

About this consultation

The Department for Work and Pensions (DWP) is consulting on the implementation of the pilots, that were designed to encourage more people to take up the offer of a Pension Wise appointment prior to accessing their defined contribution pension savings. These proposals place duties on trustees and managers

Under this approach people would have an appointment automatically booked for them following their 50th birthday, with the option to defer or to opt out. The stronger nudge would then provide a backstop in case they need to receive guidance later on at the point of access (whether it be again or for the first time).

Q2: Do you agree with our proposed approach to appointment bookings? If not, what changes do you consider necessary?

We welcome that the DWP has included an offline channel through which appointments can be booked as we believe this should be part of an auto appointment system, there should be provision made , probably working with a central coordination body.

We agree with an exemption from the opt-out process for people claiming a Serious Ill Health Lump Sum, but do not believe it is necessary to exempt people who have received regulated financial advice. We have heard anecdotally that people who also pay for financial advice often benefit from Pension Wise, for example improving their personal understanding of retirement income products. If such people wish to opt-out, there is nothing stopping them from doing so, and an exemption from the process seems unnecessary.

Q6: Is an exemption for small pots necessary? If so, how should a small pot be defined?

No. It is important that Pension Wise usage is increased among all savers, not just those with more money in their savings. In many cases, people may have one or two small pots in combination with a larger amount held elsewhere, and the prompt to take guidance when accessing their small pots could be the motivation they need.

Q8: Do you believe our proposed approach to record keeping is proportionate? If not, what changes do you consider necessary?

We are concerned that the proposed approach does not go far enough. This represents a unique opportunity to understand the details of who is receiving advice, how they are receiving it, and what the benefits are. The DWP needs to ensure that trustees and managers are providing sufficient information – this will be important in developing the future public policy direction of pensions information. This should include both demographic and financial information, such as equalities data, location, and

Q9: Do you agree with our proposed approach for coordinating the Stronger Nudge and Scams Guidance appointments? If not, what changes do you consider necessary?

This is difficult to answer as the scams guidance appointments are not yet live, so we do not know how consumers will respond. The approach should be kept under review as we learn how effective the new ap(n)4(o)-3(t.)-3(w)10(h)-3(a)-3(t))TÆTQ0.0G[(.04 rebat

Q10: Do you foresee any problems with the interaction between the Stronger Nudge and existing signposting provisions? If so, what changes do you consider necessary?

Q18: Do you consider the proposed regulations achieve the policy intent?

No, the proposed regulations fall well short of meeting the policy intent. The Minister has confirmed that ^{vii}, while the original intention was

