

Financial consumer protection in the private pension system

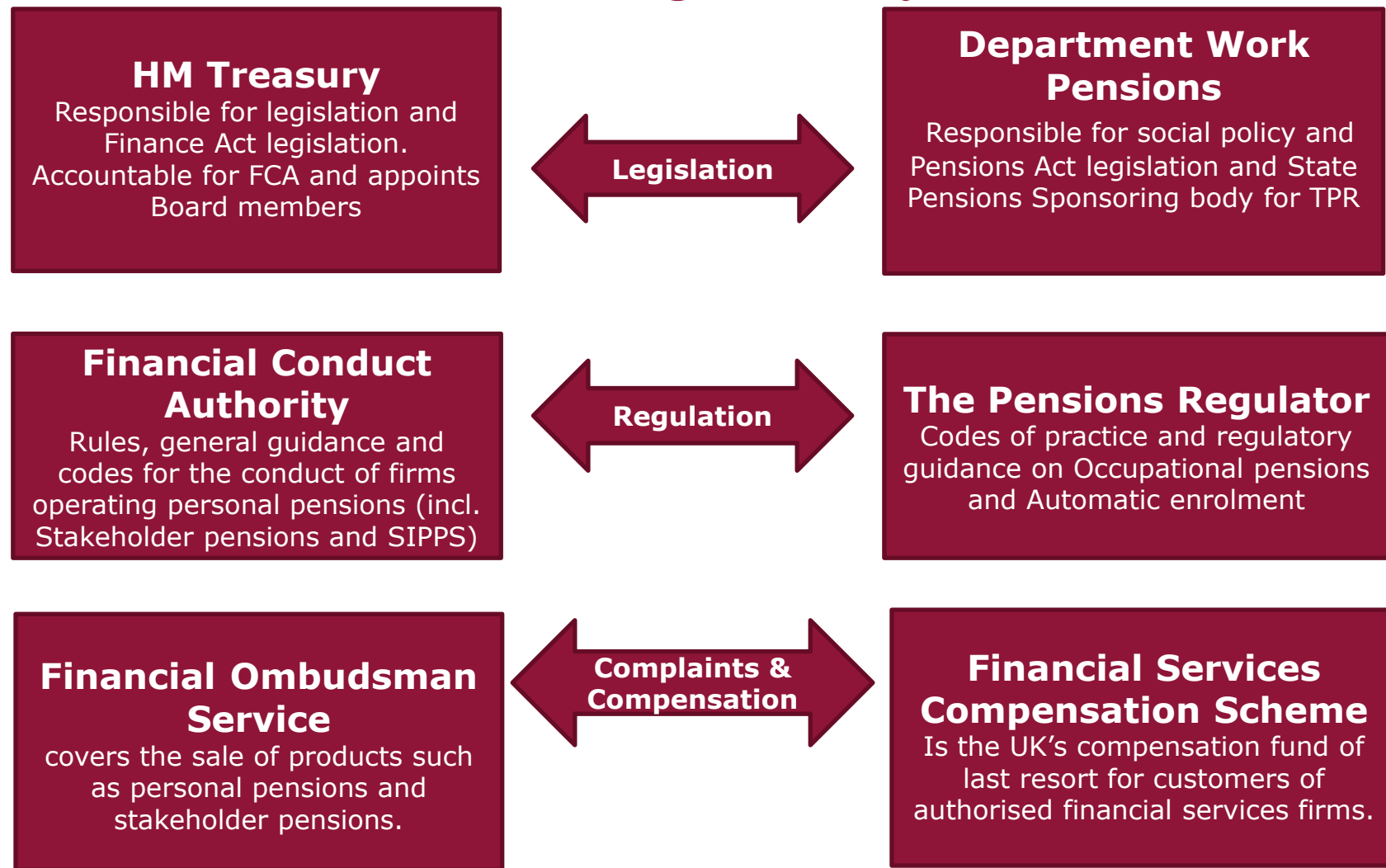
Maggie Craig, Head of Pension Policy

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Agenda

- UK regulatory framework
- Financial literacy
- Setting the scene
- Pension accumulation
- Pension decumulation
- Elements of consumer protection

UK Pensions – regulatory framework



Financial literacy

Money Advice Service

- Works in conjunction with a number of organisations to help consumers make the most of their money via their free impartial advice service.

The Pensions Advisory Service

- Provides independent and impartial information and guidance about pensions.

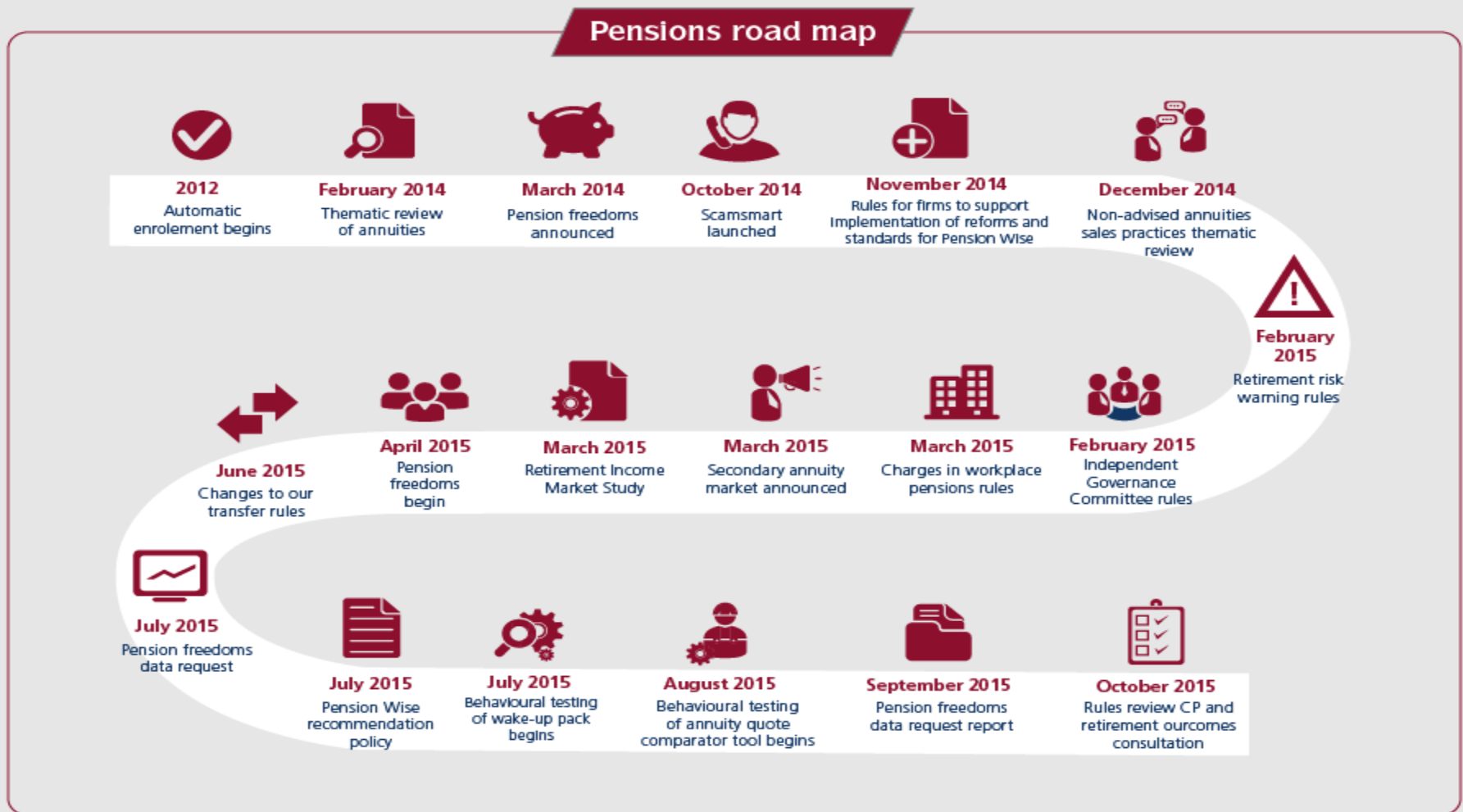
Pension Wise

- Guidance and information to help consumers understand their options for accessing their pension savings at retirement.

Financial literacy in Schools

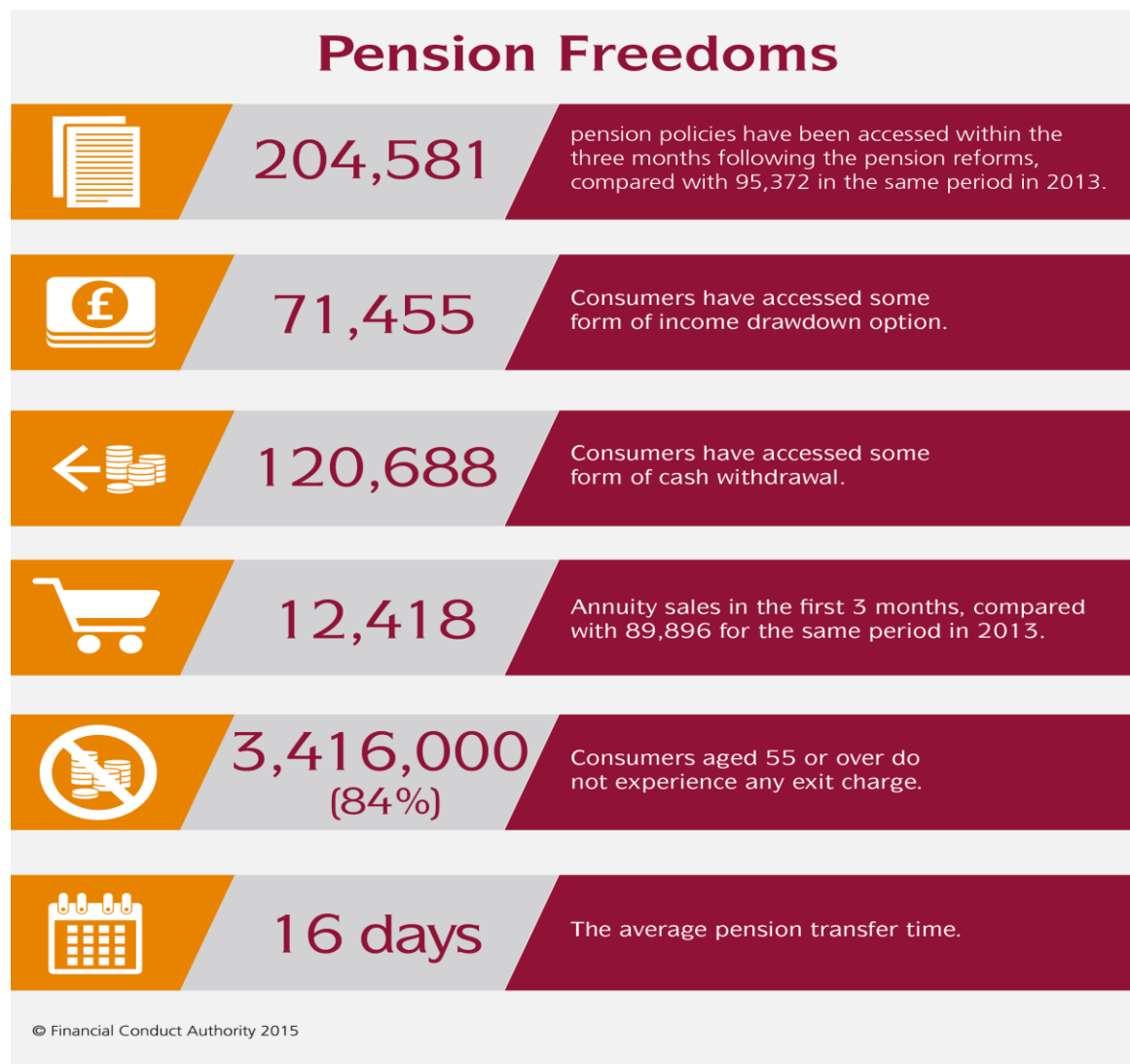
- The education curriculum in UK make it compulsory for schools to teach children the importance of financial literacy.

Setting the scene



Pension freedoms

Overview of results



Pension accumulation space

- 0.75% charge cap on default funds in workplace pensions used for automatic enrolment (Rules came into force April 2015)
- IGCs to challenge firms on value for money in workplace pensions. (Rules came into force April 2015)
- On-going work with DWP on how to standardise transaction charge disclosure – DP published responses being considered with a view to consulting later this year.
- Charge cap, governance, transparency

Pension decumulation space

- Specialist advice on transfers or conversion of 'safeguarded' benefits' (rules came into force June 2015)
- Retirement risk warnings to consumers accessing their pension savings.
- FCA sets the standards for Pension Wise and monitors performance against these standards.
- Guidance advice warnings

Consumer protection - Summary

