

26 April 2011

At a glance

HM TREASURY

- Early access to pension savings: Response to call for evidence

THE PENSIONS REGULATOR

- Corporate and Business Plan 2011-2014

SO7

Abbreviations commonly used in 7 Days

Alert/News: Sackers Extra publications (available from the client area of our website or from your usual contact)

DB: Defined benefit

DC: Defined contribution

DWP: Department for Work and Pensions

HMRC: HM Revenue & Customs

HMT: HM Treasury

NEST: National Employment Savings Trust

PPF: Pension Protection Fund

TPR: The Pensions Regulator

HM TREASURY

Early Access to Pensions Savings: Response to call for evidence

In the [Coalition Agreement](#), the Government pledged to explore the potential to give people greater flexibility to access part of their private pension savings early. On 13 December 2010, HMT issued a [call for evidence](#) on the subject.

The call for evidence set out the existing arguments that suggest early access to pension savings could provide an effective incentive for individuals to start saving or save more into a pension, and also outlined some of the different models for how early access could potentially be offered.

On 19 April 2011, the Government published a [summary](#) of the views and evidence received. Following consideration of the responses, the Government has concluded that early access to pension savings should not be considered at the present time on the basis that:

- there is limited evidence that allowing early access would have a positive effect on overall pension contribution levels, or provide significant help to individuals facing financial hardship; and
- the extensive private pension reforms already planned, most notably the introduction of automatic enrolment from 2012, should be implemented before the Government considers further reform.

However, as the responses indicated support for the “feeder fund” model, the Government intends to engage with industry to further develop innovative workplace savings models that will encourage saving for both medium term needs and for additional retirement income. In addition, the Government intends to explore reform to trivial commutation rules to improve flexibility for those with very small levels of savings in personal pension schemes. Further details on reforms to trivial commutation will be announced in the autumn.

[Press Notice](#)

THE PENSIONS REGULATOR

Corporate and Business Plan 2011-2014

On 21 April 2011, TPR published its fifth [Corporate Plan](#). The Plan sets out TPR's priorities for 2011-2014. These are:

- improving governance and administration;

- reducing risks to DB scheme members;
- reducing risks to DC scheme members;
- preparing for 2012 (automatic enrolment); and
- better regulation.

[TPR's Press Release](#)