NEWS IN BRIEF

The projected retirement income of a 60-year-old DC member dropped more than £700 in the course of 2010, according to new figures.

An example DC member aged 60 at the start of 2011 would have a projected income of £10,465, down £751 on last year, according to Aon Hewitt.

Barnett Waddingham has announced a series of seven free nationwide seminars on pensions administration issues such as RPI-CPI and GMP equalisation.

The consultancy will host the seminars at different locations from London to Glasgow in March.

W & FC Bonham & Sons Retirement Fund has transferred into the Financial Assistance Scheme (FAS).

According to consultant Pope Anderson, the contracted-out scheme became eligible for the FAS when its criteria for entry changed, allowing underfunded schemes without insolvent sponsors to join.

HMRC is earning around £8.8bn a year from increasing longevity, according to new analysis.

MetLife figures show the average pensioner contributes around 30% of their annual income in direct and indirect taxes to the exchequer.

Treasury moots corp benefits NI breaks

James Redgrave & Charlie Thomas

Corporate ISAs are on the road to netting employers tax breaks under government plans currently being discussed.

Meanwhile, Legal & General's (L&G) corporate cash ISA goes live this week, with three clients totalling 15,000 staff signed up for the start of the next tax year, and a US blue chip pledging to make the product available to its 20,000 UK staff from January 1, 2012.

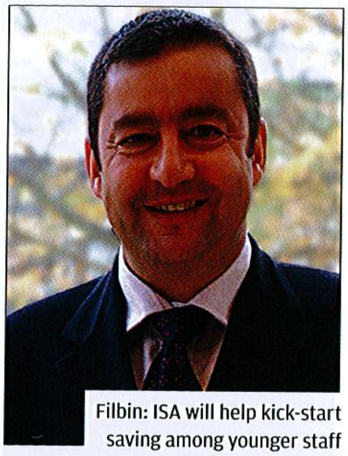
PW's sister title *Pensions Management*, last week exclusively revealed the Treasury has been asking the rapidly growing list of corporate ISA providers to explain the products and how they are structured, in a series of high level meetings.

And *PW* now understands the conversations are the start of a process to develop policy to incentivise the products, with national insurance breaks mooted for participating companies.

The discussions have been broadened from providers to firms with staff ISAs, including Barratt Homes.

L&G, Hargreaves Lansdown, Wealth at Work and Fidelity have all been asked to meet with Number 11 over the past four months.

Julian Webb, head of UK defined contribution at Fidelity, claimed he is expecting a visit from the Treasury in the next few weeks.



Filbin: ISA will help kick-start saving among younger staff

They are interested in why and how we've developed the ISA

He said: "We weren't on the Treasury's radar to begin with, but following our ISA announcement [in February] they have reached out to us.

"As I understand it, it's just a general conversation at this stage; they are interested in why and how we've [developed the ISA] and what level of interest we're expecting in it."

Webb added the Treasury appeared to be keen to be seen as being aware of developments in the corporate wrap space.

L&G's (*PW*: 01/11/10) launch sits on the insurer's WorkSave employee benefits platform, and is believed to have been taken up by at least two FTSE 100 firms.

HBOS will provide the cash account, with 1% interest on deposits, tracking the Bank of England base rate.

Tony Filbin, L&G's managing director of workplace savings, said: "The WorkSave cash ISA should appeal to all members of staff and can play an important role in kick starting long-term saving for younger employees."

Widows adds to corporate ISA clamour

Scottish Widows, which operates the mymoneyworks (MMW) corporate platform, has launched a stocks and shares complement to its existing workplace cash ISA.

The product was first revealed in *PW* (*PW*: 19/07/10), and will provide access to more than 1,700 funds from more than 100 leading fund managers via the Cofunds platform.

Clients will also be offered the ability to accept regular or single contributions, as well as receive payments, which can be made directly from salary via payroll deductions or via a private direct debit.

Media relations manager Kevin Brown said: "Following the successful launch of MMW in 2010, we have been looking at ways to further enhance our workplace proposition to allow employees to better plan their financial futures, as it is clear employees want to access other savings options in addition to pensions within the workplace."

MMWs' launch follows hot on the heels of Fidelity, which announced its own corporate ISA offering on February 7 (*PW*: 15/11/10).

Fidelity's Workplace ISA also offers employees payroll deduction, the ability to make one-off payments directly, as well as the ability to consolidate existing ISA savings. Employees will gain access to more than 1,200 funds. **CT**