

# THE UKSA NEWSLETTER

**UKSA**  
UK Shareholders'  
Association

## ISSUE 2

This is the second issue of our new UKSA Newsletter, which is sent out to all Full and Associate Members of UKSA.

In addition to this Newsletter, Full Members receive The Private Investor every two months. The Private Investor includes in-depth articles and analysis by UKSA's in-house and guest writers.

The format of the Newsletters and The Private Investor is optimised for on-screen reading, with links that take you straight to detailed content.

### Latest news

Did you see the article by Paul Lewis (of BBC MoneyBox fame) in Wednesday's FT? He has a go at the Financial Conduct Authority (FCA) but recognises that it is a bit hamstrung by its statutory objectives, which in respect of consumers (the mandarin word for 'savers') are only to offer 'an appropriate level of protection'. He has some fun with the word 'appropriate', which he describes as 'otiose' (look it up, I did). He asks: 'Why not: Objective 1: To protect consumers?'. 'Why not?' indeed.

This is also a key feature of UKSA's recent [response](#) to the FCA [consultation](#) on Consumer Investment Markets. UKSA's response was covered extensively in the December edition of The Private Investor. At that time we were unsure of the FCA's intentions for using the responses and the timescale involved. We have since learned that the FCA does indeed intend to publish the responses but cannot commit to a date. We have therefore felt able to publish our response on the UKSA website referenced by a [news item](#) on the home page. (It was previously made available privately to UKSA members through a link in the magazine.) As someone (in fact UKSA's own Charles Henderson) recently remarked: "At last somebody realises that people matter even more than markets."

Colm Fagan, former president of the Society of Actuaries in Ireland and an UKSA advocate (see Martin White's [introduction](#)), has completed a *magnum opus* for his institute in the form of a 65-page [technical paper](#). Martin White (Savers Take Control) and Dean Buckner (Policy Director) were invited to attend the (virtual) launch of the paper at the Society.

Colm's idea is for a new approach to personal pension fund management in the pre-retirement period. The traditional practice (start de-risking 10 years before retirement, annuity purchase at retirement fixing one's pension for life) is abandoned in favour of maintaining a high risk weighting both before and after retirement, with obvious benefits to expected returns. This is enabled by smoothing arrangements, restrictions on withdrawal, and underwriting to some extent by the State. I am told that discussion was 'lively', and one can see how this idea might be considered a threat to certain parts of the pension fund management and advice industries.

A growing volume of information can also be found on our website. Under the new [Policy work tab](#), for example, you can find the latest details of the work carried out by UKSA's expanded Policy team, including responses to the many consultations conducted by the UK government and other agencies.

At the time of writing we have just submitted a [detailed response](#) to the [Financial Reporting Council's proposal](#) to revise the standards governing auditors' responsibilities relating to fraud in audits of financial statements.

Are we all glued to the news of the routine hedge fund shorting of Gamestopper Inc. in the US? And the counterattack by millennials united by Reddit and, in some cases, motivated by a desire to damage the finance industry as payback for 2008 and other slights? No doubt it will end in tears, but for whom? Some implications here for UKSA as we seek to encourage a much wider acceptance of equity investment by individual savers through [Savers Take Control](#).

### **Europe**

We continue to maintain active links with other shareholder organisations in Europe and with [Better Finance](#), the European Federation of Investors and Financial Services Users. With travel all but suspended, meetings are taking place online, but new collaborative initiatives are in the pipeline, including on financial education.

### **Upgrading**

Associate Members can take advantage of half-price full membership of UKSA in the first year by clicking [here](#). In addition to The Private Investor, Full Members have free access to physical and online meetings with officers of UK-listed companies and regional members' meetings.

### **E-mail**

Wherever possible we communicate with members by e-mail. That reduces our costs and gets information to you faster. If you are receiving this by post but do have an e-mail address, please let us know.

Remember, the new UKSA needs to build popular support to achieve change. Forward this Newsletter to your friends and/or encourage them to join as Associate Members at no cost by clicking the [join button](#) or googling UK shareholders.

*The UKSA Board*

*31 January 2021*