

# New advice to help savers make the most of their pensions



An industry working group, chaired by the Department for Work and Pensions, has published recommendations on how to ensure the growth in small pension pots driven by automatic enrolment does not disadvantage savers.

Automatic enrolment has extended workplace pension coverage to the mass market, including young people and low earners – many for the first time. In 2019/20, it was estimated an extra £18.8 billion per year was being saved into workplace pensions.

But this has also led to a rise in small pots – often formed during brief stints of employment – which means savers may not experience the best possible outcomes; small pots could be lost, or left deferred and slowly eroded due to pension scheme charges.

Without change, it is feared millions of pots could be lost over the coming decades. DWP modelling in 2012 estimated that automatic enrolment was expected to create around 50 million dormant pension pots by 2050.

Minister for Pensions Guy Opperman said:

Given the risks that the growth of small pots presents to savers and their ability to plan for retirement, it is vital that we find a solution.

Savers deserve to know that their hard-earned pension pots will be working for them through their career and ready for them when they retire.

## **The Working Group's recommendations include:**

1. Industry, government and regulators should continue to develop options to consolidate small pension pots at the request of savers.

2. Saver requests will, however, need to be complemented by automatic large scale transfers and consolidation with an opt-out solution, to address the growth of small pots.

Solutions involving consolidating pension pots are expected to start with the pensions industry investigating and addressing administrative challenges, including how to enable the transfer of large numbers of small pots easily.

This work will complement plans to introduce pensions dashboards, which will allow individuals to keep track of their small pension pots more easily, helping them to better plan for retirement.

## **Additional information:**

- The [Working Group report](#) can be read in full on GOV UK.
- Anyone wanting to locate a lost pension pot should visit the [Pension Tracing Service](#) page.
- A key aspect of this year's review of the default fund charge cap and standardised cost disclosure, was to consider the impact of flat fees in eroding the value of small pension pots. The publication of this is expected soon.

Media enquiries for this press release – 020 3267 5144

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Published 17 December 2020

Last updated 17 December 2020 [+ show all updates](#)

1. 17 December 2020

First published.

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## **[UK sets out strategy for most effective border in the world by 2025](#)**

- Government publishes 2025 UK Border Strategy setting out vision for world's most effective border
- UK will take back control of its borders when the Brexit transition period ends on 31 December
- New technology will make our border safer and more secure, and trade and passenger journeys smoother and more efficient

The [2025 UK Border Strategy](#), published today, sets out the government's ambitious plan for developing the most effective border in the world.

From 1 January 2021, the UK will take back control of its borders as a sovereign nation. The UK will lay down its own rules to make our country safer and more secure, with new tools to prevent illicit commodities crossing through our borders and preventing people who seek to cause harm reaching the UK.

This new strategy sets out how the government will work with industry to harness innovative technology to help UK businesses take full advantage of new trading relationships with the rest of the world. It will provide smoother passenger journeys through ports, strengthen the UK's ability to target criminal activity, and help tackle illegal migration.

Plans to improve efficiency at the border include the development of a Single Trade Window to create one gateway for all data from traders into government; the increased use of eGates and biometrics to speed passenger journeys through ports; and an enhanced Trusted Trader Programme to streamline the authorisation process.

The Chancellor of the Duchy of Lancaster Michael Gove said:

As the Brexit transition period ends, the UK will seize this once in a lifetime opportunity to transform our borders, making them smarter and more secure.

This strategy lays the groundwork to realising our ambition of having the most effective border in the world by 2025.

Home Secretary Priti Patel said:

When the transition period ends, we will be free to seize the opportunities that come with being a sovereign nation once again.

We will make our border safer and more secure, and we will deliver our new firm and fair points-based immigration system.

This strategy has been published following a public consultation and workshops with more than 300 industry stakeholders and leaders from across the border industry have welcomed the government's ambitious plans. Collaboration will continue to play a critical role in delivering the strategy going forward, and the government will work with border agencies and departments across UK nations, as well as businesses and organisations in the private sector, to implement these changes.

Elizabeth de Jong, Director of Policy at Logistics UK, said:

Logistics UK welcomes the strategic objectives of the 2025 UK Border Strategy and the changes envisaged to increase the efficiency of our borders. The concepts of upstream compliance, e-

documents and single window to avoid duplication of data submission are particularly important to support international trade.

Our members want the proposed changes brought forward as soon as possible to minimise friction at the border; we also want to see a review following the end of the Brexit transition period.

Amanda Frances, CEO at Association of International Courier and Express Services (AICES), said:

The Government has listened to the express industry's calls for simplified border processes. This strategy will smooth trade flows, reduce administrative burden and improve the UK's position as a global trading nation.

We particularly welcome the commitment to a Single Trade Window for traders to interface with Government systems which will facilitate the movement of goods and will mean the UK leads international best practice.

Our members will continue to work with the Government to assist the implementation of these plans as swiftly as possible.

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## [Warrington Youth Zone development begins](#)

News story

Building work has started on a new state-of-the-art youth zone in Warrington.



The new Warrington Youth Zone

As one of the founder patrons of Warrington Youth Zone, Sellafield Ltd is delighted to see building work starting on a state-of-the-art facility in the centre of Warrington that's due to open in 2022.

The facility will provide young people across the town with a safe and inspiring place to spend leisure time away from the pressures of home and school.

Jamie Reed, Head of Corporate Affairs, Sellafield Ltd said:

The youth zone will be an amazing facility, providing young people with a place to enjoy a range of activities while also being given much needed support.

We are delighted to see construction work getting underway, and look forward to seeing the outcomes it will achieve in years to come.

Groundbreaking ceremony, marking the start of construction work

The youth zone will ensure that every young person in Warrington, regardless of their circumstance or background, can access first-rate facilities alongside expert mentoring and employability programmes; levelling the playing field and tackling specific issues that might otherwise hold back our young people.

Jamie added:

With help from local partners like ourselves, the building will transform the lives of young people in the area with the aim of making them happier, healthier and better equipped with the skills they need to forge their own positive futures.

Warrington Youth Zone CEO, Dave McNicholl said:

I'm extremely grateful to our partners, including Sellafield Ltd for what they are helping create – it will transform and enhance the lives of thousands of young people in Warrington.

Our incredible universal offer will provide so many opportunities alongside a network of support, that young people need now more than ever.

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# 'Fight For Fairness' speech to set out government's new approach to equality

- Liz Truss to set out government's move to root out inequality that impacts people across the UK
- New evidence-based approach to tackle geographical inequality and break down barriers to social mobility – moving away from current way of thinking
- Equality Hub to relocate to the North and take on sponsorship of the Social Mobility Commission to give this agenda real teeth and coherence

Minister for Women and Equalities, Liz Truss, will today (Thursday 17th December) set out the Government's new approach to tackling inequality in the UK.

In a speech, 'The New Fight for Fairness', at the Centre for Policy Studies, the Minister will make the case for change, saying:

"The British story has been driven from its earliest days by the desire for liberty, agency and fairness. In the simplest sense it is the notion that in Britain you will have the opportunity to succeed at whatever you wish to do professionally, that you can be whoever you want to be, dress however you want to dress, love whoever you wish to love and achieve your dreams."

She will also set out the current problem with the debate around equality in this country:

"Too often, the equality debate has been dominated by a small number of unrepresentative voices, and by those who believe people are defined by their protected characteristic and not by their individual character."

The speech marks a new approach to the Government's equality policy, with a commitment to individual dignity and opportunity at its heart. The Minister will also launch the Equality Data Programme in the speech, the large-scale project will gather data in order to better understand the barriers that people from every background are facing across the UK.

This is a significant change from the previous work of the Equality Hub, which often focused on people with a single protected characteristic and compared outcomes narrowly within those groups. The Minister will set out why this approach hasn't worked, and has often created further divides. She will say:

"Underlying this [approach] is the soft bigotry of low expectations, where people from certain backgrounds are never expected or considered able enough to reach high standards."

“This diminishes individual humanity and dignity.

“Because when you choose on the basis of protected characteristics, you end up excluding people.”

By considering a wide range of issues, such as geography and social background, the Data Programme will deliver on a manifesto commitment to improve evidence on equality and to support levelling up ambitions. The information gathered will be used to inform policy decisions across government, and will allow the Equality Hub to deliver on the public’s priorities.

**Liz Truss is expected to say:**

“Just as our forebears fought for change, we must fight for change again – challenging whatever is unfair and unjust today.

“It is not right that sometimes having a particular surname or accent can make it harder for people to get a job.

“It is appalling that pregnant women suffer discrimination at work. Or that women may be encouraged to dress in a certain way to get ahead. Or that some employers overlook the capabilities of people with disabilities.

“Now is the time to root the equality debate in the real concerns people face, delivering quality housing, cutting commute times, improving public transport, ending discrimination in our offices, factories and shop floors, and improving our schools so every child has the same chances in life.

“It is our duty to deliver, because if right-thinking people do not lead the fight for fairness, then it will be led by those whose ideas do not work.”

In another move, the Social Mobility Commission will move to be sponsored by the Equality Hub following recommendations from the Commission itself and the Commission on Race and Ethnic Disparities. This will place the social mobility agenda at the heart of government and further advancing the influence it has on the development of evidence-based action.

To further demonstrate the Government’s commitment to levelling up the whole country and listening to the voices of everyone in the UK, the Equality Hub will also relocate to the North of England. Existing data clearly shows a gap between London and the South East and the rest of the UK in things such as life expectancy, pay and GDP.

**The Minister is expected to say:**

“...The equality agenda must be prosecuted with fierce determination and clarity of purpose up and down the country not just in London board rooms and Whitehall offices.

“Whether that be making the case for free schools in deprived areas or using data to help regional businesses attract investment we will use the power of evidence to drive reform and tailor that reform to local needs.

“We will drive this action from the North of England, where we are moving the Equality Hub. And we will also take on the power of the Social Mobility Commission and give this agenda real teeth.”

The speech will also give a strong government-wide commitment to continue the Equality Hub’s work related to race and ethnic disparities, women’s economic empowerment, LGBT rights and the National Strategy for Disabled People.

And next year, the UK will also use its role as President of the G7 to ramp up work on championing freedom, human rights and the equality of opportunity. During her speech the Minister will make it clear that there is a strong economic case to continue the fight for equality of opportunity, especially as up to £250bn could be added to the economy if women opened businesses at the same rate as men.

**Robert Colvile, Director of the Centre for Policy Studies said:**

“If the pandemic has shown us anything, it’s that there are still vast inequalities across the country which need to be addressed. It is welcome news that the work of Equality Hub won’t be limited to individual protected characteristics, but rather take into account the needs of every part of society, levelling up the regions and empowering our youth, restoring dignity and offering the same opportunities to all, irrespective of their postcode, gender or heritage.”

**Steven Cooper and Sandra Wallace, co-chairs of the Social Mobility Commission said:**

“We are delighted that the Prime Minister has backed our proposal for a greater focus on social mobility at the heart of Whitehall. We look forward to helping drive the levelling up agenda in the regions whilst continuing our important research work and delivery programmes with key partners such as major employers. We value our independence and will continue to be a big voice advocating for progress and change.”

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## **Ministerial direction: £30 million Waking Watch Relief Fund for unsafe high rise buildings**

Permanent Secretary Jeremy Pocklington has written to the Secretary of State for Housing, Communities and Local Government the Rt Hon Robert Jenrick MP who in return issued a ministerial direction.

The letters relate to funding fire alarms for private and social sector buildings over 18 metres with unsafe cladding and with Waking Watch.