Press release: Working group report demonstrates progress on product safety

Established in October 2016 by Consumer Minister Margot James, the <u>group</u> consisting of product and fire safety experts was brought together to explore and build on the recommendations made by Lynn Faulds Wood in her independent review into consumer product recalls.

Led by Chief Executive of the Institution of Fire Engineers and former deputy Chief Fire Officer Neil Gibbins, the group provided interim recommendations in December 2016 and embarked on a programme of work to improve the recall system. The minister received their report in April, which outlined progress made by the Working Group in the past 6 months.

Since Lynn Faulds Wood's report into product safety was published in February 2016, a number of her recommendations and further actions have already been taken forward, including:

- considering the framework for a national body to support consumers on product safety
- updating the government's product recall page, 'Acting on Product Safety', to provide a one stop shop for recall information across a number of products, including electrical appliances, vehicles and food
- tasking the working group with considering a new standard on recalls, which they are taking forward with the British Standards Institution
- undertaking behavioural insights research with the working group to understand how to increase the impact and effectiveness of product safety messages

The working group's recommendations include:

- setting up a central scientific and technical resource, to help support effective decision making of government, businesses and enforcers, and co-ordinate national corrective action and recall programmes
- working with BSI to create a Code of Practice for businesses and regulators — informed by behavioural insights research — to set out best practice for undertaking and evaluating corrective action and recalls of products
- improving the way product-related accident and fire data is gathered and used to better understand risks
- establishing effective arrangements between trading standards and electrical goods manufacturers through Primary Authority, to strengthen compliance and recalls

Consumer Minister Margot James said:

Everyone deserves to know that the products in their homes are safe to use, and that there is a robust system in place if they need to be repaired or replaced. The government has already taken forward a number of proposals suggested in Lynn Faulds Wood independent review and the working group report builds on that.

I gave the Working Group on Product Recalls and Safety an ambitious task — to explore and progress recommendations for improving product safety within 6 months. Under Neil Gibbins' leadership, the group has made impressive steps which we are already taking forward, for example considering the framework for a national body to support consumers on product safety.

Chair of the Working Group on Product Recalls and Safety, CEO of The Institution of Fire Engineers and former deputy Chief Fire Officer Neil Gibbins said:

Since starting my career in the fire service almost 40 years ago, it has been my personal mission to help reduce fires and other risks. I am confident that the recommendations in this report and the progress we have already made can help improve the UK's product safety regime.

I look forward to continuing to work closely with the minister and the working group members, to deliver outcomes that will make a difference.

The government will continue to work closely with the working group in taking forward its workplan to strengthen the product safety system and will be formally responding in the Autumn.

Press release: New timetable for State Pension changes to maintain fair and sustainable pension

The Department for Work and Pensions has today published its review into the State Pension age, proposing a new timetable for the rise to 68, to maintain fairness between generations in line with continuing increases in life expectancy.

Latest <u>projections from the Office for National Statistics</u> show that the number of people over State Pension age in the UK is expected to grow by a

third between 2017 and 2042, from 12.4 million in 2017 to 16.9 million in 2042.

Under the proposed new timetable, the State Pension age will increase to 68 between 2037 and 2039, earlier than the current legislation which sees a rise between 2044 and 2046. The change will affect everyone born between 6 April 1970 and 5 April 1978.

Those affected by this proposed timetable will on average still receive more State Pension over their lifetime than generations before them.

When the modern State Pension was introduced in 1948, a 65-year-old could expect to spend 13.5 years in receipt of it -23% of their adult life. This has been increasing ever since. In 2017, a 65-year-old can now expect to live for another 22.8 years, or 33.6% of their adult life.

Failing to act now in light of compelling evidence of demographic pressures would be irresponsible and place an unfair burden on younger generations. Keeping the State Pension age at 66 would cost over £250 billion more than the government's preferred timetable by 2045/46.

Secretary of State for Work and Pensions David Gauke said:

I want Britain to be the best country in the world in which to grow old, where everyone enjoys the dignity and security they deserve in retirement.

Since 1948 the State Pension has been an important part of society, providing financial security to all in later life. As life expectancy continues to rise and the number of people in receipt of State Pension increases, we need to ensure that we have a fair and sustainable system that is reflective of modern life and protected for future generations.

Combined with our pension reforms that are helping more people than ever save into a private pension and reducing pensioner poverty to a near record low, these changes will give people the certainty they need to plan ahead for retirement.

Today's announcement agrees with the <u>timetable set out by John Cridland CBE</u> in March 2017, which proposed bringing forward the increase in State Pension age to 68 between 2037 and 2039.

Mr Cridland's review highlighted that under the previous timetable, by 2036/37 annual spending on the State Pension would have increased by 1% of GDP on 2016/17, equivalent to £20 billion in today's terms — or a rise in taxation of £725 per household.

A separate <u>report from the Government Actuary's Department</u> in March 2017 considered 2 alternative scenarios for the State Pension age, under the government's principle that an individual should spend on average up to one

third of their adult life above State Pension age.

No one born on or before 5 April 1970 will see a change to their current proposed State Pension age.

The UK Government currently spends 5.2% of GDP on the State Pension. Without action this would rise to 6.5% of GDP by 2039/40. The government's proposed timetable reduces this to 6.1% of GDP by 2039/40 — saving each household £400, based on the number of households today, and in total saving £74 billion by 2045/46 compared to the currently legislated timetable.

The Pensions Act 2014 introduced a regular and structured method for considering future changes to the State Pension age in light of changes in life expectancy.

This is the first government review of State Pension. Any future changes to State Pension age would have to be approved by Parliament in legislation.

Follow DWP on:

News story: Proposed new timetable for State Pension age increases

The State Pension age is regularly reviewed to make sure that the State Pension is affordable and fair. People are living longer, and spending a larger proportion of their adult life in retirement than in the past.

When the State Pension was introduced in 1948, a 65-year-old could expect to spend 13.5 years in receipt of it — around 23% of their adult life. This has been increasing ever since. In 2017, a 65-year-old can now expect to live for another 22.8 years, or 33.6% of their adult life.

Latest <u>projections from the Office for National Statistics</u> show that the number of people over State Pension age in the UK is expected to grow by a third between 2017 and 2042, from 12.4 million in 2017 to 16.9 million in 2042.

The proposals

Under the current law, the State Pension age is due to increase to 68 between 2044 and 2046.

Following a recent review, the government has announced plans to bring this timetable forward. The State Pension age would therefore increase to 68 between 2037 and 2039.

Your date of birth

How the proposals affect you

On or before 5 April 1970 No change

Between 6 April 1970 and 5 April 1978

Your State Pension age is currently 67. It would increase to between 67 years and 1 month, and 68 years, depending on your date of birth

After 6 April 1978

No change. Your State Pension age remains 68

These proposed changes would have to be approved by Parliament before they are agreed.

Those affected by this proposed timetable will on average continue to spend longer in receipt of the State Pension than anyone reaching State Pension age in the last 25 years.

Secretary of State for Work and Pensions, David Gauke, said:

I want Britain to be the best country in the world in which to grow old, where everyone enjoys the dignity and security they deserve in retirement.

Since 1948 the State Pension has been an important part of society, providing financial security to all in later life. As life expectancy continues to rise and the number of people in receipt of State Pension increases, we need to ensure that we have a fair and sustainable system that is reflective of modern life and protected for future generations.

Combined with our pension reforms that are helping more people than ever save into a private pension and reducing pensioner poverty to a near record low, these changes will give people the certainty they need to plan ahead for retirement.

The proposed changes were informed by the <u>independent recommendations made by</u> John Cridland CBE in March 2017.

No one born on or before 5 April 1970 will see a change to their current proposed State Pension age.

Preparing for retirement

You can <u>check your State Pension</u> online at any time for a forecast of how much you could get. The service will also confirm your current State Pension age, under the law as it stands.

Saving into a <u>workplace pension</u> can be the best way of preparing for retirement, as when you pay in, your boss does to. More than 8 million people are already saving into a workplace pension.

Press release: Northern Ireland Finances

Secretary of State for Northern Ireland, Rt Hon James Brokenshire MP, said:

People are understandably concerned about the impact on public services and on business because of the lack of an Executive.

What I am announcing to Parliament today is by no means a solution for the long-term. It is an interim step to keep Northern Ireland's finances functioning in the continued absence of devolved government.

In the Autumn, Northern Ireland must have a proper Budget in place to put its finances on a secure footing. Although we are not at that critical point yet, this is approaching.

I do not want to have to bring forward a formal Budget myself. I want that power to be exercised by those who should be exercising it: the Northern Ireland parties, who have been elected by the people of Northern Ireland to provide devolved government here. But should an Executive not be in place, however, the UK Government remains prepared to legislate to pass a formal budget, and to take any further steps as may be required to uphold political stability.

It should be for a power-sharing Executive to make use of the considerable spending power available to it and to address some of the big challenges facing Northern Ireland in the months ahead — not least in making Northern Ireland's voice heard clearly in the process of EU Exit.

An agreement is still possible, but the parties themselves have this within their own hands. We will continue to work with them over the summer, with the goal of getting the Northern Ireland Assembly up and running again. Fundamentally, Northern Ireland's future is best served by local decision-making based on partnership and agreement. People want firm answers on their jobs, their schools, their hospitals, their community resources. Continuing uncertainty is not fair on anyone.

<u>Press release: Groceries Code review</u> <u>notes significant cultural change in</u> <u>supermarket industry</u>

Small Business Minister Margot James has welcomed a positive relationship change between supermarkets and their suppliers, as she publishes the first statutory review of the Groceries Code Adjudicator (GCA) today (19 July 2017).

The review, which considered independent findings from YouGov alongside responses from trade associations, supermarkets and suppliers, found that the GCA, Christine Tacon CBE, has been effective in exercising her powers and enforcing the Groceries Code. Suppliers reported a positive change in their relationship with large retailers, as well as a major reduction in unfair trading practices. The number of suppliers who complained about being charged to remain on supermarkets' supplier lists fell from 30% to 9% between 2014 and 2016, while problems with incorrect deductions from invoices fell from 47% to 30% over the same period.

A number of respondents praised Ms Tacon personally, with one citing her "wealth of knowledge and skills". Another commented that she "holds an indepth knowledge of the sector that is hugely beneficial.

Small Business Minister Margot James said:

This review highlights the excellent work of the Groceries Code Adjudicator over the past 3 years. It is vital that government and the GCA continue working together to prevent unfair treatment of smaller suppliers.

Poor supply chain practices have no place in an economy that works for all, and I want to thank Christine for her achievements in levelling the playing field and ensuring fair treatment of suppliers and retailers alike.

1. Established in 2013, the Groceries Code Adjudicator, Christine Tacon, is the UK's first adjudicator of the groceries industry, overseeing the

- relationship between the 10 largest supermarket chains and their suppliers.
- 2. In June 2017 Ms Tacon was reappointed for a second term in the role, in which she is responsible for ensuring large supermarkets treat their direct suppliers fairly and lawfully.