

Key Area	Considerations
Scheme Simplicity	Workers' interest in, and understanding of, their pension savings is often very limited. It's important that the pension scheme reflects that possibility.
Investment Options	<p>Each investment option should suit a certain type of member.</p> <p>Too much choice can be confusing for members. So the pension provider will need to be able to explain why each core investment option – in addition to the default option – is appropriate to the needs of the workers now or in the future.</p> <p>The default investment strategy must be appropriate because it's likely that a large proportion of the workers will end up using it.</p>
Managing Investments	Members must be able to understand where their money is being invested and what risk that carries.
Value for Money	<p>The costs and charges taken from members' savings should be competitive when considered against the benefits and services that those members receive.</p> <p>It should be clear what members are getting for their money, how much it costs and, importantly, whether they actually need any extra services provided.</p>
The Pension Provider	<p>The individuals or organisations that run the scheme must have the requisite skills, knowledge and processes to carry out their role effectively.</p> <p>Pension providers must be able to demonstrate how they ensure that the needs of scheme members are taken into consideration when they make commercial decisions.</p> <p>The pension scheme's records must be accurate and up to date at all times to ensure that members can be contacted and that they are receiving the right information to monitor their savings.</p> <p>The complaints process should be clear so that members understand how to make a complaint should problems occur.</p> <p>Protections should be in place in the event of the pension provider entering difficulties.</p> <p>The pension provider retains ultimate accountability for the work that is done on their behalf by third parties. This should be made clear.</p>
Communications	<p>Good quality communications should be regularly sent to the members of the scheme which explain their situation in a fashion which is easily understood.</p> <p>When a member retires, they should receive information about how to turn their retirement savings into an income, including the open-market option.</p>