

➤ **How did you become the Society of Pension Consultants' (SPC) president and how do you feel about your new role?**

I started on 1 June and it is all incredibly exciting. I have been on the SPC council for seven to eight years now, and the president tends to be elected from amongst council members. So when Roger Mattingly's term was due to expire the chairman Sir James Hodge canvassed views from the council members as to whether people want to put themselves forward. He then canvassed council members as to who should be the next president. I put my name in the ring and said I would like to do it, mainly because there is so much happening in the next couple of years that I can see quite an exciting time for the industry, so it's a great time to be president of the SPC.

➤ **How does the SPC work, and how does it exert influence upon the industry?**

The SPC is a broad church of professionals who are engaged in pensions. This includes insurance companies, investment managers, lawyers, actuaries, benefit consultants, and even accountants. Our common goal is to make the pensions system work and where we can improve it, to suggest to government where we can improve. That I think is what drives SPC members.

We have a number of sub-committees, such as a legislation sub-committee, defined contribution sub-committee, administration etc. The people on these committees are

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# ‘There is always change’

✔ **Laura Blows speaks to the new president of the SPC, Duncan Buchanan, about his aims for the society and the challenges to be faced during his two-year tenure**

enthusiastic. I've found that people involved in pensions tend to be passionate about the subject and want to steer pensions in a good way. We are in it to make it better because we feel passionate about the subject. We are quite geeky with regards to this.

These committees work hard and respond to consultations from the government, the regulator, HMRC. When a change to the industry is proposed there's a chance to influence the change and each committee will consider the proposals and respond to the subsequent consultation.

The person that coordinates it all is John Mortimer, our secretary, the lifeblood of the SPC. He has been there a very long time and coordinates the output of all the committees. If a committee has a major issue they can report it up the council, and John will then decide whether to move it forward. Things like tax changes in the past, the council took a leading role on trying to influence new government policy.

I think it is fair to say that SPC is listened to by the government and

the regulator, partly because we are able to look at pensions in the whole because our membership comes from such a wide range. It is not unusual to be asked for follow up meetings with the treasury or DWP to talk in more depth with regards to the consultation.

➤ **As the SPC has such a wide range of members, how do you provide one coherent view regarding proposals? Surely conflicts of interest have to be managed?**

That's an advantage because we do look at consultations from different angles. The committee members when in the committees look at it from a very professional way. There are things that cross over the different sub-committees, eg proposed actuarial changes may be led by the actuarial committee, but the legislation or admin committee may have something to say about that, so that tends to provide a coherent view.

➤ **You have been in the industry for over 20 years. Would you say now is the busiest period for pensions during that time?**

The one thing about pensions is that there is always change; it never sits still for very long. It's hard to think of a busier time, except perhaps A Day in 2006. But I think the next 12 months are going to



be as busy as A Day but with a different focus. We know that the tax rules are going to change for DC very significantly as a result of the Budget and we have to get to a place where the changes can be easily implemented.

➤ **On a personal note, what areas within pensions are you passionate about?**

As a lawyer I really enjoy the technical side of things. There are some very technical points that I have immersed myself in. I think it is fair to say the one I'm best known for is GMP equalisation. But now I have stepped up to the president role I have got to go wider in my interests and have regard to investment management and infrastructure of funds, because these are all issues that are affecting the industry and they are important

to the SPC and its members.

➤ **Which changes in the next couple of years will be the biggest challenge for your members?**

The main and most pressing one will be addressing the changes to DC taxation. In particular the guidance guarantee, making that work in a cost effective sensible way, as that has got to be up and running by April next year, which does not leave us much time. I

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think that's going to be top of my agenda and it should be top of everyone's.

Looking a bit wider, auto-enrolment will come under a lot of pressure over the coming months as it comes down to smaller employers. It has been a great story so far and there has been a lot of positive press comment but when it comes down to smaller employers, who will sup-

port them through the process? It may be difficult for smaller employers to find help.

There is a lot of focus on DC at the moment, but there are still large numbers of DB scheme members and there are challenges there in the coming years. That's going to be interesting in future actuarial valuations, how the new regulatory guidance pans out. We also have the end of DB contracting-out in 2016, which will need to be addressed by employers and trustees.

I've been around in pensions long enough to know that there's always so much on the immediate agenda that even though you know something will happen in 2016, you think that that is a long way off. Then you wake up in January 2016 and suddenly it's upon you, so there can be a mad rush towards the end but that's because there's so many other things taking up people's time.

➤ **What do you want to have achieved as president?**

My immediate goal is the guidance guarantee. If we don't make it work it could be difficult for the industry. We have had a lot of bad press in the past and the Budget changes are at a time when people want to talk about pensions and understand them more. If we can't deliver on the guidance guarantee in time and in sufficient capacity it could be very awkward.

➤ **What would you like to look back and be most proud of?**

I think I would like to leave the SPC in two years' time with it having even more members than today from a wider range of pension professionals, and still with the enthusiasm that we all have to make things work.

➤ **Written by Laura Blows**