

# NAVIGATING CHANGE FOR THE FUTURE

PENSIONS UPDATE 2024

THE INSTITUTE OF CHARTERED  
ACCOUNTANTS' STAFF PENSIONS FUND



[icaew.com/icaew-staff-pensions-fund](http://icaew.com/icaew-staff-pensions-fund)

# A MESSAGE FROM EDWARD LEVY, CHAIR OF THE TRUSTEE BOARD



## Hello, and welcome to the 2024 issue of Pensions Update.

Much has happened in the world since our last newsletter, and, as always, our commitment remains focused on ensuring the long-term security of your pension benefits. With this update, we aim to provide you with the latest developments and important information regarding the Fund.

We have also had some changes to our Trustee Board, and there are two opportunities coming up to join us. To give you an idea of our role, we have asked Peter Burton, one of our member-nominated trustees, to give you a taster of his experience on the Trustee Board – see page 3. Soon, we will be inviting you to put yourself forward to join the team.

## NAVIGATING ECONOMIC AND REGULATORY CHANGES

The economic landscape has presented its share of challenges. Inflationary pressures, shifting interest rates, and fluctuating investment markets have required us to remain

vigilant and adaptable. I am pleased to say the Fund's finances remain healthy. See pages 4-5 for a summary of our accounts, and the latest funding update.

Additionally, the introduction by the government of new lump sum allowances has created new considerations for some members. These changes may limit the amount of tax-free cash you can access from your pension and have implications for both you and your beneficiaries. We encourage you to review these updates and consult with a regulated independent financial adviser if you have any concerns. (see page 8).

**From time to time we need to make sure the information we hold for you is correct, so we'll be running a series of checks over the coming months to ensure we have your most up-to-date information.** We may contact you ourselves, or ask a data checking company to contact you on our behalf. If you want to check that it is really us asking for this information, please do contact Daria Croker and her team using the details on page 11.

## UNDERSTANDING YOUR DEATH BENEFITS AND COMPLETING AN EXPRESSION OF WISH FORM

The Fund offers various death benefits depending on your membership status. To ensure your wishes are honoured in the event of your death, we strongly recommend that you complete an Expression of Wish form. Please see page 7 for more details, if this affects you, and what to do.

Thank you for your continued trust in our stewardship of the Fund. We remain dedicated to protecting your future benefits and are always here to address any questions or concerns you may have.

Thank you also to the ICAEW pensions team, who continue to work diligently to support both members and the Trustee board. Their efforts are greatly appreciated.

Please read on for more news and updates from your Trustee Board.

**Edward Levy**  
Chair  
For The Law Debenture Pensions  
Trust Corporation PLC

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# THE LIFE OF A MEMBER NOMINATED TRUSTEE DIRECTOR - STRAIGHT FROM THE SOURCE

**T**hree of the Trustee Board are Member Nominated Trustee Directors (MNTDs) who are appointed for a five-year term.

Earlier in 2024, Employer Appointed Trustee Director Taylor Dewar stepped down and has been replaced by EY Partner Karina Brookes. Andrew Penketh, another of our employer appointed directors, will retire in February having been on the Trustee Board for two terms. He will be replaced by Lauren Carlyle, a Partner at Grant Thornton.

MNTD Phil O'Halloran has also stepped down from the role, so we'll be looking to fill

his position soon - we'll be in touch about nominations and elections separately.

We'd like to thank each of our outgoing Trustee Directors for their dedication to our members and welcome our new Trustee Directors to the Board.

As planned, another of the MNTD positions will become vacant in 2025 and we'll invite members to apply for the role nearer the time.

**To give you an idea of an MNTD's responsibilities, we've asked Peter Burton, one of our pensioner members, to give you a taster of his experience on the Trustee Board.**

"I've been a member-nominated trustee for four years. Why, you might ask, and has it been worthwhile?

After 10 years of retirement and wondering what to do with my spare time, the periodic letter from ICAEW arrived about becoming a trustee. Previously, I would always 'file' it, but this time I thought, "Why not?"

So I applied. I was invited to an interview, though it was really more of a chat. No one worried that all I knew about pensions was that I have one. What was important was that I was willing to learn - and there is plenty of training on offer.

There are usually four trustee meetings a year, and you are expected to join a subcommittee. I'm part of one that meets once a year.

The agenda papers are clear in setting out the issues to consider and there is always a discussion when the obscure stuff is explained. Plus, the pensions team is available to answer any questions.

You do have to learn to talk in code - GMP, LDI, SIP, RI, QED etc - although no one seems to mind when I repeatedly ask for a translation!

Each appointment lasts five years with an option for a second term, provided the formalities are followed. Would I opt for a second term?

Yes, I would. I get to meet interesting people, help former colleagues, exercise my brain and have free lunches provided by the Institute. What's not to like?"

**Peter Burton**

**MEMBER NOMINATED TRUSTEE DIRECTORS**  
If you're interested in putting your name forward as a candidate and want to understand the roles, responsibilities and the commitment needed, a good place to start is the Pensions Regulator's website. Go to [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk) and click on the 'Trustees' heading.



# A SUMMARY OF THE FUND'S ANNUAL REPORT AND ACCOUNTS

**H**ere's a summary of the money coming in and going out of the Fund over the last year. If you'd like a full copy of the annual Report and Accounts, please contact the Pensions Department - details are on the last page of this newsletter.

The accounts have been audited and signed off by the Fund's auditors, Evelyn Partners.

All figures are subject to rounding.

|  | £,000           |
|--|-----------------|
| <b>Value of the Fund as at 31 March 2023</b> | <b>159,155</b>  |
| <b>MONEY PAID IN RELATING TO MEMBERS</b>     |                 |
| Employer contributions                       | 0               |
| <b>Total</b>                                 | <b>0</b>        |
| <b>MONEY PAID OUT RELATING TO MEMBERS</b>    |                 |
| Benefits payable                             | (7,564)         |
| Payments to and on account of leavers        | (135)           |
| <b>Total</b>                                 | <b>(7,699)</b>  |
| <b>RETURNS ON INVESTMENTS</b>                |                 |
| Investment income                            | 5,814           |
| Change in market value of investments        | (8,515)         |
| Investment management expenses               | (115)           |
| <b>Net returns on investments</b>            | <b>(2,816)</b>  |
| <b>Value of the Fund as at 31 March 2024</b> | <b>£148,640</b> |



## MEMBERSHIP

As at 31 March 2024 the Fund had a total of 643 members:

**Employed**

**41**

**Deferred pensioners**

**167**

**Pensioners and dependants**

**435**

We are saddened to hear that the following 21 members have passed away in the last year and we send our condolences to their families:

|                 |                 |
|-----------------|-----------------|
| Brian Harris    | Aileen Cowan    |
| Evelyn Dawson   | Mark Draper     |
| John Weatherill | Ursula Dunlop   |
| Paul Ketteridge | Barbara Goodere |
| Lydia Reeves    | Donovan Hubbard |
| Mervyn Hopkins  | Wendy Johnson   |
| Ruth Robinson   | Jean Skelton    |
| Sally Tomlinson | John Walker     |
| Tony Gill       | Colin Walters   |
| Joan Brown      | Susan Wiltshire |
| Daphne Cassie   |                 |



# FACTS AND FIGURES: AN OVERVIEW OF THE FUND'S FINANCIAL WELLBEING

**M**embers' benefits are paid by the Fund from a central pool of investments which are managed by the Trustee Board and its team of specialist advisers.

The Fund Actuary undertakes a full valuation of the Fund every three years to give an assessment of its ability to meet its commitments to pay pensions and other benefits both now and in the future. It also allows us to monitor if there is any shortfall in funding. The Actuary also carries out annual checks which allow the Trustee Board and ICAEW to keep a close eye on the Fund's financial health.

The next full valuation will take place as at 31 March 2025.

## THE LAST FULL VALUATION CARRIED OUT AS AT 31 MARCH 2022

|                       |                |
|-----------------------|----------------|
| <b>Assets:</b>        | <b>£213.9m</b> |
| <b>Liabilities:</b>   | <b>£201.5m</b> |
| <b>Funding level:</b> | <b>106%</b>    |

## ANNUAL UPDATE AS AT 31 MARCH 2023

|                       |                |
|-----------------------|----------------|
| <b>Assets:</b>        | <b>£159.4m</b> |
| <b>Liabilities:</b>   | <b>£150.4m</b> |
| <b>Funding level:</b> | <b>106%</b>    |

## ANNUAL UPDATE AS AT 31 MARCH 2024

|                       |                |
|-----------------------|----------------|
| <b>Assets:</b>        | <b>£149.3m</b> |
| <b>Liabilities:</b>   | <b>£141.2m</b> |
| <b>Funding level:</b> | <b>106%</b>    |

As you can see, the Fund has a healthy surplus with 106% of the money it needs to meet its commitments to members on an ongoing basis.

## CHANGE IN FUNDING POSITION BETWEEN 31 MARCH 2023 AND 31 MARCH 2024

In the 12 months to 31 March 2024, both asset and liability values have decreased by broadly similar amounts due to increases to gilt yields in this same time period. As a result, the funding level has remained constant at 106%.

## SOLVENCY POSITION AS AT 31 MARCH 2022

As at the most recent actuarial valuation, the solvency estimate was as follows:

|                       |                |
|-----------------------|----------------|
| <b>Assets:</b>        | <b>£215.7m</b> |
| <b>Liabilities:</b>   | <b>£226.6m</b> |
| <b>Funding level:</b> | <b>95%</b>     |

## RECOVERY PLAN

There is no recovery plan for this Scheme as it is in surplus on the ongoing valuation basis.

## THE LEGAL BIT

The Pensions Regulator has the power to make orders regarding the benefits provision or funding of a pension scheme. The Pensions Regulator has not made any orders, modifications or other directions to the Fund or imposed a schedule of contributions under Section 231 of the Pensions Act 2004. The Trustee Board can also confirm that, since the 2023 edition of Pensions Update, the Fund has not made any payments to ICAEW under Section 37 of the Pensions Act 1995.

# A ROUND UP OF THE NEWS

## THE LIFETIME ALLOWANCE

In 2023's newsletter, we told you about some proposed changes to the Lifetime Allowance (LTA). These changes took effect in April 2024.

There are still limits to the amount of pension you can build up tax-efficiently each year and throughout your lifetime. Since 6 April 2024, changes to pension tax regulations – including the abolition of the LTA and introduction of two new lump sum allowances – may affect you.

The new allowances include:

### **The Lump Sum Allowance (LSA)**

**The Lump Sum Allowance (LSA)**, which usually limits the total amount of tax-free cash you can get from your pension arrangements to **£268,275**, but this may be higher if you hold a 'protected allowance'.

### **The Lump Sum and Death Benefit Allowance (LSDBA)**

**The Lump Sum and Death Benefit Allowance (LSDBA)**, which is the maximum amount of benefits you or your beneficiaries can take from all your pension schemes as a tax-free lump sum. Usually, your Lump Sum and Death Benefit Allowance is **£1,073,100**, but this may be higher if you hold a 'protected allowance'.

You, or your beneficiaries, may be liable for tax if you exceed either of these two new allowances. Find out more by visiting [www.gov.uk/guidance/find-out-the-rules-around-individual-lump-sum-allowances](http://www.gov.uk/guidance/find-out-the-rules-around-individual-lump-sum-allowances)

If you have any concerns, we recommend you speak to a regulated independent financial adviser. Details of how to find an independent financial adviser are on page 8.



## GMP EQUALISATION

We've previously told you about possible adjustments to your pension due to something called Guaranteed Minimum Pension equalisation (Pensions Update 2023). We've already contacted most of the members affected by this and may write to you in the future if you've been affected. If you don't receive a communication, don't worry! It just means that your pension benefits are correct and won't change.

## YOUR DEATH BENEFITS WITH THE FUND

### For Employed 2010 members and deferred members

If you die before you've started taking any pension benefits from the Fund and leave a spouse or dependants, they will receive a pension from the Fund.

If you are a deferred member, or if you are an Employed 2010 member and do not leave a spouse or dependant, we'll generally pay the value of the total contributions you've paid or transferred to the Fund as a lump sum, plus interest.

### For pensioners

If you leave a spouse or financial dependants, a pension will be paid to them following your death, provided the marriage did not take place within six months of your death.

If you die within five years of taking your benefits, we'll pay a lump sum equivalent to the remaining five years' payments based on your monthly pension.

There's more information about your death benefits on the pensions website at [www.icaew.com/icaew-staff-pensions-fund/about-the-fund/summary-of-benefits](http://www.icaew.com/icaew-staff-pensions-fund/about-the-fund/summary-of-benefits)

## HAVE YOU FILLED IN AN EXPRESSION OF WISH FORM?

It can be difficult to think about what happens when we die. But knowing your loved ones will be looked after could bring some much-needed peace of mind.

An Expression of Wish enables you to nominate who you would like to receive your lump sum pension benefits when you die. Although it's not legally binding, the Trustee Board will consider the information on the form and take your wishes into account. Money paid out from a pension fund in this way is not usually included in inheritance tax calculations and can be paid separately to the rest of your estate.

**If you've either retired in the last five years, or you're an Employed 2010 member or deferred pensioner, we've enclosed an Expression of Wish form for you to fill in and send back to the Pensions team by post or email.**

You can also request a form from the team at any time using the contact details on page 11.



# BEWARE OF SCAMS

**M**any of us will be quite sure we'll never fall victim to a scam, especially not a pension scam. We may think of such victims as too trusting, agreeing to whatever a "professional" says.

Unfortunately, this is not the case. Pension scams are carried out on people from all walks of life and they're successful because they're extremely convincing. **Anyone** can be the victim of a scam.

Here are just a few ways criminals can convince you they're genuine:

- They have a website, brochures and other marketing materials which look high quality and "official".
- They appear to have lots of different qualifications after their name.
- They talk knowledgeably about the pensions industry.

## RED FLAG TERMS

Keep an eye out for anyone using these sorts of terms:

- This offer is for a limited time only;
- There are only a few spaces left;
- There's a legal/tax loophole the government doesn't want you to know about;
- Overseas investments will bring you much higher returns.

Scams can happen to those already receiving a pension, as well as members who are not yet retired. Remember - it's illegal for someone to contact you out of the blue and try to talk to you about your pension. If you think you've been approached or tricked by a scammer, contact the **Financial Conduct Authority (FCA)**:

**Financial Conduct Authority (FCA):**  
**Phone:** 0800 111 6768  
**Website:** [www.fca.org.uk/contact](http://www.fca.org.uk/contact)

**REMEMBER:**

**IF IT SOUNDS TOO GOOD  
TO BE TRUE, IT PROBABLY IS!**

## KEEP YOURSELF SAFE FROM SCAMS

There are lots of steps you can take to ensure both you and your pension benefits stay safe.

### Find a registered financial adviser

Check if the person contacting you is a registered financial adviser by going to [www.fca.org.uk/firms/financial-services-register](http://www.fca.org.uk/firms/financial-services-register) You can also check whether a company is authorised or not by going to the same webpage.

If you want to talk to a financial adviser, make sure the advice you receive is independent and not connected to the person or company who has contacted you. The MoneyHelper website can help you to find a regulated independent financial adviser – just go to [www.moneyhelper.org.uk](http://www.moneyhelper.org.uk) and under the Pensions & Retirement tab, in the list of 'Tools', click on Find a retirement adviser.



# DO YOU NEED LASTING POWERS OF ATTORNEY?

**A**ge is a funny thing – it tends to creep up on us! Similarly, the effects of getting older can start to have more of an impact without us really noticing.

While we might like to think we'll stay fit and healthy for the rest of our lives, both physically and mentally, there's a possibility that either our bodies or our brains will begin to fail us. But you can still have a say in what happens to you in the future, through setting up Lasting Powers of Attorneys (LPAs) now.

## The types of LPA available

There are two different LPAs available in the UK: **one covers property and financial affairs** and the other is for **health and welfare**. It's important that you and your loved ones understand the differences between the two – one LPA will **not** cover both areas.

It's also important that you know a health and welfare LPA can only be enacted when it can be proved that you have lost the capacity to make those decisions yourself. By contrast, a property and financial affairs LPA can come into effect as soon as it has been registered with the Office of the Public Guardian (OPG), if you wish.

## What an LPA can do

LPAs are designed to give you the opportunity to pass on the responsibility of your finances or health care to others. They allow you to state your wishes in relation to both aspects of your life.

**FOR EXAMPLE**, your health may mean you need to move into a retirement home. If you own your own home, this would probably need to be sold so that the proceeds could help pay for your care. With a property and financial LPA, you could nominate family members, friends or legal advisers to handle transactions like these, leaving you free to concentrate on retirement.

**OR MAYBE** you have strong views on whether you would wish to be kept alive by all medical means possible, if you were to develop a terminal health condition. If you want medical care to be withdrawn at a certain point in your treatment, you can specify this in a health and welfare LPA.

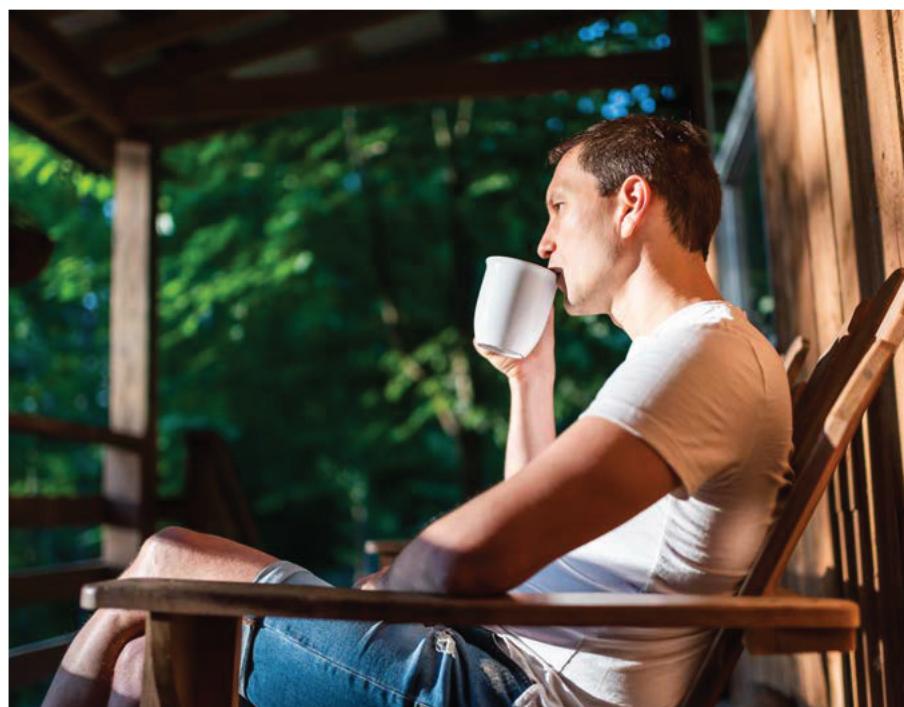
## Leaving it too late

You may feel that you have no need for either LPA at the moment, but you might want to explore the options with a legal adviser. It's much harder to put them in place after you lose capacity.

## TAKING THE FIRST STEPS TO OBTAINING AN LPA

If you want to set up an LPA, it might be sensible to contact a solicitor or financial adviser.

MoneyHelper has information that can help. See page 10 for contact details or go to [www.moneyhelper.org.uk/en/family-and-care](http://www.moneyhelper.org.uk/en/family-and-care) and choose the Long-term care page.



# USEFUL LINKS AND CONTACTS

**T**here are lots of places where you can find help and guidance on all matters pension-related.

**www.gov.uk** is the official website for information about government services. It can help you track down lost pension schemes and find out more about benefits you may be entitled to, including pension credits.

**For information about pensions call the government's Pension Service:**  
**0800 731 7898**  
**0800 731 7339 (Relay UK, or those who have hearing or speech difficulties)**

Many areas of the website offer alternative telephone numbers if you have hearing loss, and a video relay service is available for British Sign Language users.

**The Pensions Tracing Agency** can help you find lost pensions benefits. Their website is

**www.gov.uk/find-pension-contact-details**

**MoneyHelper** is a government-backed website that focuses on financial matters, including pensions.

**Go to [www.moneyhelper.org.uk](http://www.moneyhelper.org.uk)**  
**Or call:**  
**0800 011 3797 (from the UK)**  
**+44 20 3733 3495 (from overseas)**

**The Financial Conduct Authority (FCA)** regulates the financial services industry. You can find lots of information on its website, including more ways to spot a scam.

**Go to [www.fca.org.uk](http://www.fca.org.uk) and choose the 'Consumers' tab.**  
**Call them:**  
**0800 111 6768 (from the UK).**  
**+44 207 066 100 (from overseas)**  
**(18001) 020 7066 1000 (Relay UK, for those who have hearing or speech difficulties)**

**Chartered Accountants Benevolent Association (CABA)** can also help. CABA looks after the wellbeing of the chartered accountant community, including current and former ICAEW employees and their families. Please get in touch with them if you need any other support with your health (physical, mental or emotional), your financial circumstances, your career development options or if you need legal support.

**You can ring CABA on +44 (0)1788 556 366.**  
**Lines are open 24 hours a day, seven days a week, or you can use the live chat service at [caba.custhelp.com](http://caba.custhelp.com)**

# CONTACTING US

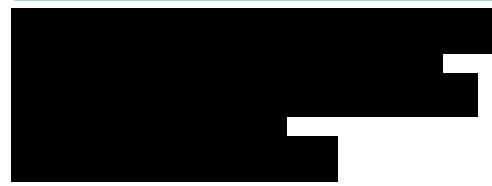
## CHANGED YOUR DETAILS? LET US KNOW

It's really important we have your most up-to-date details – this is so we can send you important communications, and ensure we're paying your benefits to the right person and the right bank account. Don't forget to check your Expression of Wish form too.

If you need to change any of your personal details, please contact the Pensions Department, using the details below.

## OUR CONTACT DETAILS

The Pensions Department looks after the day-to-day running of the Fund. The team can help you with any general questions you may have about the Fund or your pensions benefits, but they cannot give you any advice.



**Please send general enquiries to:**  
**ICAEWpensions@icaew.com**

Pensions Department,  
Metropolitan House,  
321 Avebury Boulevard,  
Milton Keynes  
MK9 2FZ

## WHAT TO DO IF YOU HAVE A COMPLAINT

We pride ourselves on giving you the very best service, but if you have a problem or concern, please contact the Pensions Department. If this doesn't resolve your issue to your satisfaction, you can contact the Trustee through our formal complaints procedure:

1. Write to the Secretary to the Trustee, stating your complaint. The Trustee must respond within four months of receiving your complaint.
2. If you aren't satisfied with the response you receive, you can appeal by asking the Secretary to the Trustee for a form and a copy of the formal Disputes Resolution procedure.

Contact details for the Pensions Department and the Secretary to the Trustee are above.

### Support with your complaint

MoneyHelper can help you during the complaints process:

**[www.moneyhelper.org.uk/en/pensions-and-retirement/pension-problems](http://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-problems)**

**0800 011 3797**

**The Pensions Ombudsman** will be able to help if you've completed the formal dispute procedure but have been unable to agree on an outcome:

**The Pensions Ombudsman,**  
11 Belgrave Road,  
London,  
SW1V 1RB  
**0800 917 4487 (UK)**  
**+44 (0)207 630 2200 (from overseas)**  
**[enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk)**  
**[www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)**

Chartered accountants are talented, ethical and committed professionals. ICAEW represents more than 208,000 members and students around the world. 99 of the top 100 global brands employ ICAEW Chartered Accountants.\*

Founded in 1880, ICAEW has a long history of serving the public interest and we continue to work with governments, regulators and business leaders globally. And, as a world-leading improvement regulator, we supervise and monitor around 11,500 firms, holding them, and all ICAEW members and students, to the highest standards of professional competency and conduct.

We promote inclusivity, diversity and fairness and we give talented professionals the skills and values they need to build resilient businesses, economies and societies, while ensuring our planet's resources are managed sustainably.

ICAEW is working towards becoming net zero, demonstrating our commitment to tackle climate change and supporting the UN Sustainable Development Goal 13.

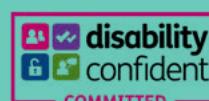
ICAEW is a founding member of Chartered Accountants Worldwide (CAW), a global family that connects over 1.8m chartered accountants and students in more than 190 countries. Together, we support, develop and promote the role of chartered accountants as trusted business leaders, difference makers and advisers.

We believe that chartered accountancy can be a force for positive change. By sharing our insight, expertise and understanding we can help to create sustainable economies and a better future for all.

[charteredaccountantsworldwide.com](http://charteredaccountantsworldwide.com)  
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\* includes parent companies. Source: ICAEW member data February 2024, Interbrand, Best Global Brands 2023

