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**SCOTTISH WIDOWS COMMENTS ON ISA REFORMS AHEAD OF PRE-
BUDGET**

With the date of the Pre-Budget Report announced today, Scottish Widows comments on the Government's proposed reforms for ISAs, and calls for a detailed timetable of implementation and further simplicity for savers to be included in the Pre-Budget Report.

Anne Young, savings expert comments: "Ed Balls' speech demonstrated a long-term commitment to ISAs by the Government. Any incentive to encourage people to save can only be welcomed; however there are still improvements and clarifications which we will hope to see in the Pre-Budget Report, including when these proposals will be introduced.

"The Government's intention to remove maxi/mini limits to improve simplicity is a sensible decision. We are asking that this simplicity is furthered by calling for Cash ISAs to be renamed Savings ISAs, and stocks and shares ISAs to be called Investment ISAs, to increase the public's understanding of where their money will be held.

"It is key for the Government to introduce a simple savings structure to encourage more people to save and to consider additional ways in which to do this. Scottish Widows believes there is an opportunity for the industry to be involved in further consultation on such initiatives.

"Added incentives, such as Government matched contributions, which have already been piloted, could also encourage those on lower incomes to save. However, the fact that a quarter of Child Trust Fund vouchers are unclaimed indicates that even 'money for nothing' schemes are sometimes not enough encouragement. Again, we believe that industry input would be valuable in creating the right type of scheme to encourage lower income savers."

ENDS

Notes for editors

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