

16th September 2016

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Call for evidence Response
NEST: Evolving for the future

TISA is pleased to provide a response to this call for evidence, as attached.

The pace of change in the industry landscape since the Pensions Commission findings were published in 2005 has been dramatic, we concur that automatic enrolment and retirement freedoms are having fundamental impacts on the industry and welcome the increase in membership and the instinct to trust members to make the right decisions with their own money.

We note that while automatic enrolment has been a policy success there is still much to do to complete the journey of staging all employers and increasing the contribution rates to a level where retirement outcomes are in line with objectives.

In particular the increases to contributions could be damaging to the membership rates and 'brand' of auto enrolment if not communicated effectively, the lessons of the State Pension changes should be heeded here.

We are conscious in our response that NEST will play a vital role in completing the auto enrolment journey and, at this stage of its development, ahead of financial self-sufficiency, needs to prioritise fulfilling its primary purpose of providing value for money services, focussed on the needs of the target market of low to moderate earners in an easy to use way.

Opening access to contractual enrolment and allowing greater flexibility to transfer in non-participating employer legacy schemes we agree are sensible developments but are less convinced that developing a range of 'in house' decumulation products for members is a priority when government and regulators are trying to encourage 'shopping around' at retirement and NEST has so few members in that age range.

Yours sincerely,



Adrian Boulding
Policy Strategy Director