

**PENSIONS AND
LIFETIME SAVINGS
ASSOCIATION**

MONEY AND PENSIONS SERVICE LISTENING DOCUMENT

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INTRODUCTION

This is the PLSA response to the MAPS Listening Document.

We first explain who the PLSA are, and our engagement in financial capability and engagement.

There is then an executive summary of our response, followed by the PLSA view on MAPS and engagement.

The response moves on to the key questions posed by the CEO, by moving on to the Retirement Planning chapter questions, the People in Retirement chapter questions and finally the Working Age People chapter questions.

ABOUT THE PLSA

We're the Pensions and Lifetime Savings Association; the national association with a ninety year history of helping pension professionals run better pension schemes. With the support of over 1,300 pension schemes and over 400 supporting businesses, we are the voice for pensions and lifetime savings in Westminster, Whitehall and Brussels.

The PLSA has been a key partner for the Pensions Advisory Service, Money Advice Service and Pension Wise and we would like to continue being a key partner for the Money and Pensions Service. Both the PLSA and MAPS have the interests of the saver at their hearts.

Our recent publication, *Hitting the Target*, sets out many of our policy initiatives that we are proposing or have been integral to.

- We are developing a set of **Retirement Income Targets (RITS)** that will act as a rule of thumb for savers to set their goals to, based on basket of goods that they could expect to buy with different retirement income budgets.
- We are a key proponent of **pensions dashboard**, and as you will see from *Hitting the Target*, that we have long argued for at least one high-profile non-commercial dashboard hosted by a major public body such as MAPS.
- We have worked with the ABI, DWP and MAPS on promoting the simpler annual statement as an example of good practice.
- We are advocates of the Mid-Life Financial Health Check and see it as a way for people to make the most of their pension and other lifetime savings

Our purpose is simple: to help everyone to achieve a better income in retirement. We work to get more money into retirement savings, to get more value out of those savings and to build the confidence and understanding of savers.

EXECUTIVE SUMMARY

- **MAPS – An Essential Role:** The PLSA strongly support MAPS in its role of providing impartial, non-commercial, guidance. MAPS has an essential role to play in increasing trust and financial capability. We would like MAPS to build on its experience and in-house knowledge of pensions guidance and focus, in particular, in the nearly half of all workplace pension savers who are not on track to achieve the target replacement rates identified by the Pensions Commission. It will also be important for MAPS to focus on the self-employed and women, both of whom have lower pension savings than average.
- **Engagement – Not the Only Policy Tool:** While promoting effective engagement is one of the PLSA's top four objectives, we do not believe engagement alone is a sufficient intervention or policy tool. Indeed, we believe that good scheme governance, utilising the lessons from behavioural economics, and appropriate consumer protection regulation have an equal or greater role in ensuring everyone in the UK has an adequate retirement income.
- **Advice & Guidance – More Help Needed:** The boundaries of advice and guidance need to be redefined to allow guidance to go further in helping individuals make a decision. The experience of our members is that people are reluctant to make a decision without some form of recommendation or prompt to take a particular course of action. A particular focus should be on measures to help employers and workplace pension schemes engage with employees and on the use of fin-tech guidance solutions.
- **Retirement Income Targets – Soon Ready for Use:** We would like MAPS to use the PLSA's forthcoming Retirement Income Targets on its website as part of its pension planning tools and in the Pensions Dashboard. We will be launching these new measures at our annual conference this October.
- **Employers & the Workplace – A Key Channel:** We believe there is substantial potential for MAPS to improve financial capability by working closely with employers and workplace pension schemes. Many larger employers already provide extensive guidance and support services. The PLSA stands ready to help in this task.
- **Later Life – Welcome Focus:** We endorse MAPS' proposals to help those in later life via the introduction of a Later Life Health Check and by age-proofing services and products. We believe the policy and regulation that applies to DC decumulation would benefit greatly from an age-proofing review. The PLSA has already set out its proposals on sign-posting and standards to make DC decumulation more likely to achieve good outcomes. Definitions of vulnerability should be wide enough to recognise that when it comes to pensions, in later life, many are at risk of becoming vulnerable due to the effects of cognitive decline.
- **Holistic Approach – New Opportunity:** We believe the new, wider remit of MAPS, compared to its predecessor bodies, provides a great opportunity to adopt a necessary, more holistic, approach to retirement saving decisions. In particular, we would like MAPS to provide guidance that can help people assess when and how to save for retirement in a context where some over the short term may have problem debt, and others at the end of a working life may experience an effect of pension saving on their welfare benefits.

PLSA VIEW ON MAPS AND ENGAGEMENT

While achieving effective engagement is an important part of helping people save for retirement and make the right decisions regarding their retirement income, as we set out in *Hitting the Target A Consultation (2017)*, the PLSA believes that better income for savers in retirement are dependent on a range of policy tools:

- i. Defaults / Choice Architecture: including whether the default is to save or not to save into a workplace pension, whether there is a default investment fund, and whether there is a default savings rate.
- ii. Engagement: interventions that better enable or equip the individual to make choices on their own behalf. This includes communication tools that simplify matters for people and also interventions like advice that give a personal recommendation to the individual.
- iii. Governance: putting in place a structure or individuals that act as a surrogate customer, charged to act in the customer or scheme member's best interests.
- iv. Regulation: rules intended to correct specific failings in the market and reduce or eliminate specific causes of consumer detriment.

Nevertheless, we wholeheartedly, support measure to improve engagement, and we agree with MAPs view on how to fulfil their role in both helping people plan for retirement and supporting people who are in retirement. We welcome their goals of trying achieve a culture shift, the use of new technology, and collaboration with financial services.

We believe that PLSA's Retirement Income Targets (RITS) can play a key role in helping people plan for retirement. RITs provide three key benchmarks for what a minimum, moderate or comfortable retirement lifestyle means, in terms of expenditure. They seek to support people in envisaging their future retirement life and how their savings equate to what their future costs might look like.

The PLSA decided to take forward RITS after carrying out an extensive consultation of the pensions sector, including both industry and consumer groups. There was almost universal support for PLSA to develop a set of national RITs based on a basket of goods approach and drawing on independent research.

The PLSA will be launching these RITs in October. We would like MAPs to include RITs on their website, alongside their other guidance tools, and for RITs to be included in the public Pensions Dashboard to be established by MAPS.

The PLSA has also shared widely with the pensions industry a set pensions engagement principles. These were published in our publication *Hitting the Target*:

1. Engagement should help savers identify their overall retirement income objective and how much further saving is needed to achieve that goal.

In practice, this is likely to involve providing guidance and tools on savers' retirement income objectives or targets and on how decisions by the saver, e.g. extra contributions or retiring later, can alter those outcomes.

2. Engagement should be based on a good understanding of the saver and their needs.

This will involve analysis of those saving in order to identify their needs, including how best to communicate with them and the frequency at which communications should occur.

3. Engagement should be with a specific purpose, in a manner appropriate to the target saver, and at an appropriate time.

In practice, engagement should always seek to achieve a desirable outcome. To achieve this end, clear and consistent language should be used across the pensions sector, as this will make communications more easily understandable to the saver. The purpose is likely to be different in the accumulation stage, when it is likely to need to support savers in staying automatically enrolled and accepting phased contribution increases, as compared to the decumulation stage when, due to the greater complexity of the decision needed, it will need to encourage more active decision-making.

KEY QUESTIONS

1. What are the top priorities the Money and Pensions Service should focus on over the next three years?

A. We would like to see a continuation of the excellent work by the Pensions Advisory Service in delivering pensions information and guidance at all stages of the saver's journey to retirement and the continuity of the Pension Wise appointments delivered both in house and by Citizen's Advice.

Rules of Thumb for pensions saving need to be developed. These were called for by FAMR II and the Money Advice Service was made responsible for their creation. The PLSA is soon to launch our Retirement Income Targets, as mentioned in *Hitting the Target*, which will give savers a realistic understanding of how much they need in retirement to achieve their preferred lifestyles, and in doing so act as a rule of thumb. MAPS will be able to place the Retirement Income Targets on their pensions calculator and include it in both Pension Wise and Mid Life MOT content.

Other potential rules of thumb could be developed around sustainable pension drawdown rates such as the previously mooted 4% per annum, but revised for current conditions.

B. The pensions tools and calculators provided by the Money Advice Service should also continue to be delivered.

The creation of a non-commercial public good pensions dashboard and the setting of the governance standards for commercial dashboards should be a major priority for the Money and Pensions Service. The PLSA is keen to be involved in the Industry Delivery Group and in any other way that assists MAPS in producing their dashboard and the standards for others. We can play the essential role of connecting MAPS and the occupational pensions sector.

C. Partnering with employers to delivery on financial capability objectives is also key. We believe there is substantial potential for MAPS to improve financial capability by working closely with employers and workplace pension schemes. Many larger employers already provide extensive guidance and support services. Smaller employers may need further help from MAPS in developing their own information and guidance for employees. The PLSA would be able to help facilitate such work in the future.

D. We do however feel that with more control of content migrating from FCA to MAPS, that this could be an opportunity to review how far guidance goes and whether it could also offer more a sense check for savers.

E. According to PLSA models, about half of the working age population is unlikely to achieve the Pension Commission's Target Replacement Rate, therefore the remit for vulnerability must be wide. In particular, women and the self-employed need to be much higher priorities for MAPS. Every aspect of financial capability should be looked at with both groups in mind. Both groups are under pensioned, with women in particular likely to have 1/5 of the average man's pension at age 65. Guidance and financial capability interventions could help redress the pensions gender gap.

MAPS and PLSA must work hand in hand on financial capability and retirement saving, as we are the body that represents 1,300 occupational pensions schemes, including nearly all of the master trusts.

2. We are required to help those ‘most in need’ and those who are ‘in vulnerable circumstances’. How can we best identify and reach them? What evidence do you have to help us target these groups effectively?

The PLSA feel that vulnerability needs a broad description and the following FCA definition provides a good starting point for defining vulnerability:

“Vulnerability can come in a range of guises, and can be temporary, sporadic or permanent in nature. It is a fluid state that needs a flexible, tailored response from firms. Many people in vulnerable situations would not diagnose themselves as ‘vulnerable’. The clear message from the research carried out for this paper is that we can all become vulnerable. To enable firms to identify potential vulnerability and prioritise their efforts, one option is for firms to use a risk factor approach”

The recent pension reforms have resulted in people being given more financial responsibility for their retirement but also, particularly with pension freedoms, more complex decisions to make. As people approach retirement age, they may become more vulnerable due to a health issue or change in job circumstances could leave them unemployed just before retirement. To capture the transient nature of vulnerability, some consideration should be given to the prospective vulnerability of people who are saving for, and approaching, retirement.

Since the introduction of automatic enrolment, the proportion of active savers in pension schemes has risen from just under half of employees in 2012 (47%) to just under three-quarters in 2017 (73%) representing a significant portion of people who are now expected to take on more financial responsibility.

The PLSA has a significant programme of research dedicated to savers that could be used to target these groups including our Retirement Income Adequacy Report and forthcoming work on DC Decumulation.

From a data sharing perspective, better linkages across agencies (for example, using What Works?) to promote better sharing of data, research and information will support identifying those who are most in need or are vulnerable and can improved decision-making.

3. For each area of our remit, how should we balance maximising impact with ‘most in need’ and ‘vulnerable’ groups (even if that means reaching fewer people overall), and reaching as many people as possible (even if that means we have less impact on each individual reached)?

MAPS needs to consider its role in both helping those most in need and also wider objectives improving the ability of the public to make financial decisions.

The advent of automatic enrolment and pension freedoms has resulted in a situation whereby more people are going to be having to make complex financial decision (with limited capability to make that decision) about how to access their retirement savings. Many consumers don’t take guidance early enough to ensure they have the widest possible range of options open to them in retirement. Given the higher rate of private pension saving since automatic enrolment, we believe there is a strong argument for spreading MAPS role more broadly as opposed to focusing on fewer people with higher needs.

MAPS plays a significant role in filling the advice gap on the supply side by providing free and impartial guidance that is also easy-to-understand (particularly for retirees) and has a role in tapping into latent demand for guidance through working with stakeholders such as the PLSA.

We are concerned that focussing more on people in crisis may result in a shift in priority away from pensions towards helping people with immediate issues, particularly around debt.

While it is right that MAPS looks to help those in crisis, it should also focus on pensions and long term savings, where it has a wealth of expertise.

4. How should we balance Money and Pensions Service resources between preventing financial difficulties occurring in the first place, and helping people who are in need or crisis right now?

The need for quality advice, particularly for those in crisis, is important. Given the reforms in pensions over the last few years, and the aforementioned definition of vulnerability, there is a case for shifting the dial towards prevention and thinking more widely about prospective vulnerability which may be beneficial as people who have been automatically enrolled approach retirement.

The generation most impacted by automatic enrolment will have defined contribution schemes and will need to make decisions about how much they contribute and how they access that saving now. Therefore, to avoid a crisis in retirement, there is a considerable amount of value in investing in making sure that people have the ability to make sound financial decisions now. This preventative measure should make a significant difference in the future.

MAPS already supports products such as the mid-life financial check and could take this further by promoting people to more actively engage with their pension and support better decision-making pre- and post-retirement.

5. How should we facilitate the improvement of quality, efficiency and capacity within the money guidance, financial capability, debt advice, or pensions guidance sectors?

The PLSA has long argued for the use of fin-tech and robo-guidance to increase access to free impartial guidance, and we still believe this should be the case from Mid Life MOTS to Pension Wise appointments.

There is still a need however to maintain helplines with real human beings for those who have a preference to interact with guidance that way and for those with more complicated queries.

It is important that specialisation in debt advice or pensions guidance is not lost as this may be to the detriment of quality.

6. What are the most significant gaps for public financial guidance to fill?

There is also currently an advice gap in respect of those that would benefit from regulated advice but can either not afford advice or where the cost of advice would outweigh the benefits. MAPS should be looking to develop further their guidance offering to get closer to the advice guidance boundary and help bridge the advice gap. In the area of DB to DC transfers, MAPS could be used to triage savers prior to taking regulated advice.

Women need to be a major priority for MAPS. MAPS are already delivering Pensions and Divorce appointments which we believe are largely helping women at a vulnerable moment in their lives, to make difficult decisions about sharing pensions.

We would expect to see such initiatives built upon and expanded. We would also like to see more initiatives to help women. For instance, women are more likely to pay a motherhood penalty in respect of career progression, earnings and retirement outcomes. Women are more likely to take on caring responsibilities for a partner or an elderly relative. Women are more likely to live longer and suffer a bereavement of a partner or infirmity. MAPS could look at all of these areas and prioritise more interventions for women and important life moments.

The self-employed are another area where there is a clear market gap that public financial guidance could address. The Mid Life MOT offering from MAPS is targeted at the self-employed and could include the **Retirement Income Targets** to help further. We believe that there is scope for MAPS to do more to help this growing and varied section of the workforce.

7. Do you have any reflections on the current regulatory boundary between guidance and advice? What experience do customers have of this in practice?

MAPS could further develop the guidance proposition to provides savers with more of a sense check on whether they are making the right decision. There is also a case for guiders being able to say “yes, saving into a pension/ISA would be right for you” without recommending a particular company or investment strategy.

As things stand there are two effective definitions of guidance, one on guidance for regulated firms and one on guidance for non-regulated and MAPS. We would like to see MAPS, working with the FCA, and taking the maximum headroom from both definitions.

We would also like to see clear guidance in the role employers can play in giving non-regulated information and guidance to their staff.

8. How can we achieve our target outcomes at scale by working with different sectors (e.g. employers, financial services firms)?

Of the five target outcomes identified in the MAPS Listening Document, only one is directly related to the work of the PLSA: by 2021, MAPS would like two million more working age adults to say that they understand enough to make informed decisions about their retirement. MAPS has rightly identified that 22 million working age people say they don't know enough to plan for their retirement.

The lack of understanding identified by MAPS is underpinned by poor engagement. Research by Which?, a charity, found that nearly half (47%) of those aged over 50, employed and with a personal pension are not confident they know the total amount of money they have saved in their pension pot(s) and a fifth (21%) say they have never checked how much they have saved in total in their pension pot(s). It is also the result of a lack of clarity about how much people will need in retirement to live their desired lifestyle. Research carried out by the PLSA found that only 23% of those aged 18-64 claimed to know how much they will need in retirement.

Poor engagement and a lack of understanding regarding desired outcomes make is very difficult for savers to plan effectively for retirement. To achieve improve understanding sufficiently to give people confidence that they are able to plan for retirement, MAPS should focus on working with stakeholders to provide solutions to these challenges.

As the UK's premier guidance body on all matters related to individual and household finances, MAPS has the opportunity to collect and highlight areas of best practice in the pensions industry,

and encourage its uptake amongst schemes/providers. The PLSA believes that this is an important function that MAPS could undertake.

In regard to engagement, this could mean working with schemes/providers to roll out cost effective guidance and advice services for savers, such as those offered by The People's Pension (TPP). TPP has formed a partnership with retirement specialist Liverpool Victoria (LV) to provide savers with free online guidance and low-cost advice options through LV's Retirement Wizard service. This offers savers a two-stage service that includes: (i) a retirement income calculator with a free guidance report – to give savers general information about their options at retirement; and (ii) access to a low cost (£49) online advice service – to give savers personal recommendations from an expert financial adviser.

MAPS could also encourage schemes/providers to adopt best practice when it comes to communicating with savers, such as that embodied in the Simpler Annual Statement (SAS). The PLSA is already working across the industry to promote the SAS as an example of good practice in pensions communications. The two-page statement is designed to be read by savers with different levels of engagement, from those who will just glance at information to those who wish to be signposted to find out about the underlying assumptions, investments and costs and charges. If widely adopted the SAS will make it easier for savers to compare all of their pensions.

The PLSA would also like MAPS to work with stakeholders in the retirement savings sector who are developing innovative ways of helping savers to understand how much income they will need in retirement. In our Hitting The Target consultation, we recommended that a set of easy-to-understand retirement income targets should be developed and, in 2018, commissioned Loughborough University to undertake this project.

Polling commissioned by the PLSA found that 78% of savers believed that such standards would help them know if they are on track for the lifestyle they want in retirement and 69% thought that standards would encourage them to save more for retirement. We would like MAPS to incorporate our retirement income targets into the MAPS guidance services.

10. If you are not already involved, what would motivate you or your organisation to support people to make the most of their money or pensions? What is currently stopping you and how can we reduce those barriers?

The PLSA is already involved in supporting people to make the most of their money and pensions and are keen to work with MAPS in these endeavours.

11. What more could we do to make best use of the different channels through which consumers could access information and guidance about money and pensions?

Despite the move towards robo-advice and online information services in recent years, research carried out by Close Brothers and the PLSA suggests that 57% of employees prefer to receive financial information face-to-face and 63% of employers believe this to be the most effective way of improving understanding amongst employees. This suggests that a truly multi-channel approach is required for savers to be able to get the most out of the information and guidance offered by MAPS.

The Pensions Dashboard project and, in particular, the dashboard that will be hosted by MAPS, will play an important role in improving the provision of information to savers. To be a success, we believe that the project should deliver three principal benefits: help savers to locate their various pensions; help savers to understand the value of their pensions in terms of an estimated retirement

income; and help savers to plan for retirement. These considerations should be at the centre of the MAPS-led project.

However, dashboards as a single channel of communication will not be a panacea for the existing problems with uptake of information and guidance services. In order to maximise the opportunity provided by the appearance of dashboards, MAPS should promote other services formerly offered by Pension Wise and The Pensions Advisory Service, including one-to-one guidance sessions, and helpline and web chat support. This approach will provide savers with the multi-channel approach to information and guidance that is their clear preference.

12. What opportunities are available to address issues around money and pensions in a holistic way now that three organisations have been brought together into one?

The integrated MAPS service provides opportunities that were previously not available to the three separate organisations that it has incorporated.

Firstly, the merging of the Money Advice Service (MAS) with Pension Wise and The Pensions Advisory Service (TPAS) gives MAPS purview over the individual's financial lifecycle and all of the products a saver might interact with. This means that MAPS is well-placed to investigate the interaction between different products and guide savers accordingly. For example, MAPS is the ideal service to understand the interaction of individual debt with pension and other retirement saving. This could be used to guide savers more effectively.

Secondly, the combination of the formerly separate services will enable MAPS to develop and roll out a mid-life financial health check that is truly holistic and can focus on an individual's financial goals in the short-, medium-, and long-term. TPAS laid the groundwork for a mid-life review by rolling out a one-to-one service for the self-employed. Whereas the TPAS offer was restricted to pensions alone, an enhanced MAPS offer could focus on an individual's savings (and debts) in the round.

PENSIONS AND PLANNING FOR RETIREMENT

27. Do you agree with our analysis of the issues?

Yes, the analysis of the current pensions landscape is closely aligned to our own. We agree with MAPS assessment of the challenges facing people with regard to retirement saving. Such as the difficulty of engagement, shift from DB to DC, vulnerability to scams, behavioural insights that people tend to live for today, pension gap between women and men, and the changing concept of retirement - as well as the key challenges of pension freedoms and additional choices.

28. Are we focusing on the right outcomes?

We have concerns that the 2 million extra people understanding enough to make decisions about their retirement may be too ambitious in the short term.

29. Have we highlighted the right priorities for action?

The Listening Document mentions action for the guaranteed guidance/at retirement guidance delivered as part of the Pension Wise offering but does not mention targets for the help line/web chat general pensions guidance.

We support the increase in Pension Wise provision and as written in our publication, *Hitting the Target*, we are in favour of default guidance being rolled out as soon as possible.

We agree making pensions easier to understand through the creation of a pensions dashboard and the PLSA is keen to partner MAPS in this endeavour. We would also like to see our Retirement Income Targets (RITS) incorporated on the MAPS pensions dashboard and other online tools.

Alongside MAPS, the PLSA has also worked on the simpler annual statement and is promoting as an example of good practice.

30. Should we seek to influence the wider policy and regulatory context, and in what areas?

MAPS is in a position to be a conduit to government and regulators on behalf of savers and consumers.

We believe that MAPS still has an important part to play in partnering with regulators and government. It is important to carry on good work with DWP and the Pensions Regulator. MAPS can carry on informing on scams and potential misspelling and influence policy initiatives based on evidence gathered, for instance.

MAPS should also engage with the pensions sector more broadly and as a body that represent 1,300 pension schemes, the PLSA is happy to help in this respect.

31. How do we get consumers to engage actively in pensions and planning for retirement?

Behavioural science has taught that teachable moments matter. These are the moments people are most likely to change actions but they can also be crucial in terms of pensions savings.

Earlier wake up packs at 50 when people are thinking about retirement may help in getting people to engage in time to make more informed decisions but it is also important to intervene at other life junctions.

The Mid Life MOT/financial health check is one such intervention which could help people engage in pension saving and prepare people for fuller working lives.

We understand that MAPS are already running pensions and divorce appointments and these could be expanded. There may also be a place for maternity and pensions appointments.

MAPS should consider setting up “Drop In Centres” for face to face guidance to overcome issues of local provision and drive up engagement. These could be operated with Citizens Advice and similar bodies.

Good governance by schemes can also lead to people making good decisions, as choices can be simplified for them.

We would also like to see MAPS as a champion for higher contribution levels, such as 12% as a rule of thumb.

PEOPLE IN RETIREMENT

32. Do you agree with our analysis of the issues?

We agree with analysis as set out. People are living longer, but this also means more people in residential care, more dementia and more financial challenges.

33. What outcomes do you think we should focus on?

There will be a challenge of the population in drawdown making decisions later in life with the risk of dementia or undue influence by relatives. There is guidance by other agencies being offered in this space, particularly in Scotland. MAPS should have a short term outcome of a set number of people accessing a later life MOT.

34. Have we highlighted the right priorities for action?

Yes, but this should be cross agency and working with private and third sector.

35. Should we seek to influence the wider policy and regulatory context, and in what areas?

Yes, in two key areas, the creation of a Later Life MOT and the age proofing of information, products and services.

36. How can we ensure that people in retirement who are digitally excluded get the help and guidance they need?

To maintain both help line and written enquiries services. We would also encourage the development of MAPS “Drop In Centres”, e.g. local Citizens Advice offices.

37. What are the merits and challenges associated with developing a Later Life Review?

A Later Life Review has to be pitched right to appeal to those most in need of the review.

It is an opportunity for MAPS to engage with those in the drawdown population who will have to make decisions about their later retirement at a point they are still able to do so.

This opportunity to speak to people should also include discussions about property at a point they are still able to move to somewhere more suitable for later life and/or make decisions about equity release.

Making people aware of available unclaimed state benefits and potentially encourage people to worry less about spending money on themselves could also form part of guidance.

A crucial part of the Later Life Review will also be discussion of wills, power of attorney and financial administration.

WORKING AGE PEOPLE

19. Do you agree with our analysis of the issues?

Yes, we agree with the analysis that not enough people are saving and do not have enough financial resilience as a result.

20. Are we focusing on the right outcomes?

We believe you are focussing on the right outcomes, but the target segment of the population to achieve the outcomes are set too narrowly. New parents, vulnerable adults and under 25s are a key demographic but there are many others in the working age population who are not saving enough.

21. Have we highlighted the right priorities for action?

Although there are some good interventions suggested in the paper, more could be done through partnering with employers and pension schemes.

You have mentioned already that NEST has developed sidecar saving as a means to tackle financial resilience.

Most employer's occupational pension schemes do provide guidance suitable to their staff. For example, Kingfisher, owner of B&Q and Screwfix, has developed a series of education financial education videos and interactive games for their workforce, that focus on the "Bolt" family.



It is sensible that MAPS is building on good working relationships with the third sector to develop its priorities, but by working with the PLSA, it will be possible to reach out to employers and pension schemes as well.

22. Should we seek to influence the wider policy and regulatory context, and in what areas?

MAPS should champion more intervention for the 10 million new savers that have been automatically enrolled, arguing for 12% contribution levels and the Retirement Income Targets as rules of thumb. We would also like to see promotion of the concept of opting down for those at risk of oversaving.

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