

# Flash Poll: DC Horizon – A Look at Topical & Emerging Issues in the DC Market in 2021

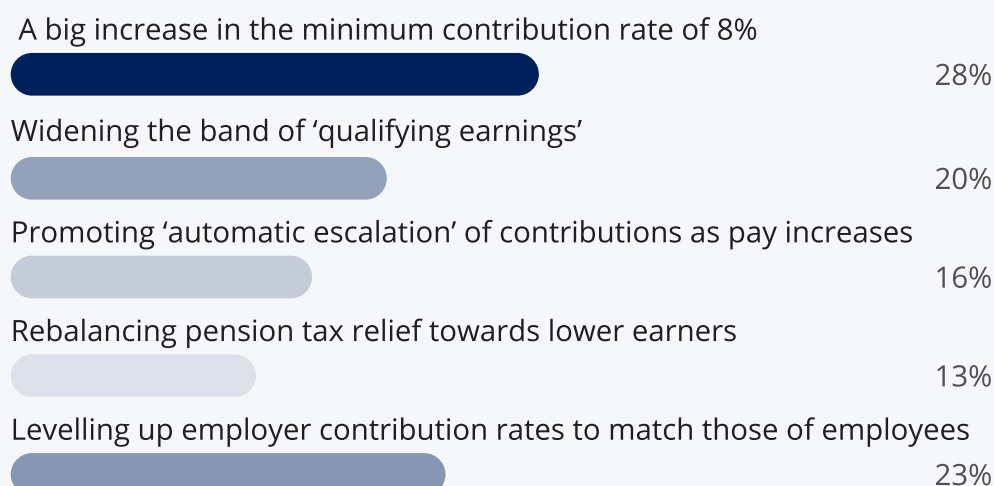
## April 2021

SPP held the event *A Look at Topical & Emerging Issues in the DC Market* on 29 April 2021.

### Steve Webb:

Faced with a range of options for improving the level of DC saving, no single approach commanded standout levels of support. Whereas the basic principle of automatic enrolment eventually commanded widespread support, there is no consensus yet on the best way to build on this foundation. Given the rapid decline in the contribution of DB pensions in the private sector, urgency is now needed to plan and implement the next phase of improving DC contribution levels.

### Which ONE of the following would be your top priority for boosting DC saving



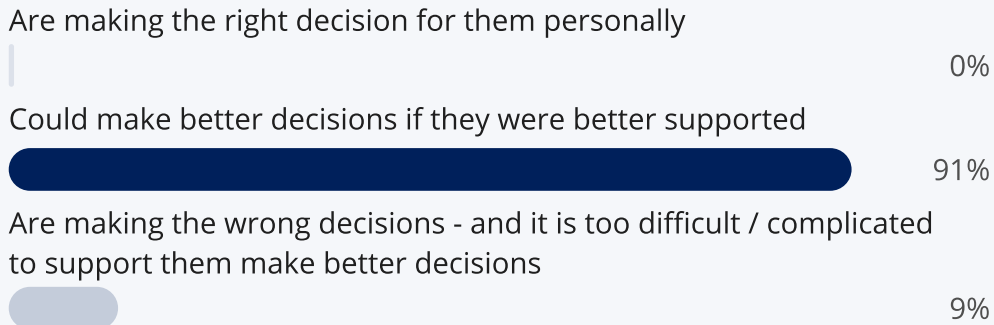
### Ken Anderson:

Six years on from the introduction of Pension Freedoms, a Parliamentary enquiry is asking whether vehicles exist to enable members to access pension benefits flexibly – the answer is yes but it is arguably missing the point. The challenge is not whether flexibilities exist, it is whether individuals sufficiently understand them.

Many people are confused and are losing out financially through a combination of unnecessary fees, taxes and loss of returns relative to better solutions that exist – but which they don't understand. This is a shame as the majority of poll respondents feel members could make better decisions if they were better supported.

In recent years, there has been a significant focus on the importance of building up pension benefits. Effectively supporting members to access benefits in the right way for them can materially improve member outcomes – but failing to do so may detract from all of the good work of auto-enrolment.

**Members have the flexibility to choose when and how they access pension benefits. Do you think, typically, members:**

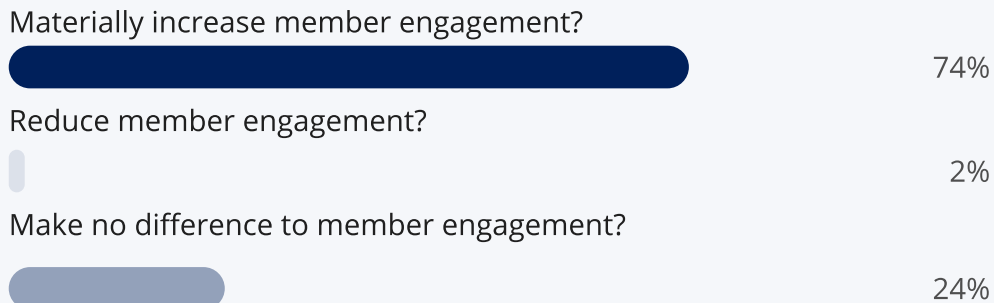


**Roger Mattingly:**

It is increasingly evident that the advances in mobile DC pensions technology will materially increase member engagement. Getting members to engage with their pension has been one of the major challenges to-date and to-date efforts have been woefully unsuccessful. That is changing and the subsequent challenge is to ensure that the governance messaging is sufficiently agile to mitigate the chances of unintended adverse member behaviour.

It is apparent that there is an increasing move to want to at least take members' views and preferences into consideration. The technology advances will enable this but if they are not financially material it is likely that such views and preferences will be catered for via the self-select fund options.

**1. Do you think that the increasing use of mobile technology will:**



**2. Should non-financial member investment preferences be taken in account when constructing DC investment strategies?**

