

Pensions Freedom: How are we doing?

Consumers, choice and the advice gap

Has anyone heard of the changes?

Active pension ownership, December 2014

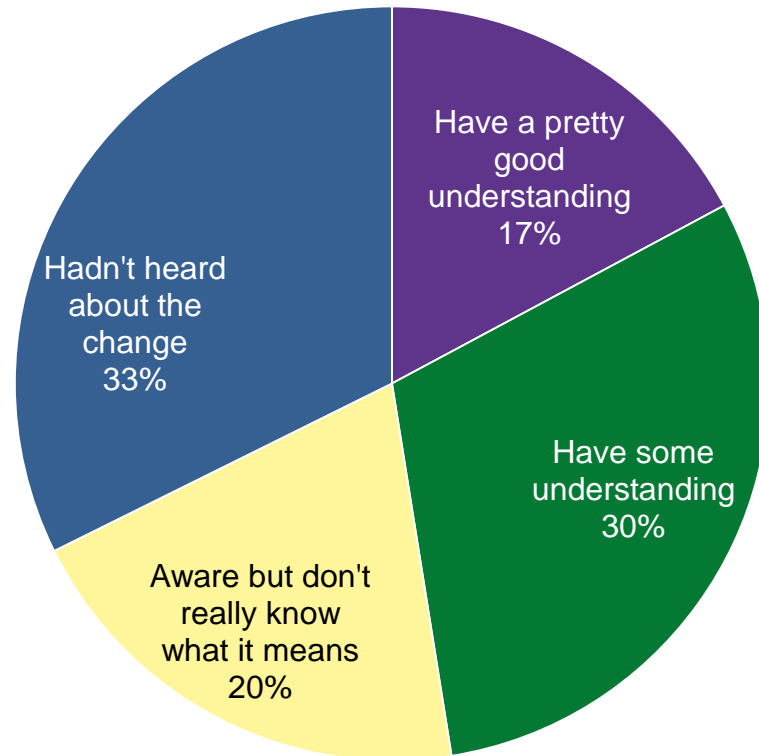
	%
Any pension	53
Any workplace pension	44
-of which, final-salary/defined-benefit occupational pension	19
-of which, occupational pension – unsure of type	13
-of which, money-purchase/defined-contribution occupational pension	10
-of which, GPP	3
Any personal pension	15
- of which, SIPP	8
- of which, stakeholder pension	4
- of which, other type of personal pension	3
I am not regularly contributing to a pension at the moment	47

Awareness of pension freedoms, December 2014

“The government’s 2014 budget included major changes to the ways people can arrange their retirement income.

One of the main changes was that people will no longer be required to use their pension pot to purchase an annuity.

How aware are you of this particular change?”



What do people think about the industry as a whole?

“I don’t trust pension companies”

Strongly agree: **9%**

Agree: **25%**

“I’m worried that I won’t be able to afford to retire comfortably”

Strongly agree: **18%**

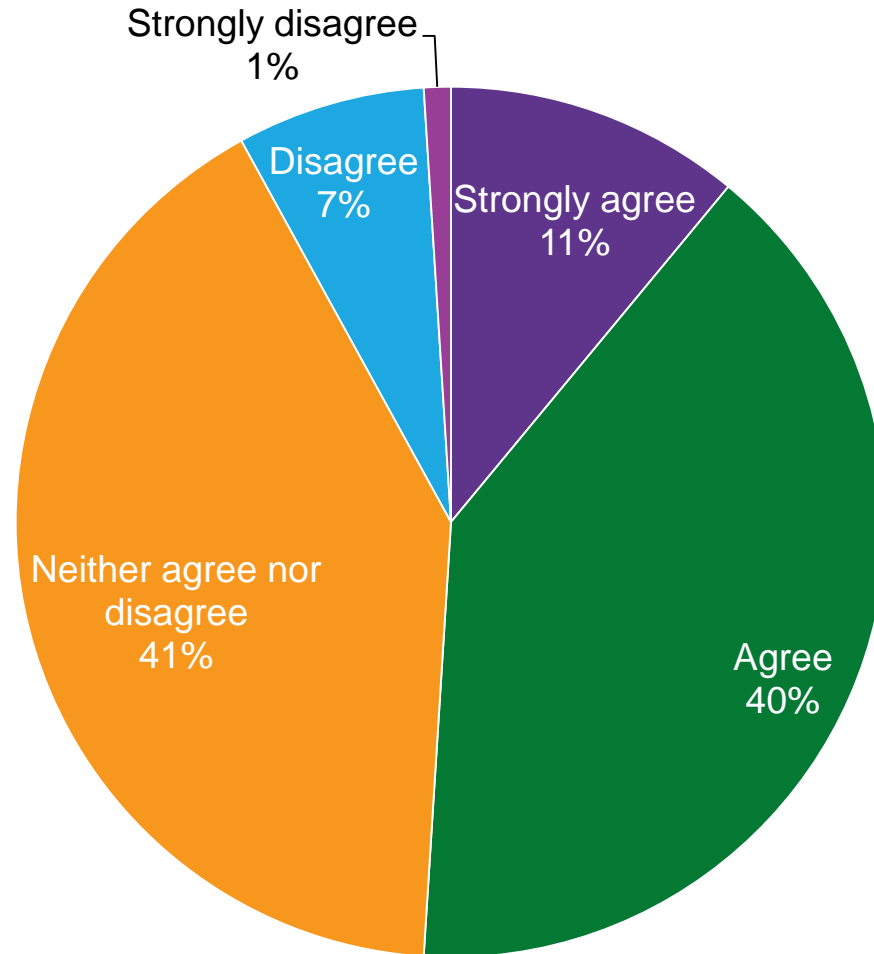
Agree: **39%**

**“I find the pension system
really hard to understand”**

Strongly agree: 16%

Agree: 36%

"Pension rules change so often that it's impossible to make long-term plans", December 2014



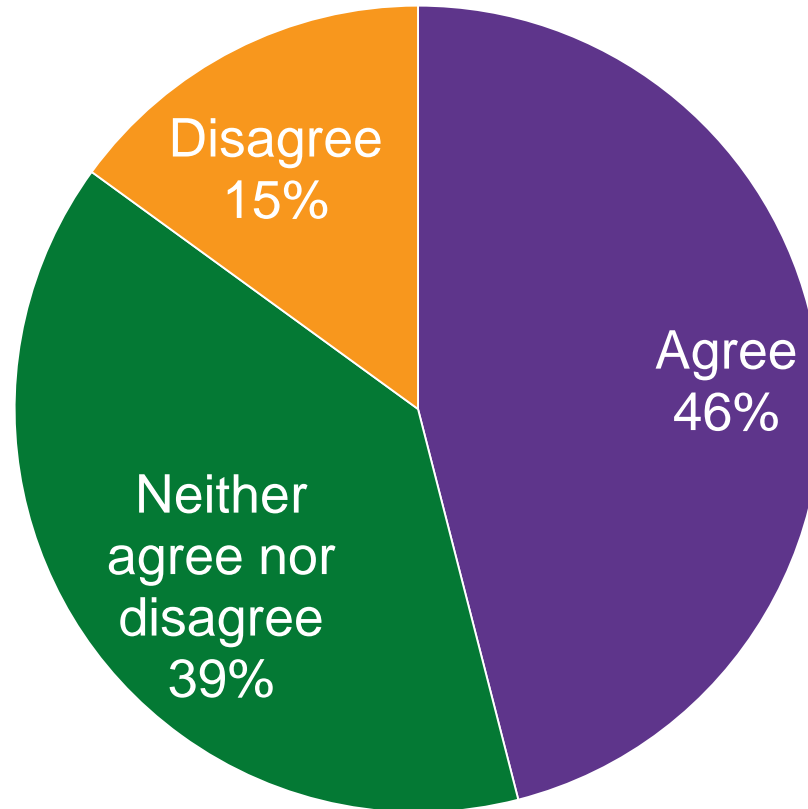
How is the advice industry doing?



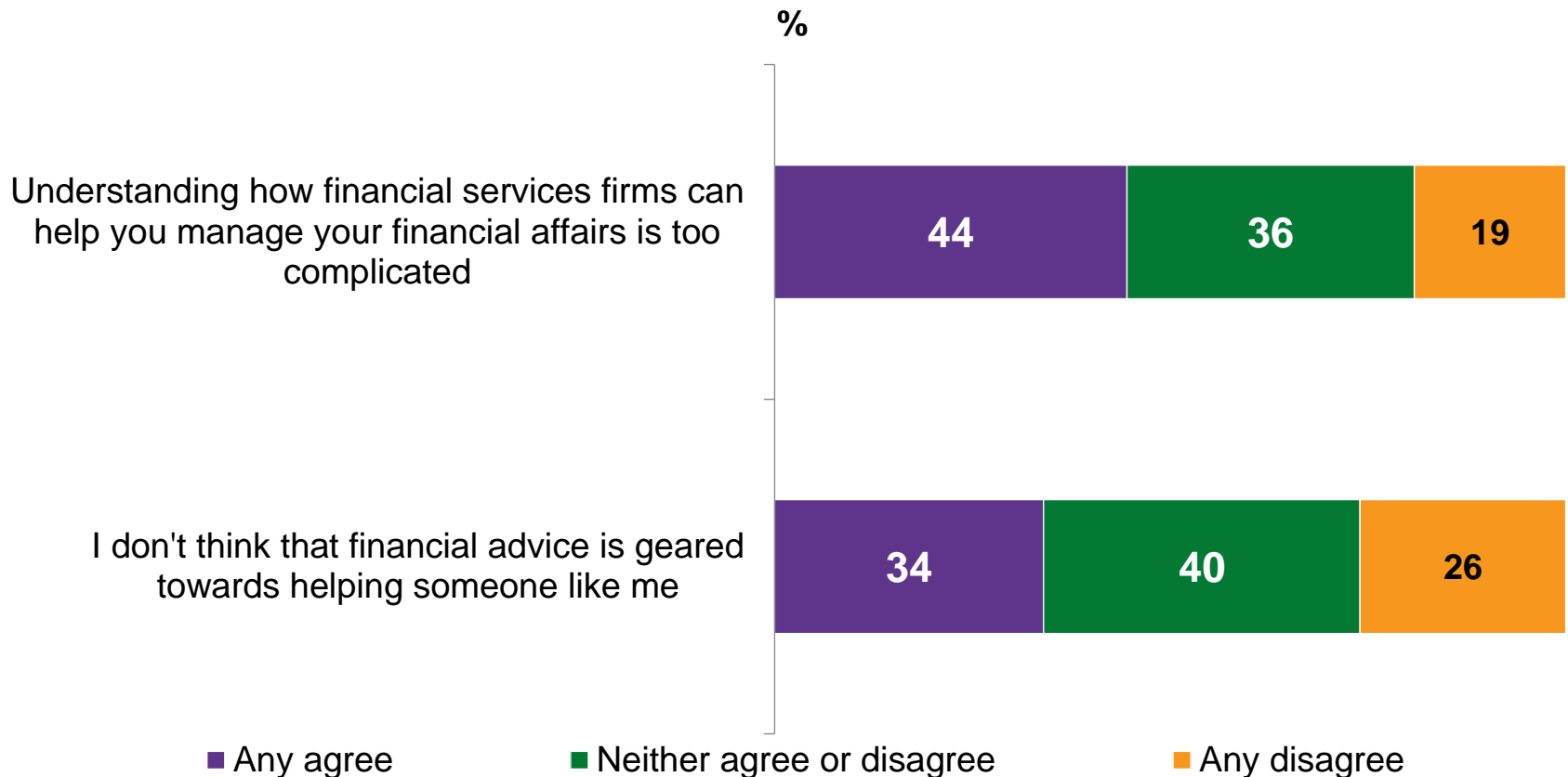
“Thinking about financial advice, which of the following areas, if any, might you need financial advice on in the future?”, February 2015

	%
Any financial advice	62
Savings and investments	30
Pensions and retirement planning	30
Mortgages	26
Tax/inheritance planning	14
General insurance (eg home or car insurance)	12
Life/protection insurance (eg life insurance, income protection, health insurance)	11
I don't expect to need financial advice for any of the above in the future	38

“I'm concerned that I won't be able to afford the cost of professional financial advice”, February 2015



Attitudes towards financial advice, February 2015



The case for optimism



“I think people should have greater freedom to choose what to do with their pension savings”

Strongly agree: **20%**

Agree: **49%**

Impact of pensions freedom on saving plans, December 2014

	%
Have already changed my plans as a result of the change	4
Will definitely change my plans as a result of the change	10
May change my plans at some point as a result of the change	25
Unlikely to change my plans as a result of the change	21
Will definitely not change my plans as a result of the change	20
Don't know	19

“Pensions are the best way of saving for retirement”

Strongly agree: **10%**

Agree: **35%**

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