Department for Work & Pensions

Government response

Consultation on valuing pensions for the advice requirement and introducing new consumer protections

July 2017

Contents

Introduction

Background

1. The pension freedoms have given individuals aged 55 and over greater choice over when and how they access their defined contribution pension savings. The types of pension benefits to which the freedoms apply are known as ‘flexible benefits’.

2. An additional protection measure was introduced alongside the pension freedoms. Individuals with types of pension benefits to which the freedoms do not directly apply (such as occupational pensions calculated by reference to salary and pensionable service) are still, in most cases, permitted to transfer or convert these benefits to a form that allows them to exercise the freedoms. However, these benefits, and certain types of flexible benefits (such as those offering a guaranteed annuity rate), contain potentially valuable guarantees which may not be available elsewhere. Therefore, government introduced a requirement that members with over £30,000 of these ‘safeguarded benefits’[1]take financial advice before proceeding to access those savings flexibly.

3. The pension freedoms should to be available to those individuals who wish to access them - but it is equally important to make those with guarantees of a potentially valuable secure income in retirement aware of the value of their benefits, especially before they proceed with an action that would give them up. Government is also committed to ensuring that schemes and providers do not face unnecessary burdens in helping to deliver these important consumer protections.

4. Government received representations from stakeholders that the calculation method used to assess the value of members’ safeguarded benefits, for the purpose of determining whether the member is required to take financial advice, was causing difficulties for some schemes. This was where the member had benefits that were safeguarded and also flexible. In November

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[1] Benefits to which the advice safeguard applies – defined as benefits which are neither money purchase nor cash balance benefits.

2015 a call for evidence was launched to understand these types of benefits and their interaction with the requirement to take financial advice[2].

5. In March 2016, Government committed to simplifying the valuation process for the purpose of the advice requirement. It proposed to change the legislation so that, in assessing whether a member is required to take financial advice, the value of the member's safeguarded benefits would be treated as equal to their transfer value, or the amount which would be the transfer value if the member had a statutory right to transfer the benefits (subject to existing limited exceptions)[3].

6. The call for evidence also revealed members with benefits that were both flexible and safeguarded (as they contained a guarantee in relation to a secure income in retirement) were not aware their pension savings included guarantees. Nor were they fully aware of their potential value. The government therefore committed that members with these types of benefits – referred to within the original consultation, draft regulations and this response as 'safeguarded-flexible benefits'[4] – should be told about them, so they can make informed decisions about their pension savings.

Consultation on draft regulations

7. This paper responds to the consultation to put in place the changes to the valuation of pensions for the advice requirement and introduce new consumer protections, which ran from 26 September to 7 November 2016.

8. The consultation sought views on the draft regulations, and whether they delivered the policy intent in relation to simplifying the valuation process and the new consumer protections. These protections took the form of a new requirement for ceding schemes to send all members with safeguarded-flexible benefits a personalised risk warning before they proceed to transfer, convert or

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[2] The requirement to take financial advice is referred to within the paper as "*the advice requirement*".
[3] For example – where safeguarded benefits are salary related and the legislation and the scheme's rules permit a reduction in the cash equivalent to reflect any underfunding within the scheme, the reduction is not taken into account in determining whether the advice requirement applies.
[4] Defined in the draft regulations as benefits within section 74(c) of the Pension Schemes Act 2015; in effect, these are benefits that fall within the definitions of both flexible and safeguarded.

flexibly access their savings as a direct payment from their scheme[5]. The consultation asked questions on the detail of this new requirement, to test the design, content and assumptions which we proposed should be used to produce risk warnings.

9. The consultation on draft regulations also sought information on the wider consequences and impact of introducing the new requirement for ceding schemes to send personalised risk warnings. Government received responses to the consultation from a variety of organisations and representative bodies. **27 replies** were received in total, from personal pension providers, pension scheme administrators, consultants and actuaries, law firms, consumer representative bodies and other representative groups.

Issues covered in this consultation response

10. This document summarises the responses received to the consultation, and the Government's responses to the comments made. It further confirms that, following consideration of the comments received, the Government has decided to proceed with the proposed approach as set out in the draft regulations, with some relatively minor changes. Those changes include:

- separating the draft regulations into two statutory instruments:
    - the Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) (Amendment) Regulations 2017 (referred to in this document as "the Risk Warnings Regulations"), which contain only provisions subject to the negative resolution procedure in Parliament, and
    - the Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) (Amendment No. 2) Regulations 2017 ("the Valuation Regulations"), which contain provisions subject to affirmative resolution procedure;

[5] Direct payments here refer to cash lump sum withdrawals from the existing scheme, known as Uncrystallised Funds Pension Lump Sums (UFPLS).

- clarification of when a personalised risk warning needs to be sent and changes to the timing of the risk warnings. A risk warning must be sent within one month but (at least) two weeks before the proposed relevant transaction completes.
- requiring the risk warning, where relevant, to inform the member that unless they contact their scheme to say otherwise, the relevant transaction will go ahead;
- ensuring members are signposted to impartial guidance within the personalised risk warning; and
- providing schemes with greater flexibility in relation to how they meet the requirement to produce projected income illustrations within personalised risk warnings, by permitting providers to use assumptions that are aligned with the Financial Conduct Authority's (FCA's) rules for benefit projections.

11. Chapter 1: summarises the consultation responses received relating to simplifying the valuation process for the purpose of the advice requirement; and the government's response to suggested amendments and requests for clarification.

12. Chapter 2: summarises the consultation responses received relating to proposals to introduce a new requirement for ceding schemes to send tailored communications to members with safeguarded-flexible benefits; and the government's response. Annex A: lists consultation respondents.

13. The draft Valuation Regulations will be laid before Parliament and, subject to Parliamentary approval, come into effect on 6^{th} April 2018. The Risk Warnings Regulations will be made and laid and, unless annulled by Parliament, will also come into force on 6^{th} April 2018.

14. Whilst the regulations will be subject to Parliamentary scrutiny, to maximise the time available for implementation, we recommend schemes take the necessary action to prepare for transitional provisions and future legislative requirements as soon as this response is published.

15. The Government is working with regulators and industry to develop an information factsheet, designed to help schemes understand the new requirements.

Chapter 1: Simplification of the valuation process for the purpose of the advice requirement

This chapter summarises responses to the consultation relating to the valuation process for safeguarded benefits, and the Government's response. This includes views on the proposed transitional provisions.

Background

Valuation process

1. Regulation 5 of the Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) Regulations 2015 provides an exception to the advice requirement and prescribes the valuation method to be used for that purpose.[6]

2. The Government was made aware that providers and consumers were experiencing difficulties with the way that the valuation method was applied to safeguarded-flexible benefits. In November 2015, a call for evidence was published to understand these difficulties and explore whether an alternative valuation process would work better.

3. In our response to the call for evidence we committed to amending the secondary legislation that determines how members' safeguarded benefits were to be valued for the purpose of the advice requirement. The amendments would seek to reduce burdens on schemes and avoid confusion for members as to the value of their benefits, and why they are required to take financial advice.

4. Under the amended regulations, trustees and scheme managers would treat

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[6] http://www.legislation.gov.uk/uksi/2015/742/pdfs/uksi_20150742_en.pdf. Referred to herein as 'Appropriate Advice' regulations

the value of safeguarded benefits as equal to the transfer value[7] of those benefits, calculated in the same way as if the member were exercising a statutory right to transfer. The process of valuing members' safeguarded-flexible benefits will no longer require a different approach (potentially involving a complex actuarial calculation) from that used to determine the transfer value.

Transitional Provisions

5. A consequence of introducing a new valuation approach for the purpose of the advice requirement is that there will be some members who are no longer required to take advice, but would have been required to take advice using the current method. Some of these members will have been informed, prior to the changes coming into force, that they are required to take advice before they can take action such as transferring their benefits to another scheme. On the coming into force of the Valuation Regulations, the member may not have proceeded with the transfer, or obtained advice, but they will be unaware that the position (as to whether they are required to obtain advice before transferring) has changed.

6. We have started from the principle that members - who have recently been told they are required to take financial advice, but who will now no longer be required to take financial advice due to the new valuation process - should be informed when the law changes, so they can make a decision about whether to seek financial advice, or proceed with a transfer or other relevant transaction.

7. In our consultation we proposed that members with safeguarded-flexible benefits who -

    - have been told in the 6 months prior to the date on which the amendments come into force that they must take advice before a relevant transaction; and
    - on the commencement date, have not yet informed the scheme that they have obtained advice;

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[7] Transfer value is often referenced by stakeholders quoted in this document as the "cash" or "fund" value of the pot.

must be informed by their scheme in writing within 20 days that they can proceed with the transaction without obtaining advice.

8. The draft regulations also stipulated that the above requirement would not apply where the scheme had already informed the member that they may not need to obtain financial advice, subject to the regulations coming into force, and invited the member to contact them for further information.

Consultation questions

9. We asked the following consultation questions:

Question 1: Do you agree that the proposed amendments achieve the policy intention outlined above? Question 2: Are you aware of any unintended consequences which might occur as a result of amending the valuation process as set out in the draft regulations?

Summary of responses

Valuation process

10. Of those respondents who expressed a view, there was universal support for the principle of changing the valuation method. The majority of replies confirmed that the draft regulations delivered the policy intent. Where replies did question the draft regulations, this was to seek clarification as to how valuation applies to specific benefits, or on technical legal points.

11. Several respondents sought clarification that the advice requirement is triggered by the valuation of the entirety of individual's safeguarded rights, even where the member is seeking a partial transfer.

    "We consider that it would be helpful to include some wording equivalent to the existing reference to the "total" of value (currently found in reg[ulation] 5(1) and 9(2)), to make it clear that the advice requirement is triggered by the CETV amount in respect of the entirety of individual's safeguarded rights under the transferring scheme, even if the proposed transfer is in that respect of part only those rights" (Eversheds).

12. Pension administrators asked whether it could be made clearer whether certain pension arrangements are affected by the new valuation method -

"It would be useful if the definition of safeguarded-flexible benefits was more comprehensive, so it is clear which benefits are included and which are not" (Capita).

"We are not sure that [the draft regulations] cover pension credit rights if the ex-spouse does not have a right to a statutory transfer" (Willis Towers Watson).

13. Regulation 5 of the existing Appropriate Advice regulations provides that the value of the benefits must be calculated using the method specified in the Occupational Pension Schemes (Transfer Values) Regulations 1996. Regulation 5 also requires schemes disregard any reduction to cash equivalent transfer values in respect of underfunding. This is done by carving out Regulation 7D of, and Schedule 1A to, the Transfer Value Regulations. However, it does not disregard regulation 7E[8], which allows schemes to calculate cash equivalents in any way approved by the trustees, which can afford members more generous valuations.

14. Respondents highlighted a paradox, in that members with identical rights may be treated differently for the purpose of the advice requirement, where trustees or scheme managers choose to use regulation 7E to determine the cash equivalent of a member's benefits, and for the purpose of the advice requirement. In some circumstances this currently means that a member whose benefits would be valued as below the £30,000 threshold if applying the main method set out in the Transfer Value Regulations could be valued as being above the threshold under regulation 7E, and therefore required to take financial advice.

[8] Trustees can provide for a more generous calculation of members benefits, so long as the outcome is greater than would be the case if the approach set out in the (transfer value) Regulations were applied

Transitional provisions

15. Not all respondents commented on the proposed provisions, but those that did asked for clarity as to its policy intent, and how it should be implemented.

"It is not clear what the policy intention is around draft of reg 8 (3). Is the intention that the trustees /managers should in some way obtain confirmation from the applicant that he/she definitely wishes to proceed with the transfer now that the 'block' created by the advice requirement has fallen away?" (Eversheds).

16. Furthermore, there was doubt amongst some responders as to whether they should confirm with the notified member whether they still wished to proceed with a relevant transaction.

"Whilst the option for the scheme to notify members that there will no longer be a requirement for advice from an effective date in the future, the members will still need to receive confirmation, does 'invite' imply a requirement on the member to request clarification, and on the scheme to provide confirmation " (Mattioli Woods).

17. The Association of British Insurers (ABI) expressed concerns that the provisions may prompt some members to delay any decision to continue with an earlier request to transfer or convert, until after the requirement to take financial advice has fallen away. This could potentially lead to adverse member outcomes where the guarantee on offer was time-limited.

18. There were also views expressed that the transitional provisions imposed unreasonable burdens that the cost of identifying, checking and informing members was disproportionate to the problem, and that the government would be better placed to deliver the policy intent, by running an information campaign.

19. Several respondents emphasised that certainty around when the regulations come into force would go some way to mitigating these potential unintended consequences. More time to implement the requirements would also allow the provider to put in place processes, and provide clear and definitive communications to customers.

20. It was also asked whether the 20 day time limit to send a notification was intended to be calendar or working days.

Government Response

Valuation process

21. This part of the consultation only sought to test that draft regulations met the policy intent; the rationale for making changes to the valuation process have already been established following a call for evidence.

22. The consultation did not produce any substantial legal or policy criticisms of the draft regulations; this response provides clarifications and lists minor legal changes only, in relation to the provisions regarding valuing pension benefits (now contained in the Valuation Regulations).

23. Government acknowledges the need for clarity in secondary legislation, however the category of “safeguarded benefits” is defined in primary legislation, and the regulations cannot alter that definition. Regulation 5 of the Appropriate Independent Advice regulations applies to all safeguarded benefits, whether flexible or not, and government considers that schemes will be best placed to determine how the existing legislation governing transfer values applies to the types of benefits they offer. Safeguarded benefits can be offered and therefore valued as part of the advice requirement in both personal pension and occupational pension schemes; we do not believe further qualification is necessary in the regulations.

24. The consultation on draft regulations proposed that for the purposes of the advice requirement, the value of all safeguarded benefits (including safeguarded-flexible benefits), should be the transfer value of those benefits, calculated as if the member were exercising a statutory right to transfer (subject to the disregard of any underfunding reduction).

25. We believe that it is already clear from the current wording of the provision that the valuation under regulation 5 of the Appropriate Advice regulations must take into account the entire member’s safeguarded benefits under the scheme. This applies even where the members are only seeking to access some of those benefits. However, minor changes have been made to the drafting of the new regulation 5 to make it clear that it covers members with pension credit rights in respect of safeguarded benefits who do not have a statutory right to transfer those benefits.

26. In response to requests to prevent schemes using regulation 7E of the transfer value regulations (which affords members a more generous valuation of their benefits) for the purposes of the calculation under regulation 5, it is recognised that the existing position could cause inconsistency between members with identical benefits. The new regulation 5 has therefore been amended to provide that the determination of the transfer value of a member's safeguarded benefits (for the purpose of determining whether advice is required) must also disregard regulation 7E of the transfer value regulations.

Transitional provisions

Policy intent

27. The transitional provisions represent a proportionate measure to inform members for whom the requirement to take financial advice did apply, but for whom the requirement will no longer apply once the Valuation Regulations come into force.

28. The rationale for this transitional provision is, in part, to ensure members with a transfer value below £30,000 are not put to the expense of taking financial advice once the law no longer requires it. These members should be aware they may be able to proceed with a relevant transaction without being required to obtain advice if they wait until the regulations come into force 6 April 2018. Once they are aware of this change they can decide if taking advice is in their interest.

29. To clarify, a scheme may choose to inform a member in advance of 6 April 2018, in accordance with regulation 6(4) of the Valuation Regulations, about the changes that will be taking effect from that date. In this situation, there is no explicit requirement for the scheme to seek confirmation from the member on or after 6 April 2018as to whether they wish to continue with the relevant transaction about which they previously communicated with the scheme.

30. However, schemes will of course need to take whatever steps they consider necessary (which may in some circumstances include providing additional information to, or seeking further information from, members) to ensure that they comply with other relevant legal requirements, such as those under the Pension Schemes Act 1993 in respect of members exercising a statutory right to transfer, and the duty to act in members' best interests.

Time-limited Guarantees

31. The ABI are correct that where members' guarantees are time-limited any information which delays members' decisions to take them up could result in a financially worse outcome for the member. However, we believe firms are best placed to identify who has time-limited guarantees and manage this risk, in line with their responsibility under treating customers fairly[9] (in the case of personal pension schemes). Government would therefore expect any communications to members with time-limited guarantees produced in line with these transitional provisions to reflect this.

Burdens of Transitional Provisions

32. These provisions require that members are told individually if they are no longer required to take financial advice. By contrast an information campaign would be considerably less cost effective, would have no way of identifying affected members and may risk diminishing the message that financial advice is a valuable for those considering transferring their safeguarded benefits.

33. We have listened to stakeholders' concerns that the timescales for implementation were highly challenging and the introduction of transitional provisions was complex. After considering these comments, the coming into force date of these regulations will now be, subject to Parliamentary approval, 6 April 2018.

34. To minimise the burden on schemes, the new transitional provisions will only apply to members with safeguarded benefits where the member has been informed of the requirement to take advice on or after 1 October 2017. This will allow schemes to meet the transitional provisions by contacting members to whom the transitional provisions apply at the point they first contact the scheme.

35. We anticipate that the new communication required of ceding schemes can be met at the same time as the existing requirement under the Appropriate Advice regulations to send information to members with safeguarded benefits identified as requiring financial advice.

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[9] https://www.fca.org.uk/firms/fair-treatment-customers

36. The notification of the change in requirement must be provided within 20 days calendar days of the commencement date. This is 26 April 2018.

Summary of Changes

37. The following changes relating to the valuation process were made to the Valuation Regulations:

- Regulation 4 (substituting new regulation 5 in the Appropriate Advice regulations) amended, to provide that regulation 7E of the Transfer Value Regulations is to be disregarded in the valuation of members' safeguarded benefits when determining whether the exception to the advice requirement applies.

- Regulation 4 is also amended to make it clear that it covers members with pension credit rights who do not have a statutory right to transfer.

- The coming into force date for the regulations has been delayed to 8 April 2018.

- Regulation 6 (the transitional provisions) has been amended. The previous requirement to provide information following the coming into force of the amendments applied to members who had been informed of the advice requirement within 6 months prior to the coming into force date. It now applies where the member is informed of the requirement to take advice after 1 October 2017 (a period of just over six months).

Chapter 2: Introduction of Risk Warnings for members with safeguarded-flexible benefits

This chapter summarises responses to the consultation relating to proposals to introduce a new consumer protection for members with safeguarded-flexible benefits.

Background

1. In November 2015, Government ran a call for evidence on how to simplify the way safeguarded benefits are valued for the purposes of the advice requirement. The key principle was how best to make the process of accessing pension savings clearer and simpler without reducing the consumer protections that were in place. A general question was posed, how members with safeguarded-flexible benefits – such as benefits with a guaranteed annuity rate – could be better supported to understand those benefits.

2. Feedback from the call for evidence revealed a broad consensus that members with safeguarded-flexible benefits should be made better aware of the existence of guarantees and that they should be told about them at the point they might forgo them. There was also support for ensuring this rule applied universally to all members with safeguarded-flexible benefits irrespective of whether they were required to take financial advice.[10]

3. It is important that members with safeguarded-flexible benefits are aware of their value. These benefits often contain potentially valuable guarantees not available on the open market. Even if members do not have benefits above £30,000 and are not required to take financial advice, it is still important they

[10] Aon Hewitt's response to the call for evidence in November 2015 stated "warnings only for members who would no longer be legally required to take advice…is pointless and unnecessarily onerous as it would require the provider to value the GAR to determine whether a member falls into this category".

consider the implications of surrendering these potentially valuable benefits.

4. We acknowledge that many schemes provide information at certain times about the guarantees available to members. However, this does not include a requirement to specifically highlight guarantees when the member is at greatest risk of deciding to give them up; when the member first contacts their provider and carries out an initial query about accessing those safeguarded-flexible benefits flexibly.

5. Following the call for evidence we proposed that members with safeguarded-flexible benefits be sent tailored communications by their scheme or pension provider. These ‘personalised risk warnings’ should highlight the guarantee(s) available to the member (including when it can be taken, and actions that will result in it being surrendered) and communicate its value. These risk warnings should be sent by the member’s current scheme in advance of the member undertaking a relevant transaction (a transfer payment, conversion of benefits or payment of certain lump sums), and would be triggered by circumstances such as the member asking the scheme for information about how to carry out a relevant transaction.

6. The consultation proposed that personalised risk warnings be sent to members regardless of whether the value of their benefits is above or below the £30,000 threshold. The rationale is that those members who are not required to seek advice would be better informed as to the implications of surrendering potentially valuable guarantees; whilst members to whom the requirement to take independent financial advice applies, would be told about any guarantees and their value before committing to the cost of financial advice.

7. We considered that risk warnings should be personalised, in that it tailors the explanation of the guarantee to the member, and should not be generic, or simply offer a general explanation of the guarantees available. The draft regulations that were consulted on therefore proposed that, as a minimum, the risk warning should include -

   - a narrative section that set out the nature of the guarantees available to the member and that the member will lose the guarantees if they take certain actions;
   - two income illustrations showing the income that may be available to the member, should they choose to exercise the guarantee, compared with the

income the same pot might provide if used to purchase an annuity on the open market.

8. Both projections must use the same parameters and assumptions to allow the member to make a like-for-like comparison and interpret the guarantees available to them in a monetised format.

9. The consultation explained the proposals to introduce personalised risk warnings and sought views on draft regulations. The government wishes risk warnings to be effective in protecting the consumer by informing them clearly, through appropriate and timely communication of their guarantees and their value, without placing unnecessary burdens on pension schemes and providers.

10. The consultation's questions and its respective responses can be grouped into two themes -

- the scope, content of risk warnings and design of risk warnings; and
- the costs and potential consequences for schemes and providers; including costs, burdens and practicalities of the delivering the risk warning requirement.

Scope, Content and Design of Risk warnings

Question 3: Should risk warnings cover survivors or does this impose unnecessary burdens on schemes?

Question 6: Do you agree that the proposed amendments will provide an appropriate level of protection for pension scheme members and ensure they understand the value of their safeguarded-flexible benefits?

Question 7: Are you aware of any unintended consequences which might occur as a result of applying the risk warnings, as set out in draft regulations?

Question 10: Are there any circumstances where members would not be covered by risk warnings?

Summary of responses

11. The majority of responses favoured the introduction of personalised risk warnings as a necessary consumer protection.

> "We believe these rules should ensure all members with safeguarded-flexible benefits who are not required to take advice should receive the same level of protection" (Hargreaves Lansdown).
>
> "We do know that some people who've contacted us feel strongly about accessing (guarantees). We're therefore reassured that the consultation also seeks feedback on the introduction of risk warnings to help ensure members with safeguarded-flexible benefits are aware of their value. The proposal to include comparative income illustrations would also be a helpful way for consumers to understand the value of their benefits and the implications of any decision they are making" (Financial Ombudsman Service)

12. The policy areas covered in this section include risk warnings being sent to the most appropriate audience (scope), effectiveness in communicating potentially valuable guarantees (content) and the suitability of the tailored communication at the appropriate time (design).

Scope

13. Most responses provided views on whether the coverage of personalised risk warnings was appropriate. Nearly all respondents supported the proposals that personalised risk warnings should be sent to survivors. Several pension providers and administrators supported this principle, even though they were unaware of any circumstances where such guarantees were available to survivors.

> "we do not consider that inclusion of survivors would be unduly onerous" (Capita).

14. However, the Financial Services Consumer Panel (FSCP) suggested that risk warnings ought to also be issued, where applicable, to other beneficiaries, such as beneficiaries of pension sharing orders. FSCP also proposed the risk

warnings themselves should explain whether the guarantees were available to survivors or other beneficiaries.

15. The draft regulations proposed ceding schemes send personalised risk warnings to all members with safeguarded-flexible benefits who request a relevant transaction, irrespective of pot-size. Some responders argued that this approach was illogical as individuals whose transfer value exceeded £30,000 were already protected. Others, in contrast, were minded to restrict the new requirement to send risk warnings to those who would have been caught by the previous requirement to take financial advice.

    "Establish a range of values within which the new requirements could reasonably apply (eg those with a transfer value of between £20,000 and £30,000)… reduce the burden on providers while still targeting those consumers who are likely to be losing the protection of mandatory financial advice". (Capita).

16. A further proposal was to remove the requirement to send risk warnings where pot-sizes would be insufficient to provide the member with an attractive income, even where any options of a secure income at retirement are generous.

    "[We] propose a de minimis level below which we would not be required to provide the risk warnings... say £2,500 which, even with the best of guarantees, would provide an income of a just £20 per month" (Royal London).

17. The consultation also asked whether personalised risk warnings provided appropriate consumer protection. Responses here identified that the requirement to take financial advice does not in fact cover all occasions where a member is promised the option of an annuity at a guaranteed rate in retirement.

    "Trustees of an occupational scheme [might] invest in an insurance policy [on behalf of the member] that includes a guaranteed annuity rate".(Willis Towers Watson).

18. This reply highlights the limitations of section 48 of the Pension Schemes Act 2015. A guaranteed annuity rate within a contract between the trustees and an insurer, bought on the member's behalf by the trustees of the scheme, may be identical in substance to a guarantee that is written into the scheme's rules. However, they differ in that benefits with a guarantee which sits outside the scheme rules will generally still fall within the definition of money purchase benefits (and in that case will not be safeguarded benefits), whereas where the

guarantee is written into the scheme rules the benefits *will* be safeguarded benefits. Other limitations were flagged by respondents, who highlighted that the requirement to take financial advice does not extend to members who seek to buy an annuity from another provider, and asked whether there were plans for any additional (new) protections to be extended to these circumstances.

19. Several providers sought confirmation that their assumption, that the proposed amendments do not apply to various benefits, such as Guaranteed Minimum Pensions, was correct. Other requests for clarification included –

- Members of cash balance schemes with a guaranteed growth rate or fund value (Hargreaves Lansdown), or guaranteed pre-retirement investment returns (Mercer).
- Members who accrue guaranteed benefits which are expressed as a fixed amount of pension and, in some cases, an additional cash lump sum. (Lloyds).
- Members with a [guaranteed] protected lump sum. (The Pensions Advisory Service).

Content

20. Providers, administrators, pension specialists and consumer representatives were all broadly supportive that personalised risk warnings provided appropriate consumer protection. The consensus was the effectiveness of these new requirements would depend on clear, jargon free and easy to understand communication that did not overwhelm the member.

21. There were queries asking how best to illustrate the value of members' benefits. ABI and Aviva both emphasised that the requirement within draft regulation 8C, for these illustrations to be based on the date on which the guarantee or GAR becomes available could result in a situation where the customer, having initially delayed accessing their benefit, receives illustrations with a start date in the past. ABI and Aviva therefore suggested members choose their own date from which they wish the projections to be illustrated. Other respondents asked for more freedom to determine how schemes inform members about their safeguarded-flexible benefits via personalised risk warnings. These included -

- A comparison table that illustrates the value of different rates per £1,000;

- Generic statements informing the member they have valuable guarantees;
- A different form of income projection, such as one that showed the total income that would be sacrificed over a 10 year period if they gave up the guarantees.

22. There were also suggestions to amend the format of the proposed personalised risk warnings, so that all members received more standardised information. Examples include highlighting the differences between the risk warning illustration calculation and Statutory Money Purchase Illustration (SMPI) included in members' annual benefit statement or ensuring that enhanced annuities were highlighted, where schemes provided an annuity offering that has a higher income than those illustrated in the risk warning.

Design

23. In response to questions about coverage, level of consumer protection and unintended consequences, several providers made their own recommendations for improving the requirement to send personalised risk warnings.

24. Concern was expressed by some respondents that the regulations gave insufficient clarity as to the circumstances when a personalised risk warning had to be sent. For example, members can request a valuation (such as the sum of their accumulated pot), which could be used for the purposes of a relevant transaction at a later date, or just to inform the member of the immediate value of their pension pot. The scheme would therefore have to intuit whether that valuation was going to be used for a relevant transaction (say initiate a transfer to another scheme), to determine if they should send the member a personalised risk warning. In addition, the Association of Business Insurers asked if the use of the term "relevant transaction" in the draft regulations meant the triggers only applied if the pot exceeded £30,000.

25. There were also more a general views raised by some providers, and by organisations involved in scheme administration, that a personalised risk warning was surplus to requirements. The reasons given varied. However, responses given were consistently of the view that either,

a) existing practices provided details of any guarantees; or,

b) the new requirement could be better met by using existing disclosure requirements such as the information sent on approaching retirement ("wake-up packs") or as part of their 'retirement' risk warnings[11]

26. Some organisations went as far as suggesting the new requirement for sending risk warnings be met by amending existing retirement communications. Those responding to the consultation justified this approach on the basis that it would reduce burdens on schemes. Whilst others made the case that receiving information as part of existing retirement risk warnings would fit better with schemes existing process and members customer journey.

    "Existing communications to alert customers to their valuable benefit in retirement packs and through the FCA regulated risk warning process [is] likely to provide the most effective means of communicating the value of the safeguarded-flexible benefit to the customer." (ABI)

27. A reported advantage of using FCA 'retirement' risk warnings instead of the new personalised risk warning was that it better aligned with the reality of the customer's journey. The member's ceding scheme is responsible for releasing a member's pension savings (the transfer, conversion or lump sum payment); yet a number of responses highlighted that a transfer is often triggered by the member making the request via the receiving scheme. On these occasions, the receiving scheme liaises with the ceding scheme and requests the 'relevant transaction' on the member's behalf. Several responses therefore proposed the requirement to send risk warnings should fall to the receiving scheme and part of the argument against introducing the new requirement, and leaving it to ceding schemes to send risk warnings, was that the proposed new requirement could prove too late in the customer's decision making process.

28. It was also pointed out that the draft regulations may not entirely reflect the reality or constraints of the transfer process most commonly used by providers, the Origo, Options transfer service[12] built to improve the speed and overall efficiency of the transfer process between schemes. Unless there is a break in the process, the member could potentially complete a transfer request to the receiving scheme without sufficient time to consider the risk warning sent by the ceding scheme, or even to receive it in time at all:

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11 https://www.handbook.fca.org.uk/handbook/COBS/19/7.html

12 http://www.origo.com/services/OptionsTransfers/Option_Transfers.aspx

"There is also an issue with transfers performed through the Origo system…The new risk warnings are to apply irrespective of the size of the fund so would mean that all those who hadn't previously been [sent information] would need to have a break in the process." (Royal London)

29. In addition, organisations representative of consumers' experiences such as Age UK, The Pensions Advisory Service (TPAS) and FSCP, all supported members receiving risk warnings being prompted to seek impartial guidance. The consensus was that with some members no longer required to take advice (due to the change in the valuation processes) they and other members should be given the support they need to understand their guarantees. One view expressed was that guidance should be mandatory, with some respondents advocating that members should demonstrate they have obtained guidance before proceeding to transfer, or access their savings flexibly.

Government responses (Scope, Content, and Design)

Scope

30. Government is encouraged by the substantial support shown for the principle of informing members of their safeguarded-flexible benefits through risk warnings. The Risk Warnings Regulations will therefore continue with the proposals set out in the draft regulations - requiring ceding schemes to send members a risk warning so they are informed of their valuable benefits before proceeding to transfer, convert or flexibly access those benefits from their scheme.

31. Given that all responses to the consultation question on the proposed requirement to include survivors supported the principle, this protection will also remain in place for survivors with safeguarded-flexible benefits. In addition, it is our understanding that safeguarded-flexible benefits can be inheritable by other beneficiaries, and where this applies, schemes are permitted to provide such details to their members. However, schemes will not be required to detail whether guarantees can be passed on. The priority, in order to ensure risk warnings are digestible for members and proportionate for providers to produce, is to ensure that members are told about their own safeguarded-flexible benefits only.

32. We are not convinced by the arguments that members already required to take financial advice should *not* receive risk warnings. None of the complaints made

that members were already sufficiently protected identified how these members will experience less protection, or addressed how this group might receive worse outcomes, as a result of receiving personalised risk warnings. In fact, members who might not choose to proceed with a relevant transaction, once they understood their pension contains valuable guarantees, now can avoid having to paying for advice to reach that decision. Meanwhile, those who still wish to proceed with advice have been better informed of what their benefits contain and what they will need to consider, as part of continuing with a request to transfer or flexibly access their savings.

33. We are similarly not convinced there should be exemptions to the requirement based on pot-size. Responses to the call for evidence in November 2015 showed there was strong support for additional protections to make members more aware of their guarantees, and support for informing all members, regardless of pot-size about those guarantees and their value. Whilst it is recognised that small pot sizes with income guarantees attached may only produce small rates of income, choosing an income as part of the offer of a guarantee is not the only option available. Where a member's benefits under the scheme are below £10,000 they can often request payment of a small pension lump sum from their scheme. In these cases, schemes will not be required to send a risk warning. This is because this type of transaction is not defined as a relevant transaction as covered by section 48 of the Pension Schemes Act 2015.

34. We do not wish to introduce a de minimis that delineates on the basis of pot size. This could result in members inadvertently surrendering potentially valuable guarantees on small pots, for example when they make a decision to transfer some of their pots to consolidate pension savings. We therefore still wish to ensure members are informed that their small pots contain valuable benefits where they wish to undertake a relevant transaction.

35. We acknowledge respondents' concerns about the advice requirement not covering money purchase benefits with guaranteed annuity rates in occupational pension schemes. It is not currently possible to change the scope of the category of safeguarded benefits to include money purchase benefits with GARs without making changes to, and taking further time to consider the implication of, amending primary legislation (section 48 of the Pension Schemes Act 2015). The priority has been to reduce burdens and introduce new protections for those with benefits which are currently within the scope of the advice requirement. We continue to monitor and evaluate the effectiveness of

both primary and secondary legislation, and consumer understanding of the value offered by guarantees such as GARs where these are associated with money purchase benefits. The evidence provided will be considered as part of this on-going process. A similar approach will be taken to understanding whether personalised risk warnings are needed for members with salary related safeguarded benefits less than £30,000.

36. We would agree that where guaranteed minimum pensions (GMP) are accrued under a salary-related defined benefit scheme and the liability to pay the GMP remains with the scheme these benefits are typically safeguarded. However, where the GMP has been transferred and the liability to pay it to the member is held by an insurer; or where the GMP was accrued on an "underpin" basis within a defined contribution occupational schemes; these may or may not be safeguarded-flexible benefits. As the application of the regulations can vary, we recommend trustees or managers should seek their own legal advice.

37. In response to questions from respondents as to whether various other types of pensions require risk warnings, Government has already confirmed that benefits which only offer a guarantee about the accumulation of the member's fund (such as a guaranteed rate of investment growth), without also offering a guarantee about the conversion of that fund into a pension income, would not be safeguarded. We would recommend trustees and scheme managers should take their own legal advice on how the benefits they provide their members should be treated under section 48 of the Pension Schemes Act 2015 and therefore whether the new risk warning requirement applies.

38. Government recognises that more information creates greater certainty. At present, there is already a DWP factsheet "Pension benefits with a guarantee and the advice requirement"[13]. This can be seen as a useful starting point, as it provides general information on safeguarded benefits, including the types of benefits that are in scope of these proposed regulatory changes (those captured by section 74 (c) of the Pension Schemes Act 2015), and more general information on guarantees that DWP believes are not associated with safeguarded benefits.

39. DWP will work with the FCA and The Pensions Regulator to determine if the

[13]https://www.gov.uk/government/publications/pension-benefits-with-a-guarantee-and-the-advice-requirement

factsheet can be extended or other information can be provided. We would reiterate, however, that as with the existing factsheet - any future document would be for general information only. Trustees and scheme managers uncertain as to the correct categorisation of their members' benefits should seek legal advice.

Content

40. The consultation responses were supportive of the general structure and core content of the personalised risk warnings. No responses challenged the proposal that these tailored communications include a narrative section explaining the guarantees attached to members' safeguarded-flexible benefits and two comparable pension illustrations.

41. Government welcomes respondents' overall emphasis on these new tailored communications being clear and jargon free. The proposed personalised risk warnings aim to clearly inform the member about any guarantees and any conditions that apply to them, including the circumstances in which they would be surrendered. Given the variety of guarantees offered, responsibility for the layout and precise wording of personalised risk warnings is better left to schemes, rather than attempting to cater for every possible scenario in detail in regulations. DWP will seek to provide more information on to help schemes meet their new requirements, and explore options for sharing best practice.

42. Turning to other requests for clarification on how to produce the illustration element of the personalised risk warnings. It is not the intention of the draft regulations to require an illustration to start from a date in the past. Instead, where the member still has the option of taking a guarantee which first became available in the past, the illustration date should be nearest date in the future that it is available to the member. The Risk Warnings Regulations have been amended to make this clear.

43. It remains the government's intention to maintain the standardised approach of two comparable illustrations. The value of the illustrations stems from being tailored to the member's age and pot size, their contribution rate and the details of the guarantees available. Generic risk warnings would not capture or illustrate these personal details. We believe also believe amending the regulations to allow schemes the freedom to use standard information offers no

guarantees of consistency, where members have several pots with guarantees under different schemes. Whilst the proposal to present information about guarantees in terms of the total sum of income which may be lost has merit, this would be a new design of income illustration. It could not be delivered to the same timescales or costs as the existing proposals for comparable illustrations, which build on existing scheme practices and the common assumptions for producing illustrations (e.g. statutory money purchase illustrations - SMPIs).

44. The Government is not convinced that it is necessary to introduce a requirement to explain the differences between personalised risk warnings and SMPIs in their annual benefit statements. Neither is it necessary to require that schemes highlight where they offer enhanced annuities in the risk warnings. Schemes are permitted to inform the member of this information, but as it would not be appropriate in all circumstances, we are not minded to require it of all schemes. However, the design of personalised risk warnings will be amended to ensure that members are aware when an existing relevant transaction will complete if they do not contact their scheme (paragraph 49) and to ensure they are signposted to impartial guidance, currently delivered by Pension Wise (paragraph 50).

Design

45. We wish a valuation for the purpose of a relevant transaction, not a valuation of itself (such as where the member seeks to find out the size of their pension pot) to trigger a risk warning. We have therefore amended the regulations to avoid the position of having trustees and scheme managers to intuit members' intention, when they request a valuation. However, there is still a requirement should the member make a written request for a valuation or statement of entitlement.

46. We have amended the "triggers" for sending members risk warnings (Regulations 8A (2)), to remove reference to valuation for the purpose of a relevant transaction, alongside other changes to clarify that the requirement applies to members with pension pots below £30,000.

47. It is acknowledged that there are existing requirement to inform members of their guarantees in the retirement risk warnings and within their retirement wake-up packs. However, we are not convinced the same content is provided in

wake-up packs or as part of the at-retirement risk warnings. FCA's retirement risk warnings[14] require firms only highlight (where relevant) any "loss of any guarantees", can be provided verbally and is only provided to members aged 55 years and over. In contrast, personalised risk warnings provide more detail including illustrations showing their relative value of any guarantees and protect members seeking to transfer their safeguarded-flexible benefits before they are aged 55.

48. Government does accept the case that the draft regulations potentially do not reflect the reality of the transfer process for many members. Those contacting receiving schemes may initiate a transfer without contacting their current scheme; in such a case, without amendment, the regulations may not trigger a risk warning. In addition, where a risk warning is triggered it may be received with insufficient time before, or may even not be received until after, the transfer completes.

49. The Risk Warnings Regulations have therefore been amended so that -

- a risk warning is triggered whenever the trustees or managers of the member's current scheme communicate their intention or agreement to carry out a relevant transaction requested by the member[15];
- the risk warning must be sent at least two weeks before the relevant transaction is carried out - in cases where the transfer would otherwise proceed before the risk warning was sent, or within that two week window, the ceding scheme will have to delay the completion of the relevant transaction until this minimum period[16] has passed – to allow the member to receive and consider the information set out in their personalised risk warning[17].
- where the transfer may go ahead without any further action or confirmation being required from the member (specifically, where the member's transfer value is £30,000 or less, and both ceding and receiving schemes are using an integrated IT transfer platform[18]), the narrative section should include

[14] FCA COBs rule 19.7.12 G (2)
[15] The trigger applies whether or not that communication is made to the member
[16] The two weeks mirrors the 14 day "cooling-off" period applied a consumer purchases a financial product.[17] DWP will seek to develop a 'timeline' illustrating these requirements in guidance.
[17] DWP will seek to develop a 'timeline' illustrating these requirements in guidance.
[18] Such as "Options Transfers" offered by Origo - used by most pension providers.

a warning that unless they contact the scheme the transaction will proceed.

50. The suggestion members to be mandated to take impartial guidance from Pension Wise could be potentially disruptive for financially literate members who fully understand the benefits they are surrendering, and do not need support. It could also be costly for industry through an increased levy. In contrast, broadly comparable benefits can be achieved by signposting members to the service, so that those who would benefit from impartial guidance are informed of it. The regulations have therefore been amended to include a new requirement for schemes to insert a statement within the narrative section of the risk warning. This 'signpost' to impartial guidance (Pension Wise service and in time the government's Single Guidance Body) should make it clear to the member that, depending on the individual's age, pension guidance is available, should they need help understanding their options in relation to their safeguarded-flexible benefits.

Practical Implications for Delivering Risk Warnings

Consultation Question 4:

Do you think that the proposal for schemes to issue risk warnings within 1 month of any member request, or with the statement of entitlement if earlier, is workable?

Consultation Question 5:

We welcome information on the likely costs of the provision to issue risk warnings, both the initial transition and on-going costs.

Consultation Question 7:

Are you aware of any unintended consequences which might occur as a result of applying the risk warnings, as set out in draft regulations?

Consultation Question 8:

Will applying the risk warnings to all pension scheme members with safeguarded-flexible benefits place unnecessary burdens on providers?

Consultation Question 9:

Should we also seek to offer schemes the alternative of generating the comparative income illustrations using other assumptions, such as those in Chapter 13 Annex 2 of FCA's CoBS rules? Would this offer greater flexibility for schemes and be helpful to members by ensuring consistency with other FCA mandated projections? Or could it add complexity, lead to member detriment, or have any other unintended consequences?

Summary of responses

Timings, costs and unnecessary burdens

51. The time limit of one month to send risk warnings to members raised no significant issues. The majority of responses indicated that this time limit was achievable with several firms saying anything less than one month would prove difficult to comply with.

52. There was a request that risk warnings be sent with the statement for entitlement, so that the production of both statements could be carried out at the same time. The purpose of the risk warning is to inform the member of the existence of valuable benefits. Consideration of these next to their transfer value (set out in the statement of entitlement) comes later. It is not the purpose of personalise risk warnings to be considered or compared with the transfer value. The priority is the member is informed and has time to consider their guarantees.

53. Other responses to the consultation had reservations about the timescale for providing risk warnings to the member. They asked for a longer period to produce risk warnings (three months), similar to the time allowed for members to access financial advice. Many of those who responded to questions about costs raised examples of the changes leading to significant fixed costs to implement the initial changes, levels of reported costs varied; for example, costs increased where schemes had legacy systems or no longer directly sold annuities:

"they may not have the capability to produce illustrations with their IT systems" (ABI)

These responses implied costs would be decreased where schemes produced their own projections, allowing existing IT systems to be used to meet the requirement.

54. Despite respondents' complaints that existing illustrations were potentially impractical, there were several clear responses, from organisation of varied backgrounds that were highly supportive for the new requirement to send risk warnings. Consumer bodies argued that the provision of risk warnings was the minimum that schemes should be doing and could weigh in their favour if it avoided future litigation:

    "We believe that the importance of providing risk warnings is such that it outweighs any burden on providers. It will also mitigate for the risk of future litigation and therefore will help providers as well" (The Pension Advisory Service).

55. In addition, providers who raised concerns about design and practicalities of the requirement were supportive of the principle and the broad approach –

    "We believe that it is the right change to make for customers" (Aviva).

    "We agree that all members should benefit from the same level of information irrespective of the value of their pension" (Lloyds).

56. Respondents from a legal background also summarised the purpose of risk warnings –

    "The purpose of the illustrations is to put into a more concrete form the potential value of the guarantee which would be lost as a result of transfer. They are not statements of the absolute value of the individual's benefits, and should not be relied upon as such. Consequently, all that is essential is that for both illustrations, the scheme uses a consistent set of assumptions, which are reasonably appropriate for that purpose.(Eversheds)

Illustrations and FCA assumptions

57. The draft regulations on which we consulted require schemes to use the same assumptions used to produce the illustrations required by DWP's Disclosure Regulations. These Statutory Money Purchase Illustrations (SMPIs) assumptions set the retirement date, rate of accumulation (including investment returns, level of member contributions, charges) and adjustments to reflect inflation.

58. The consultation asked whether schemes would prefer to have the flexibility to use assumptions as set by the FCA, in relation to product benefit projections, in its Conduct of Business Rules (CoBs) 13, Annex 2[19]. The response was almost universally in favour of allowing schemes to use FCA assumptions. Reasons given were predominantly that it would reduce burdens by allowing schemes to use their existing IT systems. There was also the case made that members would benefit from greater consistency with other FCA illustrations and avoid confusion for members. There were however, some objections to the principle of greater flexibility on the grounds that all schemes should provide risk warnings based on the same assumptions.

59. In responding to the presentation of income projections, responses were also either highly supportive, or silent on the policy of requiring two comparable income illustrations. The only exception was one provider, who requested an easement allowing firms not to present the illustration of the income from the guarantee at the intermediate rate of return[20].

Government response (practical implications)

60. Government is very mindful of the costs for pension providers and schemes of introducing what is effectively a new communication requirement and illustration. We wish to manage the costs of implementation, whilst at the same time maximising consumer protections for members with potentially valuable benefits.

61. To that end, following the responses received the government still wishes to require risk warnings to be sent within one month. The priority remains to support members to understand the nature and value of their guarantees and this is best done by maximising the time which members have to consider information. Hence, it remains imperative schemes send risk warnings at the earliest opportunity.

62. Leaving aside the evidence discussed earlier, that the internal transfer process triggered by a receiving scheme can take days rather than months, proposals to extend the time available for sending the risk warning, even if this aligns with the statement of entitlement, is inappropriate. A delay in members receiving the risk

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[19]https://www.handbook.fca.org.uk/handbook/COBS/13/Annex2.html

warning would diminish the time available to consider the information before the statement of entitlement expires.

63. Where schemes are concerned that the member would benefit from receiving a statement of entitlement at the same time, schemes can still choose to send the statement of entitlement with the risk warning by voluntarily reducing the time in which a statement of entitlement is produced to match the timings for sending risk warnings.

64. None of the responses stated that the challenges to delivering the new requirement were insurmountable, only they came at a cost. Whilst it accepted that some schemes will be at a disadvantage, the benefit of a tailored communication based on standardised assumptions to members exceeds the financial burden of adapting to this change. Government has therefore sought to minimise these burdens by extending the implementation period and chose a coming into force date of 6 April 2018. Maintaining this commitment to reduce burdens where possible, we accept the case for allowing schemes the flexibility to choose between the assumptions set by the Financial Reporting Council for the purpose of SMPIs, or FCA assumptions. This can reduce the burdens on schemes and avoid expensive compliance costs where schemes do not currently provide SMPI illustrations.

65. Therefore, the amended regulations allow providers to use the relevant FCA assumptions instead of the assumptions specified in AS TM1[21], in relation to those specific matters on which the government understands that those assumptions conflict with one another. Regulation 8C(4) therefore provides exceptions to the requirement to use AS TM1 assumptions in estimating the future amount of the member's pension fund, on the understanding that these are the key points where the FCA's assumptions diverge from those used in AS TM1:

- Apply a cap of 5% to the assumed annual rate of return on investments
- Assume a rate of earnings inflation of 4%,

[21] Actuarial Standard Technical Memorandum 1 https://www.frc.org.uk/Our-Work/Codes-Standards/Actuarial-Policy/Actuarial-Standard-Technical-Memorandum.aspx

66. Allowing schemes these exceptions should allow risk warning illustrations to be produced in a manner consistent with the assumptions used for generating FCA-compliant projections. However, we have decided not to extend this flexibility to allow schemes to use the presentational format of FCA projections instead of those set out in the consultation. Pension providers will still be required schemes to produce *two* comparable income projections - one for the guarantee, the other for what the same sized pension pot might purchase on the open market.

67. The government was not convinced by the case that schemes need flexibility to present FCA projections at three alternatives rates of investment return (higher, intermediate or lower) or at a rate of their choosing. Too many projections would confuse the member, and would result in inconsistency where firms chose a different basis on which to present their illustrations.

68. The income projection rules under the FCA's CoBS rules 13 Annex 2 require schemes show three income projections showing a higher, lower and intermediate rate of return. Where schemes use FCA assumptions we would expect them to show the income projections for the GAR at the intermediate rate of return. The FCA will be amending its own rules on income projections to allow firms to comply with the new requirement to produce income projections as part of the new personalised risk warnings.

Summary of Changes

69. The following changes were made to the Risk Warnings Regulations in relation to the content and presentation of personalised risk warnings:

- Amendment of the provision's deadline to ensure personalised risk warnings must be sent two weeks before completion of the transaction and includes a narrative section informing members of the need to contact their scheme.
- Pension Wise is now signposted within personalised risk warnings
- Pensions Illustration now allows schemes to use FCA assumptions.

Annex A: Consultation respondents

ABI (Association of Business Insurers)

ACA (Association of Consulting Actuaries)

Aegon UK

Age UK

Association of Pension Lawyers

Aviva

Capita

Eversheds

Financial Ombudsman

Financial Service Consumer Panel

IFoA(Institute & Faculty of Actuaries)

Institute and Life Assurance Group

Legal & General

Lloyds Banking Group (Scottish Widows)

Liverpool Victoria

Mattioli Woods

Mercer Ltd

Personal Finance Society

Pensions and Lifetime Savings Association

Royal London

Slaughter & May

Sunlife of Canada

Standard Life

The Pensions Advisory Service

Willis Towers Watson