



The return of the revolving door

➤ **With political shifts prompting yet more change at the Department for Work and Pensions, *Pensions Age* takes a look back at the highs and lows of recent Pensions Ministers**

You could be forgiven for having a sense of déjà vu this new year, as while the industry started 2023 getting to grips with its then new Pensions Minister, Laura Trott, the end of the year saw another minister take on the brief, marking a return to the ‘revolving door’ at the Department for Work and Pensions (DWP).

Of course, the role of Pensions Minister has seen periods of significant stability since it was introduced in 1998, with Steve Webb holding the role from May 2010 until May 2015, marking the longest running tenure for a Pensions Minister at the time.

But the May 2015 General Election saw Webb lose his seat to Conservative rival, Luke Hall, and Ros Altmann was

instead appointed by the Conservative government as Minister of State for Pensions, replacing Webb in the role.

The years since have seen a move back to pensions being used as a political football, with the notable exception of Guy Opperman’s extended time in office.



The 14-month minister

Altmann remained in her role from May 2015 to July 2016, when she announced that she had

resigned from the position due to “short-term political considerations” inhibiting

“good policymaking”.

Whilst her time in office brought a number of successes, such as championing the rights for older workers and fighting against financial injustices, Altmann’s resignation did not come as a surprise to many in the industry.

And, after departing her role, Altmann told *The Jewish Chronicle* that her time in politics had been a “terrible experience”, during which she “felt under pressure the whole time”.

But her tenacity in the face of government pressure was not unnoticed by the industry, as experts praised Altmann for standing up to the Treasury, challenging the desire to scrap pension tax relief and move to a pensions ISA.

And if anything, Altmann’s departure from office seems to have allowed her the freedom she needed to make her true thoughts on pension issues known, so it is perhaps unsurprising that Altmann’s influence has continued to be felt.

Having once lamented about her limited ability to talk with the media whilst in her government position, since her resignation she has returned to being a prominent spokesperson and champion for older workers, sharing her thoughts on key issues, including around the state pension triple lock and pension scheme investments.

Altmann has also continued to have a political influence through her position in the House of Lords, most recently co-sponsoring the Private Member’s Bill to extend auto-enrolment (AE) to lower earners and younger workers.



The 11-month minister

But Altmann’s departure meant all change for the DWP, as Richard Harrington was

handed the pensions brief after being named as an Under-Secretary of State.

Chris McAndrew - Photographer

This move marked not only a change in Pensions Minister, but also a move to a more junior role, a shift that was not unnoticed by the industry at the time.

And this is an issue that still causes contention, as IFM Investors executive director for public affairs Europe, and former shadow Pensions Minister, Gregg McClymont, says that this ‘demotion’ of the role is hard to justify in a world where pensions are ever more high profile in politics, and that “it’s time to return the job to the status it deserves”.

The junior positioning of the role was not the only cause for concern, as Harrington’s close ties with then Prime Minister Theresa May, as well as ministers at the Treasury, forced him to clarify that he was not there just to do “Theresa May’s dirty work”. Instead, he stated that he had actually asked for the pensions brief and was “happy to be doing it”.

But despite his enthusiasm, and promises to drive forward the AE review, Harrington’s plans quickly came to nought, as the call for a snap election in June 2017 saw the doors to the DWP swing open yet again.



The longest-running Pensions Minister

Marking yet another title change, June 2017 saw Guy Opperman

named ‘Pensions and Financial Inclusion’ minister under the new government, in what would mark the start of a period of

significant stability.

Whilst broader ministerial changes in the DWP continued after this, Opperman was set to become the longest serving Pensions Minister, surpassing Webb’s total of 1,822 day on 11 June 2022.

And this time was well spent, as Opperman oversaw several pension policy changes during his time, most notably the development and passage of the Pension Schemes Act 2021. The act introduced a number of policy initiatives, such as the framework for the introduction of pensions dashboards and collective defined contribution (CDC) schemes, the expansion of The Pensions Regulator’s (TPRs) powers, and the requirement for schemes to adopt and report against the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). He also oversaw the introduction of new powers for trustees to halt pension transfers if they saw signs of a suspected scam.

Indeed, Pensions and Lifetime Savings Association director of policy and advocacy, Nigel Peale, highlights the “huge changes” in ESG as perhaps the most notable innovation, arguing that the integration of TCFD reporting made the UK’s pension system the most progressive for climate regulations anywhere in the world.

But political turmoil would be a key point of uncertainty during Opperman’s time in the position, and whilst Opperman was able to survive multiple rounds of political change, recent years have proven that he was not immune to wider political tensions.

Concerns around Opperman’s tenure first spiked amid the Conservative leadership race in 2019, as while then-Secretary of State for Work and Pensions Amber Rudd had thrown her support behind Jeremy Hunt, Opperman nailed his colours to the mast of Michael Gove – with neither supporting front-runner Boris Johnson.

And then, even when frustration over Boris Johnson’s leadership in the

Conservative Party would later push Opperman to resign from his role on 7 July 2022, he was quickly reinstated the day after Johnson’s resignation.

However, it seems it was not third time a charm for Opperman, as a similar leadership race would mark his final departure from pensions, when Opperman announced that he would no longer be Pensions Minister, following Liz Truss’ ministerial reshuffle.

Many in the industry saw this as a core blow to the stability of the pensions landscape, with a number of key initiatives and reforms left in limbo whilst the industry hotly awaited the confirmation of a new minister.



The five-week Pensions Minister

Bet you’d nearly forgotten about this one! Alex Burghart was appointed as an Under-

Secretary at the DWP on 20 September 2022 and was formally named Minister for Pensions and Growth on 12 October (that’s another job title change too – but don’t worry it didn’t last).

In by far the shortest tenure of any of the ministers in this review, Burghart’s key appearances included a speech at the annual PLSA conference, and a role in the 10-year anniversary video for AE.

Perhaps the most notable aspect of his time as Pensions Minister is just how long it took for his new role to be confirmed, as it took three weeks for his appointment to be officially confirmed; amid a time of significant volatility, as Truss’ mini-Budget brought chaos in the markets and headlines warning of a pensions crisis.

Burghart would ultimately prove a victim of Truss’ short tenure, as he confirmed that he would be leaving the pensions team at the DWP after Rishi Sunak stepped up to the position

of Prime Minister, stating that he was glad to be “handing back” to previous Pensions Minister, Opperman.

But Opperman never made it back on to the pensions brief, with government newbie at the time, Laura Trott, instead named as the Pensions Minister.



The stepping stone minister

Trott was appointed to the post of Pensions Minister in November 2022, marking

her first government post at the time. During her time in the role, she oversaw a number of key milestones, including the authorisation of the UK's first CDC scheme, a raft of DC and DB reforms, and AE reforms.

Industry concerns that those who thrive in the Pensions Minister role could use it as a stepping stone seemed to come to fruition, however, as it was announced that Trott had been promoted to the role of Chief Secretary to the Treasury after just one year in the role.

Despite her short time in the industry, her impact was clear, having driven forward a number of key reforms. Industry organisations also praised Trott for the progress made during her tenure, with People stating that Trott “made a very substantial impact as Pensions Minister despite only being in the role for a little over a year”.

He continued: “Her proposals to require more support from pension schemes for DC members at retirement will also have a lasting impact, provided

it is followed through. And, of course, she has also done a great deal of thinking with her DWP team on the future direction of the pensions landscape which, depending on the views of whoever succeeds her, may also have a lasting legacy.”

But many of these initiatives were in limbo after Trott's departure and, in particular, her hopes to push through a consultation to extend AE seem to have fallen to the wayside, in favour of broader industry reforms, which will now fall to the new Pensions Minister.

Indeed, People argues that pension adequacy more broadly has been a key missed opportunity for a number of previous ministers, emphasising the need to increase AE contributions.



What next?

Thrown into the deep end, Paul Maynard has had a lot to get to grips with in his new role as the current

Pensions Minister, including the Mansion House reforms, pensions dashboards, new funding regulations, CDC, small pots solutions, a new value for money framework and so much more.

“As we all know, this is just the tip of the iceberg when it comes to pension reform recently and although some of these initiatives aim to improve retirement provisions, enhance transparency and encourage engagement there is still more to be done to help everyone achieve a better pension at retirement,” People says.

It seems the new minister is open to hear the industry's views though, and just months into his role, Maynard has been hard at work to get to know the industry he will be working with, with a number of industry organisations confirming that they have already met with the new minister.



And Maynard was incredibly transparent in his first speech to the industry, admitting that he would be looking to experts for technical knowledge around the complex issues surrounding the pensions landscape.

“I am not an expert so I'm going to need your help,” he stated. “We do the [consultations] for a reason. This is a technical field and I think the benefits you can make in this country are massive. This isn't just about pensions, it's about the country as a whole... I look forward to working with you all over the coming months and years.”

But Maynard has been handed the pensions brief at a time of huge reform, inheriting initiatives that have been years, and many ministers, in the making.

And he has already been left to defend some of the less popular reforms to the industry, such as the governments preferred option to address small DC pots. With so much change ongoing at pace, it seems unclear whether Maynard will have the time to form his own informed views in this incredibly complex area.

However, Maynard has outlined a clear direction of travel, stating that the government is aiming to shift focus “unambiguously” from cost to value, and promising to push ahead with the initiatives awaited by industry.

Whether Maynard will have this chance is still unclear though, and with a General Election looming ahead and an Ipsa investigation underway, it is still uncertain just how many more Pension Ministers we'll have before so many crucial initiatives get across the line.

Written by Sophie Smith