

We take our readers back to the 1980s in our retro-themed Hot Topics in Pensions, as we celebrate the sights, sounds and news of the decade. Those who were around in the 1980s may like to reminisce, those who were not may learn something new. We also highlight 10 topical pensions items for your trustee or corporate agenda.



### Stand and Deliver on Pensions Dashboards

The 1980s were a varied decade for music, including rock, heavy metal, new wave and techno. Trustees, administrators and integrated service providers need to be moving to the same beat, with the first schemes [timetabled](#) for dashboards connection in April 2025. Do not get into dire straits – seek legal advice before agreeing to contractual terms for dashboards services and if the scheme encounters any compliance problems. The Pensions Administration Standards Association (PASA) is compiling a [toolkit](#) starting with tips on the presentation of additional voluntary contributions.



### Politics and the Local Government Pension Scheme (LGPS)

1980s Britain witnessed its first female prime minister (who was reportedly prouder to be the first prime minister with a science degree than the first female prime minister). 40 years later, the UK's first female chancellor has [plans](#) to further develop the pooling of all LGPS funds, along with plans for biennial independent governance reviews of administering authorities. Separately, the LGPS Scheme Advisory Board has taken [counsel's opinion](#) in relation to allegations that funds might face future criminal action as a result of holding investments in companies that are linked to conflict in the Middle East.



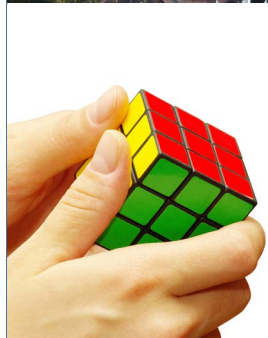
### Consolidation Is in Fashion

Bigger was better in 1980s fashion – with shoulder pads and puffer jackets all the rage. The government believes that bigger is better in the defined contribution (DC) market, and is [consulting](#) on a shake-up that would require mass consolidation of the market by 2030. Among proposals, legislation would require default funds to have a minimum size of £25-£50 billion of assets under management, as the government believes that “at this point they are better placed to invest in a wider range of assets, such as exciting new businesses and expensive infrastructure projects”.



### A Taxing Time for Pensions

At the start of the 1980s, the average house price in the UK was £19,273 (£80,351 in today's money) compared with an average house price of £310,000 in August 2024. Often, a person's main asset for Inheritance Tax (IHT) purposes is their home. However, a key pensions announcement in the Autumn [budget](#) looks set to bring, with limited exceptions, “unspent pension pots” and death benefits from both DC and defined benefit (DB) registered pension schemes into the value of a person's estate for IHT purposes from 6 April 2027. While further clarification is required, a [consultation document](#) suggests these measures could have a very wide reach.



### The General Code Conundrum

The Rubik's Cube craze swept through the UK in the early 1980s. Much like general code compliance, it required logic, commitment and a little help from others to achieve the desired outcome. 2025 is a key year for ensuring that a pension scheme's policies, practices and procedures comply with The Pensions Regulator's (TPR) general code of practice, given that many schemes will need to undertake their first Own Risk Assessment (ORA) in 2026, by which time TPR expects schemes to be largely compliant. We encourage trustees to work back from the due date of their first ORA to assess whether their project plan is on track. Seek advice on a proportionate approach, especially if the scheme is on an “end game” journey.



## DB Funding Code –TPR Styles It out

With curly perms and mullets, the 1980s was renowned for its distinctive hairstyles. TPR has taken time to style its new [DB funding code of practice](#), which was first issued for consultation in March 2020. After a fair amount of preening, the code came into force on 12 November 2024. It includes new requirements for long-term planning and risk management and applies in respect of valuations dated 22 September 2024 and later. The new funding code has retained the original “need for speed”. Where a scheme meets a series of fast track parameters, TPR will ask for less information and is less likely to engage with trustees based on the valuation submission.



## TPR Tunes in to Greater Engagement With Administrators

With no streaming services or catch-up options, watching your favourite television programme involved advance planning in the 1980s. You had to keep a close eye on programme listings and make sure you had possession of the remote control. TPR is turning up the volume on its [engagement](#) with pension scheme administrators, and is scheduling its own programme of viewings. TPR recognises the crucial role administrators play, and that they are unregulated. It plans to invite at least 10 of the largest administrators to collaborate with it, using its learnings to adopt a “light-touch approach” with the rest of the market within the next year.



## The Pension Protection Fund (PPF)

The first London Marathon took place in 1981, with the two male winners crossing the line hand in hand on Constitution Hill. It has been more of a marathon than a sprint since the end of the Brexit transitional period, with the government still working on some of the gaps in relation to the enforcement of judgments. However, on 1 July 2025, the UK will become a contracting party to the [Hague Judgments Convention 2019](#). This will make it easier to enforce parent company guarantees (including PPF form guarantees) where the guarantor is resident in Ukraine, Uruguay or the EU (apart from Denmark). Separately, key dates for submission of PPF contingent asset documents are midnight on 31 March 2025 and 5 p.m. on 1 April 2025.



## A New Data Protection Bill for Tomorrow's World

Technology has evolved rapidly since the 1980s, when mobile phones were the size of a brick, music was played on cassette tapes and the world wide web was still in development. Fast forward to 2024 and the government has introduced the [Data \(Use and Access\) Bill](#) – designed to ensure the UK's data protection laws are fit for purpose. The reforms are wide-ranging but include measures that could have knock-on consequences for pension schemes, including proposals to restructure the Information Commissioner's Office, updates to data subject access request rules and giving data subjects the right to complain to controllers.



## More Developments on the Menu

A 1980's dinner party menu may have consisted of prawn cocktail, coq-au-vin and black forest gâteau. Or if you were eating out, chicken in a basket was popular. You may already have enough on your plates, but here are some developments to look out for in 2025. The second phase of the government's pensions review will consider further steps to improve pension outcomes. We await the new pension schemes bill, which is planned for the first half of 2025, and we also expect a response to the [consultation](#) on regulations for multi-employer collective DC schemes in the early part of the year.

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