

# **Pension reform: is there consensus?**

**Pensions Policy Institute  
October 2006**

**This presentation gives more detail on Briefing Note 34.**

# Responses on reform of state pension age

Agree with Government proposed increases	Accept need for increase, but keep under review	Against any increase	No comment
<ul style="list-style-type: none"> <li>•AEGON</li> <li>•BCC</li> <li>•CBI</li> <li>•Fidelity</li> <li>•SPC</li> </ul>	<ul style="list-style-type: none"> <li>•AC</li> <li>•ACA</li> <li>•EEF</li> <li>•EOC</li> <li>•HtA</li> <li>•NAPF</li> <li>•PPI</li> <li>•SW</li> </ul>	<ul style="list-style-type: none"> <li>•GMB</li> <li>•NPC</li> <li>•TUC</li> </ul>	<ul style="list-style-type: none"> <li>•ABI</li> <li>•AXA</li> <li>•Fawcett</li> <li>•FSA</li> <li>•IMA</li> <li>•NU</li> <li>•SL</li> <li>•Which?</li> </ul>

# Responses on reform of Basic State Pension

PENSIONS POLICY INSTITUTE

# PPI

Indexation		Level		Foundation		
Earnings	No comment	Higher than current level (>£84pw)	No comment	One-tier	Two-tier	No comment
<ul style="list-style-type: none"> <li>•AC PPI</li> <li>•ACA SPC</li> <li>•AEGON</li> <li>•AXA SW</li> <li>•CBI TUC</li> <li>•EEF</li> <li>•EOC</li> <li>•Fawcett</li> <li>•GMB</li> <li>•HtA</li> <li>•NAPF</li> <li>•NPC</li> <li>•NU</li> </ul>	<ul style="list-style-type: none"> <li>•ABI</li> <li>•BCC</li> <li>•Fidelity</li> <li>•FSA</li> <li>•IMA</li> <li>•SL</li> <li>•Which?</li> </ul>	<ul style="list-style-type: none"> <li>•AC</li> <li>•AXA</li> <li>•BCC</li> <li>•EEF</li> <li>•Fawcett</li> <li>•GMB</li> <li>•NPC</li> <li>•NU</li> <li>•TUC</li> </ul>	<ul style="list-style-type: none"> <li>•ABI SL</li> <li>•ACA SPC</li> <li>•AEGON SW</li> <li>•CBI</li> <li>•EOC</li> <li>•Fidelity</li> <li>•FSA</li> <li>•HtA</li> <li>•IMA</li> <li>•NAPF</li> <li>•PPI</li> <li>•Which?</li> </ul>	<ul style="list-style-type: none"> <li>•ACA</li> <li>•AXA</li> <li>•EEF</li> <li>•HtA</li> <li>•NAPF</li> <li>•NU</li> </ul>	<ul style="list-style-type: none"> <li>•AC</li> <li>•AEGON</li> <li>•CBI</li> <li>•EOC</li> <li>•NPC</li> </ul>	<ul style="list-style-type: none"> <li>•ABI</li> <li>•BCC</li> <li>•Fawcett</li> <li>•Fidelity</li> <li>•FSA</li> <li>•GMB</li> <li>•IMA</li> <li>•PPI</li> <li>•SL</li> <li>•SPC</li> <li>•SW</li> <li>•TUC</li> <li>•Which?</li> </ul>

# Responses on reform of State Second Pension

PENSIONS POLICY INSTITUTE



Government proposal			Abolish	Strengthen level and coverage	No comment
Agree	Agree – but slower transition	Agree – but faster transition			
<ul style="list-style-type: none"> <li>•BCC</li> <li>•SW</li> </ul>	<ul style="list-style-type: none"> <li>•GMB</li> <li>•TUC</li> </ul>	<ul style="list-style-type: none"> <li>•EEF</li> </ul>	<ul style="list-style-type: none"> <li>•ACA</li> <li>•AXA</li> <li>•NU</li> </ul>	<ul style="list-style-type: none"> <li>•AC</li> <li>•AEGON</li> <li>•EOC</li> <li>•Fawcett</li> <li>•HtA</li> <li>•NPC</li> </ul>	<ul style="list-style-type: none"> <li>•ABI</li> <li>•CBI</li> <li>•IMA</li> <li>•Fidelity</li> <li>•FSA</li> <li>•NAPF</li> <li>•PPI</li> <li>•SL</li> <li>•SPC</li> <li>•Which?</li> </ul>

# Responses on extent of means-testing

Supports Government proposals	Further reduction	No comment
<ul style="list-style-type: none"> <li>•CBI</li> </ul>	<ul style="list-style-type: none"> <li>•AC</li> <li>•ACA</li> <li>•AXA</li> <li>•BCC</li> <li>•EOC</li> <li>•GMB</li> <li>•HtA</li> <li>•Fawcett</li> <li>•NPC</li> <li>•TUC</li> </ul>	<ul style="list-style-type: none"> <li>•ABI</li> <li>•AEGON</li> <li>•EEF</li> <li>•Fidelity</li> <li>•FSA</li> <li>•IMA</li> <li>•NAPF</li> <li>•NU</li> <li>•PPI</li> <li>•SL</li> </ul> <p style="text-align: right;">SPC SW Which?</p>

# Responses on Personal Accounts proposals

PENSIONS POLICY INSTITUTE



Auto-enrolment			Level of charges			Model choice			
Support	Support but concern about suitability	Do not support	0.3%	Flexible	Not specified	NPSS	Branded	Hybrid	Not specified
<ul style="list-style-type: none"> <li>•ABI</li> <li>•ACA</li> <li>•AEGON</li> <li>•BCC</li> <li>•CBI</li> <li>•EEF</li> <li>•Fawcett</li> <li>•Fidelity</li> <li>•IMA</li> <li>•NU</li> <li>•SW</li> </ul>	<ul style="list-style-type: none"> <li>•AC</li> <li>•AXA</li> <li>•EOC</li> <li>•FSA</li> <li>•HtA</li> <li>•NAPF</li> <li>•PPI</li> <li>•SL</li> <li>•SPC</li> <li>•TUC</li> <li>•Which?</li> </ul>	<ul style="list-style-type: none"> <li>•GMB</li> <li>•NPC</li> </ul>	<ul style="list-style-type: none"> <li>•AC</li> <li>•Fawcett</li> <li>•GMB</li> <li>•NAPF</li> <li>•TUC</li> <li>•Which?</li> </ul>	<ul style="list-style-type: none"> <li>•ABI</li> <li>•AEGON</li> <li>•AXA</li> <li>•BCC</li> <li>•CBI</li> <li>•Fidelity</li> <li>•IMA</li> <li>•PPI</li> <li>•SL</li> <li>•SPC</li> <li>•SW</li> </ul>	<ul style="list-style-type: none"> <li>•ACA</li> <li>•EEF</li> <li>•EOC</li> <li>•FSA</li> <li>•HtA</li> <li>•NPC</li> <li>•NU</li> </ul>	<ul style="list-style-type: none"> <li>•AC</li> <li>•EEF</li> <li>•GMB</li> <li>•HtA</li> <li>•IMA</li> <li>•NAPF</li> <li>•TUC</li> <li>•Which?</li> </ul>	<ul style="list-style-type: none"> <li>•ABI</li> <li>•AEGON</li> <li>•AXA</li> <li>•SL</li> <li>•SW</li> </ul>	<ul style="list-style-type: none"> <li>•BCC</li> <li>•Fidelity</li> <li>•NU</li> </ul>	<ul style="list-style-type: none"> <li>•ACA</li> <li>•CBI</li> <li>•EOC</li> <li>•Fawcett</li> <li>•FSA</li> <li>•NPC</li> <li>•PPI</li> <li>•SPC</li> </ul>

# Acronyms used



<b>ABI</b>	-	<b>Association of British Insurers</b>
<b>AC</b>	-	<b>Age Concern</b>
<b>ACA</b>	-	<b>Association of Consulting Actuaries</b>
<b>BCC</b>	-	<b>British Chambers of Commerce</b>
<b>CBI</b>	-	<b>Confederation of British Industry</b>
<b>EOC</b>	-	<b>Equal Opportunities Commission</b>
<b>Fawcett</b>	-	<b>Fawcett Society</b>
<b>FSA</b>	-	<b>Financial Services Authority</b>
<b>GMB</b>	-	<b>GMB Union</b>
<b>HtA</b>	-	<b>Help the Aged</b>
<b>IMA</b>	-	<b>Investment Management Association</b>
<b>NAPF</b>	-	<b>National Association of Pension Funds</b>
<b>NPC</b>	-	<b>National Pensioners Convention</b>
<b>NU</b>	-	<b>Norwich Union</b>
<b>PPI</b>	-	<b>Pensions Policy Institute</b>
<b>SL</b>	-	<b>Standard Life</b>
<b>SPC</b>	-	<b>Society of Pension Consultants</b>
<b>SW</b>	-	<b>Scottish Widows</b>
<b>TUC</b>	-	<b>Trades Union Congress</b>