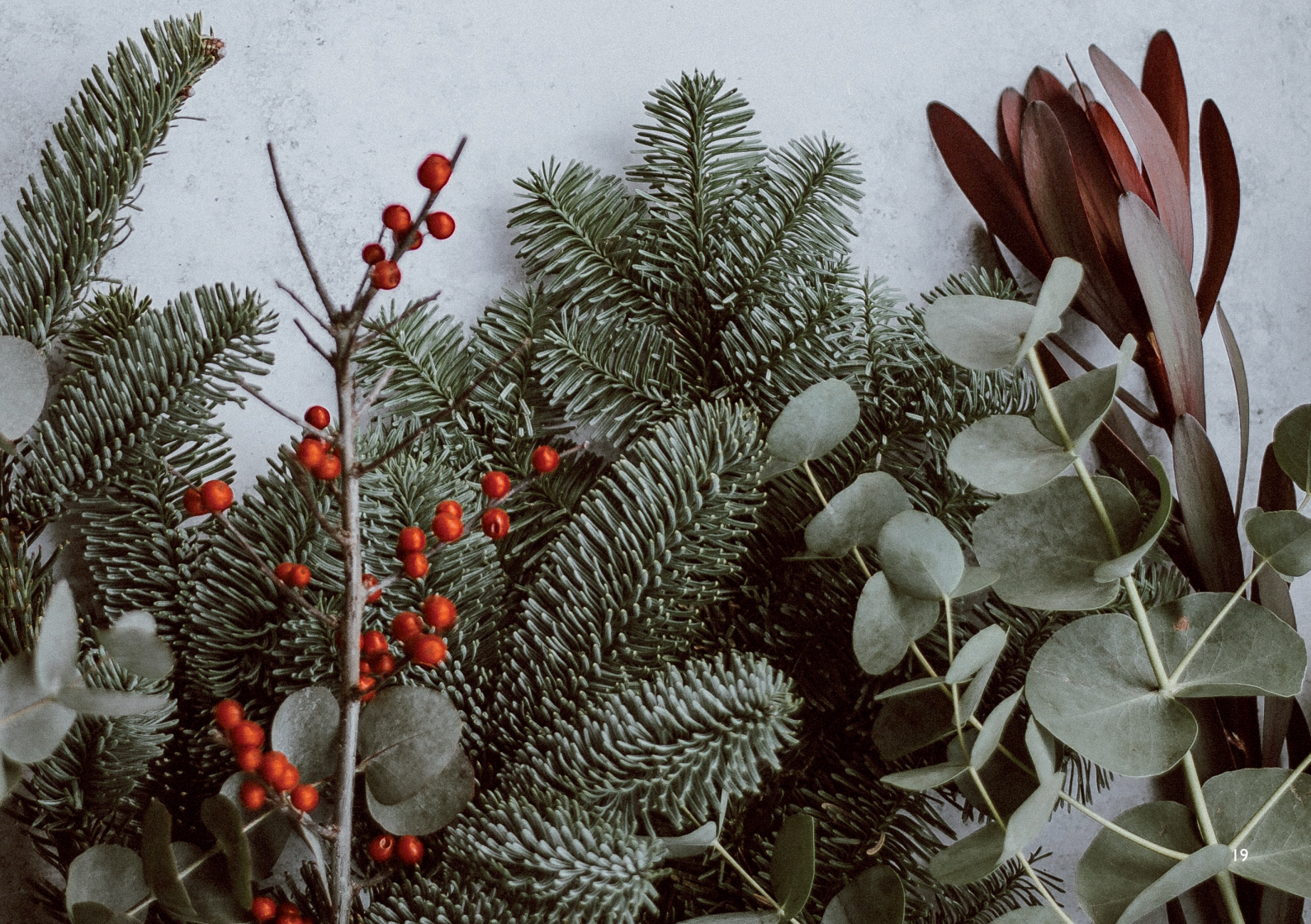
PARLIAMENT		
Recent Legislation	**Date**	**Effect**
Investment and Disclosure Amendment Regulations 2019	01/10/2020	More detail to be inserted in SIPs on relationship between trustees and investment managers and on trustees' stewardship policy. Disclosure Regulations amended so that the trustees' Annual Report is to say how their stewardship and engagement policy has been applied and new requirement to publish the scheme's SIP and annual report free of charge on a website.
Finance Act 2020	22/07/2020	Annual Allowance taper relaxed; and safeguarding of certain "protected pension ages" so that entitlement not lost if member re-employed due to COVID in period 1 March 2020 to 1 November 2020.
Corporate Insolvency and Governance Act 2020	26/06/2020	Measures include introduction of Moratoriums, a new type of Restructuring Plan, continuation of certain contracts and changes to wrongful trading law. For impact on DB schemes, please see ***"Pension deficits regulated"*** article in our July 2020 Pensions Compass ***https://wedlakebell.com/part-1-corporate-insolvency-emergency-legislation-pension-deficits-relegated/***.
Investigatory Powers Regulations	Effective date 25/09/2020	Confers powers on various bodies including the Pensions Regulator to obtain telephone and email data to facilitate combating criminal offences (***Pensions Schemes Bill***, see above).

FORTHCOMING COURT DECISIONS	
Topic	**Effect**
Incorrect amendments? *Axminster Carpets* High Court, March 2021	Does the absence of confirmation under section 37 Pension Schemes Act 1993 (that the "reference scheme" contracting-out test would be met notwithstanding the amendments) invalidate the amendments?
SIPP loss claims *Adams v Options* Court of Appeal, 2 March 2021	Whether the SIPP provider and administrator is liable to the SIPP member for investment loss where the member decided to invest in store pods. The High Court decided that the contract was 'execution only' and there was no liability.
FCA authorisation *FCA v Avacade* Court of Appeal	On 30 June 2020 the High Court decided that the two unregulated introducer companies were in breach of Regulation 19 of the Financial Services and Markets Act 2020. An application to appeal to the Court of Appeal was made on 27 August 2020.
PPF compensation *Hughes v PPF* Court of Appeal?	The PPF and the DWP have applied to appeal the High Court decision in June 2020 that the PPF age cap is invalid and as to the High Court's decision on the PPF's methodology. See our "***Hughes v Pension Protection Fund***" article in September 2020 Pensions Compass.
Improper investment *Garner v Dalriada* Court of Appeal?	On 23 June 2020 the Pensions Ombudsman held the sole Trustee of the Norton Motorcycles Pension Scheme personally liable for loss arising from the Trustee's investment in Norton Motorcycles preference shares. Mr Garner as Trustee had failed to take proper advice and had not diversified the Scheme's investments. On 2 July 2020 Mr Garner applied to appeal the High Court decision.

FROM THE COURTS	
Topic	**Forthcoming decisions**
RPI/CPI *Britvic plc v Britvic Pensions* Court of Appeal	On 17 January 2020 the High Court held that based on the wording of the scheme rules Britvic plc could not reduce the rate of increases for pensions in payment and a change could produce upward increases only. Britvic plc's appeal is due to be heard before 18 May 2021.
Incorrect amendments? *Mitchells & Butlers* High Court, June/July 2021	Whether an amending deed adding the words in relation to pension increases "or any other rate decided by the principal employer" validly gave the principal employer this unilateral power.

FROM THE COURTS	
Topic	**Recent decisions**
Rectification *SPS Technologies* High Court, 11 September 2020	Successful application for correction of scheme rules by the quick summary judgment route. Please see our article "***Rectification of errors in your scheme documents***" in September 2020 Pensions Compass and our ***article*** published in the November 2020 edition of Pensions Today.
GMP sex equalisation *Lloyds Bank* High Court, 20 November 2020	In 2018 the High Court left open the impact of GMP sex equalisation on Transfers. The hearings on Transfers took place in May and October 2020. On 20 November 2020 the High Court ruled how Transfers should be treated for GMP sex equalisation purposes – see our article "***Transfers and GMP Equalisation – Clarity at last?***" in this issue of Pensions Compass.

OTHER DEVELOPMENTS	
Topic	**Effect**
TPR Guidance to Trustees – "Protecting schemes from sponsoring employer distress"	On 12 November 2020, TPR issued new Guidance to trustees regarding the profound effect of COVID-19 on many businesses, and also highlights TPR's expectations of trustees in the context of corporate transactions.
RPI – HM Treasury and UKSA Response to Consultation	On 25 November 2020, the Chancellor of the Exchequer explained plans to reform RPI, in light of their earlier Consultation. Please see our article in this Pensions Compass "***RPI for RPI?***".
Superfunds – Further TPR Guidance	In October 2020, TPR issued further Guidance to employers and trustees on TPR's expectations for transfers from DB schemes to Superfunds. See our article in this Pensions Compass "***Quick review of Superfunds***".
Regulation of Pensions Tax Advice – HMRC's proposals November 2020	HMRC have summarised responses to its March 2020 Consultation "Raising standards in the tax advice market". There will be a further HMRC Consultation in 2021 on requiring tax advisers to have appropriate professional indemnity insurance and on how to define "tax advice" for this purpose.



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