



Department  
for Work &  
Pensions

**GUY OPPERMAN MP**  
Minister for Pensions

The Right Honourable Frank Field MP  
Chair, Work and Pensions Select  
Committee  
14 Tothill Street  
London  
SW1H 9NB

14 November 2017

Dear Frank,

Thank you for your letter of November 8 requesting further information to help you with your inquiry.

Your first question referred to the **ban on cold calls relating to pensions**. You asked whether the government has produced any analysis on the expected impact of a pensions cold calling ban, and whether the government has analysed the number of people exposed to pensions cold calling, and the expected reduction of numbers after a cold-calling ban.

Research by respected consumer bodies suggests that pensions cold-calling is an extensive practice. For instance, according to Citizens' Advice, as many as 10.9 million people a year are cold-called about their pension. They also found that in 2013 97% of their cases involving pensions liberation scams stemmed from a cold-call. As such, introducing and properly enforcing a ban on this activity will have significant benefits for consumers. The government is currently finalising the details of a policy to ban pensions cold-calling, which will protect consumers from fraudsters, whilst ensuring that legitimate businesses are unaffected by the ban. As with all good policy-making, the government will continue to review the policy's effectiveness once the precise details have been decided.

The Economic Secretary to the Treasury will lead on answering questions focused on the government's plans to legislate for a cold calling ban.

You also asked for information on the **Data Sharing and Monitoring Group**, which the PLSA referred to in the evidence it submitted to your inquiry. You asked me to list the group's participants and describe the data that the group is sharing and monitoring.

DWP has led the Data Sharing and Monitoring Group, a cross-government and industry working group, since October 2015. Group members include Government departments, regulators, consumer representatives and industry bodies. A full list of members is provided in the Annex to the letter.

Members are expected to share openly findings from data collection and research within their organisations for timely review and discussion by the group. This has included early examination of the emerging interim findings from the Financial Conduct Authority's 'Retirement Outcomes Review' and Pension Wise's 'Service Evaluation'.

The group also seeks to identify emerging evidence gaps, and has collectively reviewed various long-term surveys to ensure key issues and priorities relating to the pension freedoms will be captured.

As a more complete picture of the implementation of the pension freedoms emerges, DWP will look to build on the group's collaborative approach in order to prioritise future data collections. This will help us better understand how individuals and industry are responding to the pension freedoms.

Your final questions related to **Pension Wise**. You asked **how much has been spent on advertising** the service since its inception, and how this compares to advertising spend for the Automatic Enrolment campaign.

Pension Wise advertising spending is as follows:

- From October 2014 - March 2015, £3.25m was spent on pre-launch advertising.
- In 2015/16: £5.0m
- In 2016/17: £5.0m
- In 2017/18: budget of £4.5m.

Pension Wise website visits and appointment volumes have increased significantly from a standing start in April 2015, and are still rising. Demand for Pension Wise has been very responsive to paid advertising, which encourages the target audience to book a telephone or face-to-face appointment or to visit the website.

For example, immediately following the January 2017 TV campaign, the service experienced record levels of demand (appointment bookings and web visits) and delivered record numbers of appointments in both February and March.

The Pension Wise Service Evaluation full year findings showed that 29% of appointment customers heard about the service from TV, radio or press

advertising. This is the second biggest driver to the service after provider referrals (43%).

Advertising is a great way of reaching those people who are less engaged with their pension provider and pensions in general, many of whom would benefit from Pension Wise guidance.

Pension Wise are learning from each round of advertising to improve how they target and coordinate campaigns to get maximum awareness and engagement amongst the eligible audience. The Pension Wise communications team has just won a silver award at the Government Communication Service Excellence Awards for the new “Get to know your options” campaign. Advertising spending for the Automatic Enrolment campaign has been as follows:

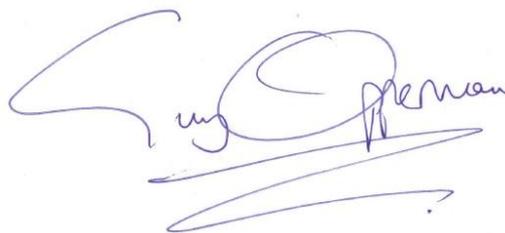
- In 2015/16: £8.55m
- In 2016/17: £8.8m
- In 2017/18: budget of £7.3M.

Automatic Enrolment advertising has two goals. It aims to maximise employee participation by communicating the benefits of a workplace pension and normalising the habit of saving in this way. It also aims to maximise compliance among employers, including brand new businesses.

Automatic Enrolment affects all employers and employees aged 22 and over, and as such significant campaigns are required across a range of media channels to reach them with tailored messages.

While the Pension Wise advertising campaign is comparable to the Automatic Enrolment campaign in terms of promotion of pensions as a product, it is important to point out that the potential eligible audience for the Pension Wise service is smaller, and the advertising budget reflects this.

I hope the information enclosed is helpful, and I look forward to seeing you on Wednesday for my appearance at your inquiry.

A handwritten signature in blue ink, appearing to read 'Guy Opperman', with a large, sweeping underline.

**Guy Opperman MP**  
**Minister for Pensions and Financial Inclusion**

## **Annex A**

### **Membership of the Data Sharing and Monitoring Group (correct as of November 10 2017).**

Membership of the group:

#### Government departments

- The Department for Work and Pensions;
- Her Majesty's Treasury;
- Her Majesty's Revenue and Customs

#### Regulators

- The Pensions Regulator;
- The Financial Conduct Authority;
- The Prudential Regulatory Authority.

#### Arms-length bodies

- Pension Wise
- The Pension Advice Service
- Citizens Advice Service
- Money Advice Service

#### Industry representatives

- ABI
- PLSA
- Pensions Policy Institute

#### Consumer representatives

- Which?