



Public service governance and administration survey 2020-21

Research report

Prepared for The Pensions Regulator by OMB Research

June 2021

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1. Executive summary

1.1 Introduction

This report summarises results from The Pensions Regulator's (TPR's) Public Service Pension Scheme (PSPS) Governance and Administration Survey 2020-21. The survey was undertaken by OMB Research, an independent market research agency, on behalf of TPR.

The primary objective of the survey was to track governance and administration practices among public service pension schemes. In addition, the 2020-21 survey also included new questions on schemes' response to the COVID-19 pandemic, awareness and perceptions of the pensions dashboards, and the actions taken by Local Government schemes in relation to climate-related risks and opportunities.

The survey was conducted online between January and March 2021, and was completed by representatives of 193 public service pension schemes out of the existing entirety of 206.

1.2 Key processes

There was little change since 2019 for the key processes that The Pensions Regulator (TPR) monitors as indicators of public service scheme performance. However, the proportion of schemes with all six processes in place increased to 70% from 64% in 2019.

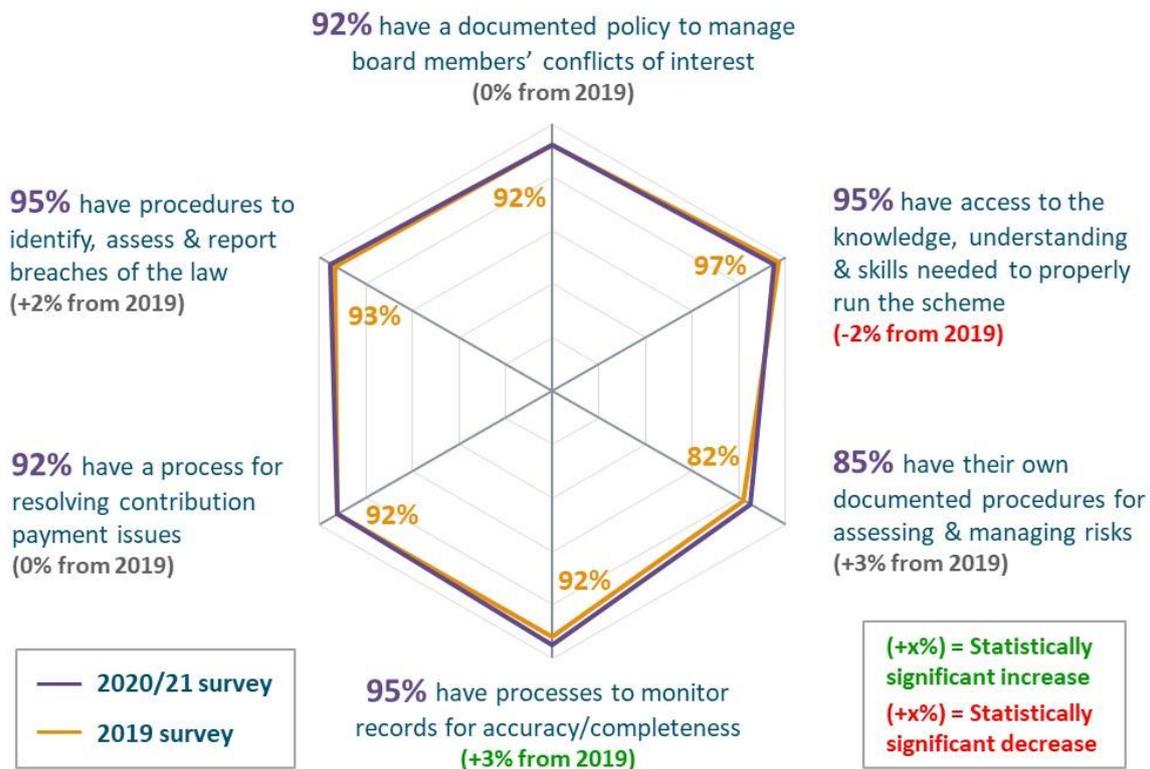
Between 85% and 95% of schemes reported that they had each of these processes in place. Results were generally similar to the 2019 survey. However, there was an increase in the proportion with processes to monitor the accuracy and completeness of records (from 92% to 95%) and a decrease in the proportion with the knowledge, understanding and skills needed to properly run the scheme (from 97% to 95%).

Over two-thirds (70%) of schemes had all six of these processes in place, together representing 68% of all memberships. This was an increase from 2019, when 64% of schemes had all six.

Three-quarters of Local Government (75%) and Firefighters' (74%) schemes had all six processes in place. This proportion was lower for 'Other'¹ (64%) and Police (55%) schemes.

¹ Centrally administered unfunded schemes, i.e. excluding relevant Local Government, Firefighters' and Police schemes.

Figure 1.2.1 Schemes' performance on key processes



1.3 The pension board

Approaching half of schemes held four or more pension board meetings in the previous 12 months², a fall from 2019. The mean number of current board members at the time they completed the survey was 7.1.

Schemes held an average of 3.4 board meetings in the previous 12 months, with 45% reporting that they held four or more (-12 percentage points from 2019) and 22% that they met twice or less. 'Other' and Police schemes were most likely to have held at least four board meetings in the previous 12 months (82% and 74% respectively), with Firefighters' and Local Government schemes least likely (32% and 33% respectively).

On average 93% of board meetings were attended by the scheme manager or their representative, similar to in 2019.

Almost three-quarters (72%) of schemes had more than five current board members at the time they completed the survey, and the mean number was 7.1. Around a third (31%) of schemes had one or more vacant position on the board. Six schemes (3%) reported that they had fewer current board members

² TPR sets an expectation that the governing boards of pension schemes should meet often enough to maintain effective oversight and control, which in most cases will be at least quarterly.

at the time they completed the survey than specified by their respective regulations³.

Over half (58%) of schemes had a succession plan for members of the pension board, rising to 76% of Police schemes. This was consistent with the 2019 survey results.

The majority of schemes (94%) felt that, over the previous 12 months, their pension board had access to all the information about the operation of the scheme that it needed to fulfil its functions. A similar proportion believed the board was able to obtain sufficient specialist advice on cyber security (92%). Both of these were higher than in the 2019 survey (5 percentage points higher in both cases).

Overall, 85% of schemes evaluated the board's knowledge, understanding and skills at least annually, an increase from 76% in 2019. This increase was driven by Police schemes, 88% of which evaluated the board at least annually (+28 percentage points from 2019). On average, pension board members received ten hours of training per year in relation to their role on the board.

1.4 Managing risk

Risk exposure was reviewed at the majority of board meetings, but there was a fall in the proportion of schemes with their own risk register.

On average, schemes' exposure to new and existing risks had been reviewed at 84% of the pension board meetings held in the previous 12 months, an increase from 77% in 2019. Just over a third (35%) of schemes reported that risk exposure had been reviewed at four or more board meetings over this period, consistent with the 2019 survey.

The proportion of schemes with their own risk register fell from 93% in 2019 to 89% in the 2020-21 survey. This decline was primarily caused by 'Other' and Police schemes (-18 and -7 percentage points respectively).

Approaching two-thirds (61%) of schemes identified remediation (the McCloud judgment) as one of the top three risks they faced. A smaller proportion of Local Government schemes cited this (37%).

1.5 Administration and record-keeping

As in the 2019 survey findings, administration was included on the agenda at the majority of board meetings and three-quarters of schemes had an administration strategy.

On average, administration was included on the agenda at 92% of the board meetings held in the previous 12 months (similar to 2019). Most schemes

³ Five of these six schemes reported that they had vacant positions on their board at the time they completed the survey. If these vacant positions were filled then, four of these five schemes would have met the minimum requirement for the number of pension board members for their type of scheme (the other scheme would still have been below the minimum threshold). The remaining scheme did not report any vacant positions.

(73%) had an administration strategy in place, although this was less widespread among Firefighters' schemes (47%).

Every scheme (100%) saw implementing legislative change and addressing issues that impaired their ability to run the scheme effectively as important administration objectives (with 97% and 94% respectively describing these as 'very important'). In contrast, schemes were least likely to see reducing costs (53%) or moving to a new administrator/administration system (26%) as important.

Four in ten schemes stated that all their employers had always provided data on time in the last 12 months (40%) and had always provided accurate and complete data (39%), consistent with the 2019 results.

These proportions were lower for multi-employer schemes than single employer schemes. Approximately one in ten (9%) multi-employer schemes said all their employers had always provided the data required each month on time over the previous 12 months, compared with 85% of single employer schemes. Similarly, 9% of multi-employer schemes said all their employers always provided accurate and complete data, compared with 83% of single employer schemes.

A higher proportion of schemes (64%) reported that all their employers had submitted all data electronically in the last 12 months.

There was little difference between multi-employer and single employer schemes in this respect, with 61% of the former and 69% of the latter reporting that all their employers had submitted all data electronically.

On average, 4% of employers had not provided any data electronically in the last 12 months.

1.6 Cyber security

Nine in ten schemes (90%) had at least half of the recommended cyber risk controls in place, an improvement since 2019. The proportion who reported experiencing any cyber breaches or attacks in the last 12 months was lower than in 2019.

Schemes were asked about 14 specific cyber controls and 90% had at least half of these in place, an increase from 82% in 2019.

For 11 of the 14 cyber controls, the overall proportion of schemes with these in place was higher than in 2019. The greatest increases were seen for the scheme manager assuring themselves of third party providers' controls (+12 percentage points), assessment of the likelihood of different types of breaches occurring (+12 percentage points) and the scheme manager receiving regular updates on cyber risks, incidents and controls (+10 percentage points).

A third (34%) of schemes reported that they had experienced some kind of cyber breach or attack in the previous 12 months (a decrease from 42% in

2019). These incidents typically involved staff receiving fraudulent emails or being directed to fraudulent websites (29%).

Most schemes that experienced any cyber breaches or attacks in the previous 12 months said that these had no impact, but 5% reported a negative impact (equating to 2% of all public service schemes). This is a fall from 15% in the 2019 survey.

A fifth (20%) of schemes that experienced cyber security breaches or attacks in the last 12 months had reported these to other parties (typically to their pension board and/or members), and 11% of those with an incident response plan indicated that this had been triggered by the cyber breach/attack.

1.7 Annual benefit statements

Over nine in ten active members received their annual benefit statement by the statutory deadline in 2020, unchanged from 2019. More schemes achieved this for all their active members than in 2019.

On average, 94% of active members received their statement by the deadline, consistent with the 95% seen in 2019. The proportion of schemes meeting the deadline for all their active members increased from 53% to 59%. This proportion was highest for Firefighters' and Police schemes (83% and 60% respectively) but lower for 'Other' (45%) and Local Government (48%) schemes (both of which are primarily multi-employer schemes and typically have a greater number of members than Firefighters' and Police schemes).

Fewer schemes who missed the annual benefit statement (ABS) deadline for any active members reported this to TPR than in 2019 (29% vs. 42%). A fifth (18%) made a breach of the law report. Those schemes which did not report the missed deadline typically said this was because it was not seen as material as few statements were affected or it was a very short delay.

As in 2019, the vast majority of schemes (92%) reported that every statement they sent out contained all the data required by regulations.

1.8 Resolving issues

Around 10,000 complaints were estimated to have been made to public service schemes in the last year. This equated to 0.6 complaints per 1,000 members, a similar ratio to in 2019.

On average, half (50%) of all complaints entered the Internal Dispute Resolution (IDR) process and 22% of these were upheld.

The types of complaints entering the IDR process varied by scheme type, but overall the most common related to eligibility for ill health benefit (46%) and disputes or queries about the amount of benefit paid (39%).

1.9 Reporting breaches

The vast majority of schemes maintained documented records of breaches of the law identified (98%), included the decision on whether to report to TPR in these records (95%), and provided the pension board with reports on any breaches (95%).

Over a third of schemes (37%) identified breaches of the law in the previous 12 months (excluding those relating to annual benefit statements), and 5% had reported any breaches to TPR (a decrease from 8% in 2019).

Local Government schemes were most likely to have identified breaches of the law (55%) and Police schemes least likely (14%).

1.10 Addressing governance and administration issues

The remediation (McCloud) process, scheme complexity and the volume of changes required to comply with legislation were seen as the top barriers to improving scheme governance and administration in the next 12 months.

Two-thirds (65%) of schemes identified the remediation process as one of the top three barriers they faced to improving governance and administration, an increase from 42% in the 2019 survey. Similar proportions also cited the complexity of the scheme (62%) and the volume of changes required to comply with legislation (61%) as major barriers (with the latter increasing from 49% in 2019).

The remediation process was the most commonly identified barrier for 'Other' (91%), Firefighters' (79%) and Police schemes (81%), but fewer Local Government schemes selected it as one of the major challenges they faced (47%).

Improved governance and administration was primarily attributed to a better understanding of the risks facing the scheme.

Most schemes (68%) felt that the improvements they made to scheme governance and administration over the previous 12 months were down to an improved understanding of the risks facing the scheme. This was followed by better understanding of the underlying legislation and standards expected by TPR (46%) and resources being increased or redeployed to address risks (42%).

1.11 COVID-19 pandemic

Almost all schemes had a business continuity plan in place prior to the COVID-19 pandemic, and these were widely felt to have been effective.

The vast majority (95%) of schemes had a business continuity plan (BCP) in place before the first COVID-19 lockdown started in March 2020, with 59% having their own BCP and 36% using their local authority's BCP.

Most of these (87%) judged their BCP to have been effective in helping the scheme respond to the pandemic, with 60% describing it as 'very effective'. The main barriers to implementing the BCP were felt to have been the suitability of IT hardware (31%), ability of staff to work from home (29%) and suitability of IT infrastructure (22%). However, a third (35%) did not experience any barriers.

Over nine in ten schemes felt that communications between the scheme manager and administrator (97%), the performance of the administrator (94%), and the relationship between the scheme manager and the pension board (93%) had been effective since the start of the pandemic.

1.12 Pensions dashboards

While awareness of the dashboards was near universal and most schemes believed they were a good idea, there were some concerns about schemes' ability to implement them.

The majority of respondents had heard of the pensions dashboards (96%) and most also knew that the Pensions Bill 2020 requires trustees and scheme managers to provide data to savers through the dashboards (88%).

There was broad consensus that the dashboards were a good idea for savers (89% agreed), but fewer schemes agreed that they would be able to deal with any administrative demands involved (40%) and that the dashboards would be easy for their scheme to implement (9%). A minority (10%) expected to leave preparations as late as possible.

The main challenges schemes expected to face when preparing for the dashboards were software compatibility (75%) and knowing what is required (58%). Most expected to learn more about the requirements from their scheme advisory board (69%), the Pensions Dashboards Programme (63%) or TPR (61%).

1.13 Climate change

Nine in ten Local Government schemes had allocated time or resources to assessing any financial risks and opportunities arising from climate change, and most were aware of the Taskforce on Climate-related Financial Disclosures (TCFD).

The survey questions on climate change were asked only of Local Government schemes (as these are the only funded PS schemes). Overall, 91% had allocated time or resources to assessing climate change risks/opportunities, but fewer had assessed particular climate-related scenarios (66%), tracked their portfolio's carbon intensity (60%) or assessed their portfolio's potential contribution to global warming (29%).

Two-thirds (68%) had added climate-related risks to their risk register, and around two-fifths had regularly covered these issues at board meetings (42%), assigned responsibility to a specified individual or sub-committee (37%) and incorporated targets into their climate policy (37%).

Approaching three-fifths of schemes gave significant consideration to the risk of transitioning to a low carbon economy (58%) and climate-related opportunities (57%) in their investment and funding strategy, but fewer considered physical risks (34%) or the participating employer's exposure (16%).

The majority of schemes (83%) were aware of the work of the TCFD, and 22% made disclosures as recommended by the TCFD.

1.14 Perceptions of TPR

More schemes agreed that TPR was fair, clear, approachable and evidence-based than in 2019.

The proportion of schemes that agreed TPR was fair increased from 66% in 2019 to 77% in the 2020-21 survey. There was also increased agreement that TPR was clear (from 70% to 77%), approachable (from 76% to 81%) and evidence-based (from 71% to 76%).

As in 2019, of the various descriptors of TPR that were asked about, schemes were most likely to agree that TPR was visible (84%), respected (84%) and approachable (81%), and least likely to see the organisation as decisive (63%) and tough (52%).

TPR was widely felt to be effective at improving standards of governance and administration. It was also perceived to be clear about its administration expectations, effective at changing behaviour among its regulated audiences, and proactive at reducing risks to member benefits.

Overall, 87% of schemes judged TPR to be very or fairly effective at improving standards of governance and administration in public service pension schemes (unchanged from 2019). Every 'Other' scheme (100%) felt that TPR was effective in this regard.

The majority of schemes also agreed that TPR clearly explains its expectations in respect of administration (84%), is effective at bringing about the right changes in behaviour among its regulated audiences (79%) and is proactive at reducing serious risks to members' benefits (75%). Again, 'Other' schemes were typically most positive about these areas.

2. Introduction

2.1 Background

The Public Service Pensions Act 2013 and the Public Service Pensions Act (Northern Ireland) 2014 (together, the Public Service Acts) introduced new requirements for the governance and administration of public service pension schemes. Scheme managers must run their schemes according to these legal requirements, which generally came into force on 1 April 2015.

The Public Service Acts also gave TPR an expanded role to regulate the governance and administration of these schemes from 1 April 2015. TPR's code of practice for the governance and administration of public service pension schemes (the PSPS code) sets out the standards of conduct and practice it expects of those responsible, as well as practical guidance about how to comply with the legal requirements.

As part of its role, TPR is responsible for 205 public service schemes in respect of eight public service workforces, covering around 18.4 million memberships.

A survey was first undertaken in 2015 to assess how schemes were meeting the new requirements, and the standards to which they were being run. Further surveys have been run annually to provide a regular assessment of performance, understand barriers to improvement, and delve deeper into the top risks facing public service schemes.

2.2 Objectives

The specific objectives of the 2020-21 survey were to continue to track:

- Public service pension schemes' governance and administration practices, including their approach to risk management, complaints and breaches of the law and any barriers they faced;
- The cyber security controls that schemes had in place and any breaches/attacks experienced;
- Perceptions of TPR and its effectiveness at improving scheme governance and administration standards.

In addition, the 2020-21 survey also sought to understand:

- Schemes' response to the COVID-19 pandemic, with a particular focus on business continuity planning;
- Awareness and perceptions of the pensions dashboards, and any challenges anticipated;
- The extent to which Local Government schemes assessed, managed and prioritised climate-related risks and opportunities.

2.3 Communications activities

TPR continues to engage with those acting in the public service pension scheme landscape. In 2020 this activity included:

- presenting at conferences, workshops and training events, and;
- engagement with schemes and scheme advisory boards.

The engagement is tailored to the audience and situation. It ranges from overviews and summaries of scheme manager and pension board roles and responsibilities to focused presentations on key issues of importance such as cyber security, data improvement and governance. TPR also maintains supervisory relationships with certain large schemes in the public service scheme landscape to better understand the practical operational challenges facing schemes.

3. Methodology

As with the previous TPR public service pension scheme surveys, an online self-completion approach was adopted for the following reasons:

- The large amount of data to collect would have made a telephone interview very long and burdensome for respondents.
- It was anticipated that many individuals would need to do some checking/verification in order to answer the questions accurately.
- The range of information requested meant that it was important to allow more than one person at the scheme to contribute.

Owing to the nature and the amount of information required, a carefully structured research approach was necessary, giving respondents early warning of the kinds of information that we were seeking to collect and allowing them to devote an appropriate amount of time and effort to providing accurate and reliable information, liaising with colleagues if needed. Therefore, a multi-stage approach was adopted:

- **Stage 1:** Pre-notification emails were sent by TPR to the pension board chairs and scheme managers to explain the nature of the research, introduce OMB Research (OMB), alert schemes that their participation would be requested and ask them to let OMB know whether the scheme manager or their representative would be completing the survey and, if necessary, provide their contact details.
- **Stage 2:** OMB sent a tailored invitation email to each scheme manager or their chosen representative. This contained a unique survey URL and a link to a 'hard copy' of the questionnaire (for reference when compiling information prior to completion).
 - In the case of referrals, sample details were updated so that the most appropriate person was contacted going forward.

- **Stage 3:** OMB sent a further two tailored reminder emails to schemes that had either not started the survey or had only partially completed it.
- **Stage 4:** OMB executives undertook a phase of telephone chasing with non-responders. These calls ensured that the invitation email had been received, confirmed the identity of the most appropriate individual to complete the survey and encouraged schemes to take part.

3.1 Sampling

The sample for this research was extracted from TPR's scheme registry database. The target audience was scheme managers of open public service schemes or their representatives. For the purpose of the survey, each locally-administered section of relevant Firefighters', Police and Local Government schemes was treated as a separate scheme, forming a total universe of 205 schemes at the time the 2020-21 survey was conducted.

Scheme managers or their representatives were asked to work with the pension board chair to complete the survey and, where necessary, seek input from others with specialist knowledge (e.g. the scheme administrator).

3.2 Fieldwork

All surveys were completed between 20 January and 8 March 2021. In total, 293 of the 205 public service pension schemes completed the survey. This equates to a 94% response rate, covering 99% of all memberships.

Table 3.2.1 Interview numbers and universe

Scheme type	Interviews	Schemes		Memberships	
		Universe	Survey coverage	Universe	Survey coverage
Other	11	11	100%	11,058,653	100%
Firefighters	47	50	94%	123,431	95%
Local Government	93	98	95%	6,791,973	98%
Police	42	46	91%	386,775	96%
Total	193	205	94%	18,360,832	99%

The majority (86%) of the completed surveys were submitted in response to the initial email and reminders, with the remainder submitted during (or shortly after) the telephone chasing phase.

3.3 Respondent profile

Scheme managers or their representatives contributed to 85% of submitted surveys, and directly completed it in 74% of cases. Over half (54%) of the surveys were completed with input from the pension board chair, with other board members involved in 17%. Approaching two-thirds (61%) involved consultation with the scheme administrator.

Table 3.3.1 Respondent role

Respondent role	Completed	Consulted	Total
Scheme manager	27%	16%	43%
Representative of the scheme manager ⁴	47%	29%	63%
Pension board chair	5%	49%	54%
Pension board member ⁴	3%	15%	17%
Administrator	13%	47%	61%
Other role	6%	12%	12%
Net: Scheme manager/representative	74%	40%	85%
Net: Pension board chair/member	7%	59%	65%

3.4 Analysis and reporting conventions

Throughout this report, results are reported at an aggregate level for all respondents and by cohort: Local Government, Firefighters', Police and 'Other'⁵ schemes. The cohorts are grouped in this way to reflect the different governance structures, funding methods and employer profiles.

To ensure that results are representative of all public service pension schemes, the data throughout this report is shown weighted. **Scheme** data has been weighted based on the number of public service schemes of each type. **Membership** data has been weighted based on the total number of memberships in each scheme type. It should be noted that the membership-weighted results are heavily influenced by the 'Other' schemes, which accounted for 60% of all memberships at the time the 2020-21 survey was undertaken. The narrative commentary in this report therefore typically focuses on the scheme-weighted findings.

Where available and comparable, the results from the previous two PSPS governance and administration surveys (2018 and 2019) have been included.

When interpreting the data presented in this report, please note that results may not sum to 100% due to rounding and/or due to respondents being able to select more than one answer to a question.

⁴ For 'representative of the scheme manager', 'pension board member' and 'other role', the *total* percentage is lower than the sum of the *completed by* and *consulted with* percentages. This is because there can be more than one person at the scheme in these roles, and in some cases one completed the survey and another consulted on it, so they appear in both these columns (but only count once in the total column).

⁵ Centrally administered unfunded schemes, i.e. excluding relevant Local Government, Firefighters' and Police schemes.

Data presented in this report are from a sample of public service schemes rather than the total population. This means the results are subject to sampling error. Differences between cohorts and different years of the research have been tested for statistical significance, using finite population correction (i.e. reflecting that 98% of the total public service scheme universe completed the survey). Differences are commented on in the text only if they are statistically significant at the 95% confidence level. This means there is no more than a 5% chance that any reported differences are not real but a consequence of sampling error.

4. Research findings

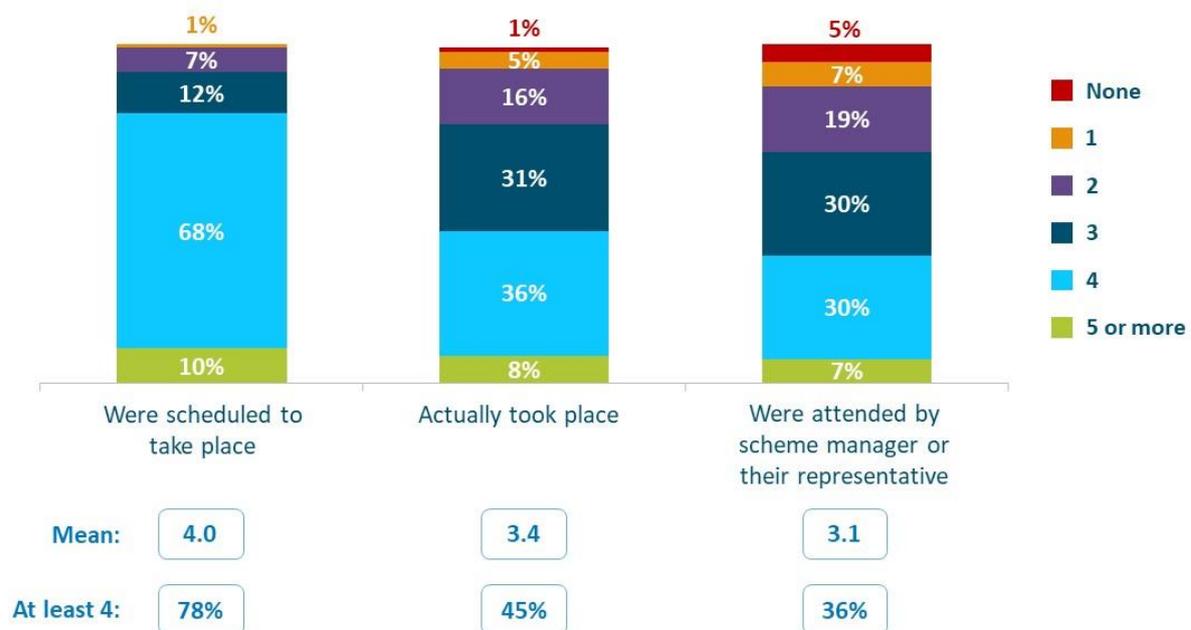
4.1 Scheme governance

On average, schemes had scheduled 4.0 pension board meetings in the previous 12 months, with 78% of schemes scheduling four or more board meetings over that period.

However, not all the scheduled meetings went ahead; schemes reported that they held an average of 3.4 board meetings in the previous 12 months, with approaching half (45%) holding four or more. Almost a quarter (22%) reported that their pension board had met twice or less in the previous 12 months.

On average the scheme manager or their representative had attended 3.1 meetings in the previous 12 months, and 36% of schemes indicated that they had attended at least four board meetings during that period.

Figure 4.1.1 Number of pension board meetings in last 12 months



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 1-2%, 2%)

The mean proportion of scheduled pension board meetings that actually took place was 84%. On average, 93% of the meetings that took place were attended by the scheme manager or their representative.

Table 4.1.1 Proportion of pension board meetings that went ahead and were attended by scheme manager/representative

	Total schemes
Base: All respondents	202
% of scheduled meetings that took place (mean)	84%
% of meetings attended by scheme manager/representative (mean)	93%

'Other' and Police schemes were most likely to have held at least four meetings in the last 12 months (82% and 74% respectively, compared with 32% of Firefighters' and 33% of Local Government schemes).

Table 4.1.2 Number of pension board meetings in last 12 months - by scheme type

		Scheme Type			
		Other	Firefighters	Local Govt	Police
<i>Base: All respondents</i>		11	47	93	42
Scheduled to take place	Mean	5.0	3.7	4.1	3.9
	At least 4	91%	72%	77%	83%
Actually took place	Mean	4.7	2.9	3.3	3.8
	At least 4	82%	32%	33%	74%
Attended by scheme manager/representative	Mean	4.7	2.7	3.1	3.1
	At least 4	82%	26%	31%	48%
% of scheduled meetings that took place (mean)		94%	80%	78%	97%
% of meetings attended by scheme manager/representative (mean)		100%	92%	96%	82%

The proportion of schemes that scheduled at least four board meetings increased since 2019 (from 73% to 78%), but there was a fall in the proportion that held at least four (from 57% to 45%). There was a corresponding decline in the percentage of meetings that actually took place (from 94% to 85%)

Table 4.1.3 Number of pension board meetings in last 12 months – Time series

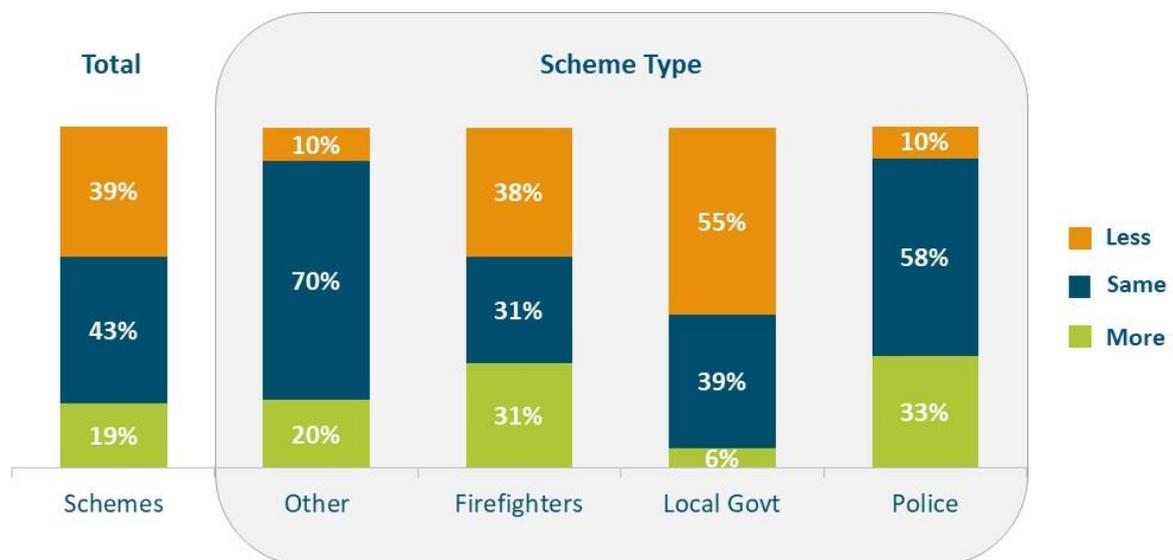
	Survey	Total schemes	Scheme Type			
			Other	Firefighters	Local Govt	Police
At least 4 meetings scheduled	2020-21	78%	91%	72%	77%	83%
	2019	73%	100%	49%	74%	89%
At least 4 meetings actually took place	2020-21	45%	82%	32%	33%	74%
	2019	57%	82%	31%	67%	58%
At least 4 meetings attended by scheme manager/representative	2020-21	36%	82%	26%	31%	48%
	2019	52%	82%	24%	65%	47%
% of scheduled meetings that took place (mean)	2020-21	84%	94%	80%	78%	97%
	2019	94%	93%	91%	97%	90%
% of meetings attended by scheme manager/representative (mean)	2020-21	93%	100%	92%	96%	82%
	2019	95%	100%	93%	98%	92%

The overall fall in the proportion that held at least four board meetings was driven by Local Government schemes (from 67% in 2019 to 33% in the 2020-21 survey). However, there was an increase in this regard for Police schemes (from 58% to 74%).

Consistent with the above time series analysis, 39% of schemes indicated that they had held less board meetings than in the previous 12 month period. Most of the remainder said it was the same (43%) but a fifth (19%) held more meetings than in the previous 12 months.

Over half (55%) of Local Government schemes reported a fall in the number of board meetings held.

Figure 4.1.2 Change in number of pension board meetings that took place compared with previous 12 month period



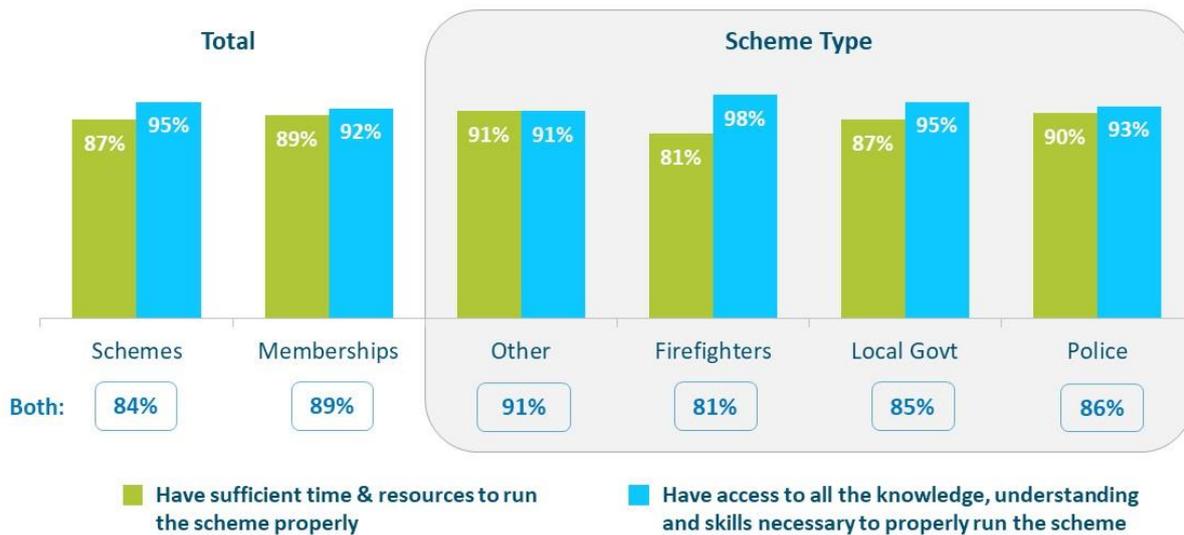
All that knew number of board meetings held in last 12 months (Base, Don't know, Did not answer question) - Schemes (188, 0%, 0%), Other (10, 0%, 0%), Firefighters (45, 0%, 0%), Local Govt (93, 0%, 0%), Police (40, 0%, 0%)

Schemes were asked whether the scheme manager and pension board had sufficient time and resources to run the scheme properly, and whether they had access to all the necessary knowledge, understanding and skills.

Figure 4.1.3 shows that 95% believed the scheme manager and pension board had access to all the necessary knowledge and skills. Schemes were comparatively less likely to report that they had sufficient time and resources, but 87% still agreed this was the case.

Overall, 89% of all memberships were in a scheme where the scheme manager and pension board had sufficient time and resources, and 92% were in a scheme where they had access to all the necessary knowledge and skills.

Figure 4.1.3 Scheme manager and pension board resources and knowledge



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 2-3%, 3%), Memberships (193, 1%, 6%), Other (11, 0%, 9%), Firefighters (47, 0-2%, 2%), Local Govt (93, 3%, 1-2%), Police (42, 0-5%, 5%)

Small schemes with fewer than 2,000 memberships were least likely to feel they had sufficient time and resources (71%). However, there were no differences by scheme size when it came to having access to the necessary knowledge, understanding and skills.

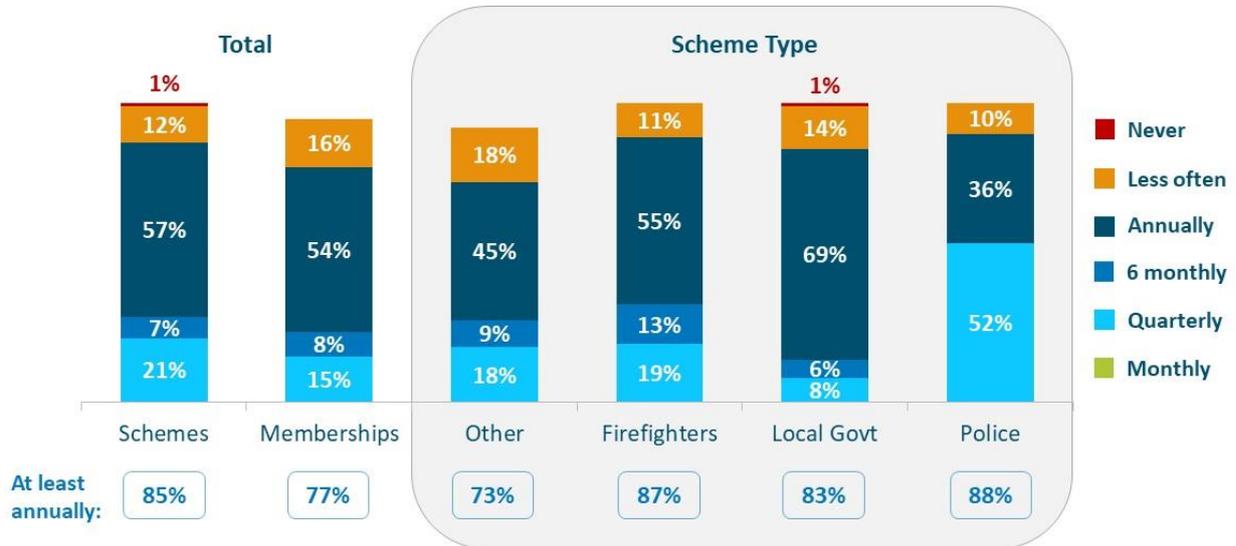
Table 4.1.4 shows that the proportion of schemes reporting that their scheme manager and pension board had sufficient time and resources fell since 2019 (from 90% to 87%) and there was a similar decrease for access to all the necessary knowledge, understanding and skills (from 97% to 95%). The former decline was evident for all scheme types aside from Local Government, whereas the latter applied only to 'Other' and Police schemes.

Table 4.1.4 Scheme manager and pension board resources and knowledge – Time series

	Total schemes	Scheme Type			
		Other	Firefighters	Local Govt	Police
Sufficient time and resources to run the scheme properly					
PSPS Survey 2020-21	87%	91%	81%	87%	90%
PSPS Survey 2019	90%	100%	88%	87%	98%
PSPS Survey 2018	91%	100%	87%	89%	95%
Access to all the knowledge, understanding and skills necessary to properly run the scheme					
PSPS Survey 2020-21	95%	91%	98%	95%	93%
PSPS Survey 2019	97%	100%	98%	95%	98%
PSPS Survey 2018	96%	100%	98%	96%	93%

In the majority of cases (85%) the scheme manager or pension board carried out an evaluation of the board’s knowledge, understanding and skills at least annually.

Figure 4.1.4 Frequency of scheme manager or pension board carrying out an evaluation of the knowledge, understanding and skills of the board in relation to running the scheme



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 1%, 2%), Memberships (193, 1%, 6%), Other (11, 0%, 9%), Firefighters (47, 0%, 2%), Local Govt (93, 2%, 0%), Police (42, 0%, 2%)

There was an increase since 2019 in the proportion of schemes that evaluated their board at least annually, from 76% to 85%. This was primarily driven by Police schemes (+28 percentage points), but also increased among Local Government schemes (+5 percentage points). In comparison, there was a fall for 'Other' schemes (-9 percentage points).

Table 4.1.5 Proportion of schemes that carried out an evaluation of the knowledge, understanding and skills of the board at least annually – Time series

	Total schemes	Scheme Type			
		Other	Firefighters	Local Govt	Police
PSPS Survey 2020-21	85%	73%	87%	83%	88%
PSPS Survey 2019	76%	82%	86%	78%	60%
PSPS Survey 2018	82%	64%	76%	86%	82%

As shown in Figure 4.1.5, pension board members received an average of 10 hours training per year in relation to their role on the board, rising to 13 hours for Local Government schemes. This was consistent with the 2019 survey results.

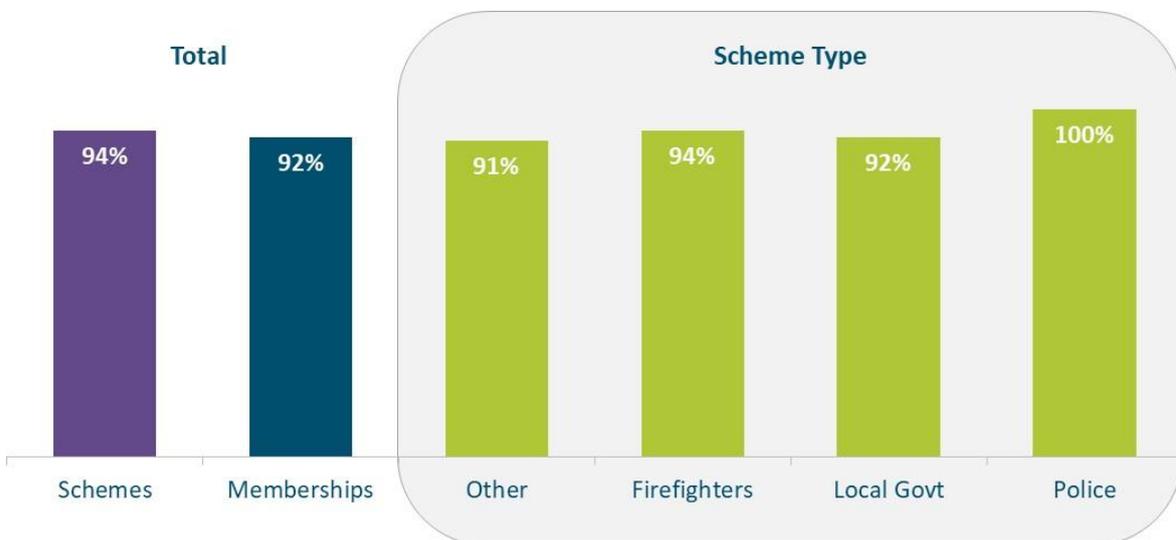
Figure 4.1.5 Hours of training per year for each pension board member in relation to their role on the board



All respondents (Base) - Schemes (193), Memberships (193), Other (11), Firefighters (47), Local Govt (93), Police (42)

Most schemes (94%) believed that their pension board had access to all the information about the operation of the scheme it had needed to fulfil its functions in the previous 12 months. This rose to 100% of Police schemes.

Figure 4.1.6 Proportion of schemes where pension board had access to all the information about the operation of the scheme it needed to fulfil its functions in last 12 months



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 3%, 2%), Memberships (193, 2%, 6%), Other (11, 0%, 9%), Firefighters (47, 0%, 4%), Local Govt (93, 5%, 0%), Police (42, 0%, 0%)

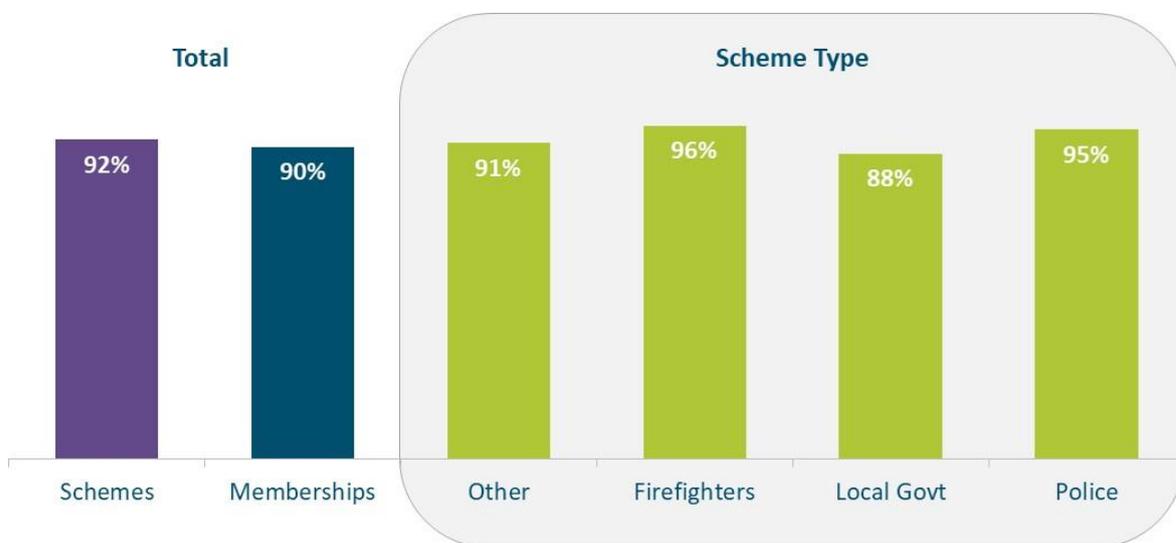
More schemes felt the board had access to the information it needed to fulfil its functions than in 2019 (94% vs. 89%). This increase was evident for Local Government and Police schemes, but there was a decrease for 'Other' and Firefighters' schemes.

Table 4.1.6 Proportion of schemes where pension board had access to all the information about the operation of the scheme it needed to fulfil its functions in last 12 months – Time series

	Total schemes	Scheme Type			
		Other	Firefighters	Local Govt	Police
PSPS Survey 2020-21	94%	91%	94%	92%	100%
PSPS Survey 2019	89%	100%	98%	81%	93%

Overall, 92% of schemes felt that their pension board was able to obtain sufficient specialist advice on cyber security when needed. This was broadly consistent by scheme type (88% to 96%).

Figure 4.1.7 Proportion of schemes where pension board was able to obtain sufficient specialist advice on cyber security when needed



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 6%, 2%), Memberships (193, 3%, 6%), Other (11, 0%, 9%), Firefighters (47, 2%, 2%), Local Govt (93, 9%, 1%), Police (42, 5%, 0%)

This proportion was higher than in 2019 (92% vs. 87%), with the greatest increase seen among Police schemes (+13 percentage points).

Table 4.1.7 Proportion of schemes where pension board had access to all the information about the operation of the scheme it needed to fulfil its functions in last 12 months – Time series

	Total schemes	Scheme Type			
		Other	Firefighters	Local Govt	Police
PSPS Survey 2020-21	92%	91%	96%	88%	95%
PSPS Survey 2019	87%	100%	90%	86%	82%

As shown in Table 4.1.8, almost three-quarters (72%) of schemes had more than five current members on their pension board at the time they completed

the survey. The mean number of current board members was 7.1 (compared with 6.9 in the 2019 survey).

Table 4.1.8 Number of current pension board members

	Total schemes
<i>Base: All respondents</i>	193
2-3 current board members	3%
4-5 current board members	23%
6-7 current board members	36%
8-9 current board members	18%
10+ current board members	17%
Mean number of current board members	7.1
Don't know	1%
Did not answer question	2%

Six schemes (3%) had fewer current board members at the time they completed the survey than specified by their respective regulations. Of these, four were Local Government and two were Police schemes. This compares with eight schemes in 2019 (four Local Government and four Police).

Schemes were also asked to provide details of the number of vacant positions on their board, the number of board members that had left in the previous 12 months and the number of members appointed in this period.

Around two-thirds (64%) reported that one or more board members had left in the previous 12 months, and the same proportion (64%) indicated that they had made any new appointments. Approaching a third (31%) of schemes said they had at least one vacant position on the board at the time they completed the survey.

Table 4.1.9 Turnover of pension board members

	Vacant positions	Members that left in last 12 months	Members appointed in last 12 months
<i>Base: All respondents</i>	193	193	193
0	67%	35%	34%
1	24%	37%	36%
2	4%	23%	21%
3	1%	3%	4%
4+	2%	1%	3%
Net: 1+	31%	64%	64%
Mean	0.5	1.0	1.1
Don't know	1%	0%	0%
Did not answer question	2%	2%	2%

Further analysis was conducted to assess the total number of board positions in each scheme. The number of 'total positions' on the board was calculated by combining the number of current board members and number of vacant positions.

As shown in Table 4.1.10, the mean number of total positions was 7.6. On average, schemes reported that 14% of the total positions on their board had left in the previous 12 months and 15% had been appointed in the previous 12 months. The mean proportion of total board positions that were vacant at the time the schemes completed the survey was 6%.

Table 4.1.10 Number of total pension board positions (current members plus vacant positions)

	Total schemes
<i>Base: All respondents</i>	193
Mean number of total positions on board (current + vacant)	7.6
Mean % of total positions that are vacant	6%
Mean % of total positions that left in last 12 months	14%
Mean % of total positions appointed in last 12 months	15%

'Other' schemes tended to have the greatest number of current board members (a mean of 12.0), whereas Firefighters' and Local Government schemes had the fewest (5.9 and 6.6 respectively). Firefighters' schemes had the fewest vacant board positions (a mean of 0.2, equating to 2% of total positions).

Table 4.1.11 Number and turnover of pension board members – by scheme type

	Scheme Type			
	Other	Fire-fighters	Local Govt	Police
<i>Base: All respondents</i>	11	47	93	42
Mean no. of current board members	12.0	5.9	6.6	8.3
Mean no. of vacant positions	1.6	0.2	0.5	0.4
Mean no. of board members that left in last 12 months	1.4	1.0	0.8	1.3
Mean no. of board members appointed in last 12 months	1.5	1.2	0.9	1.3
Mean % of total positions that are vacant	8%	2%	7%	5%
Mean % of total positions that left in last 12 months	10%	17%	11%	16%
Mean % of total positions appointed in last 12 months	11%	20%	12%	16%

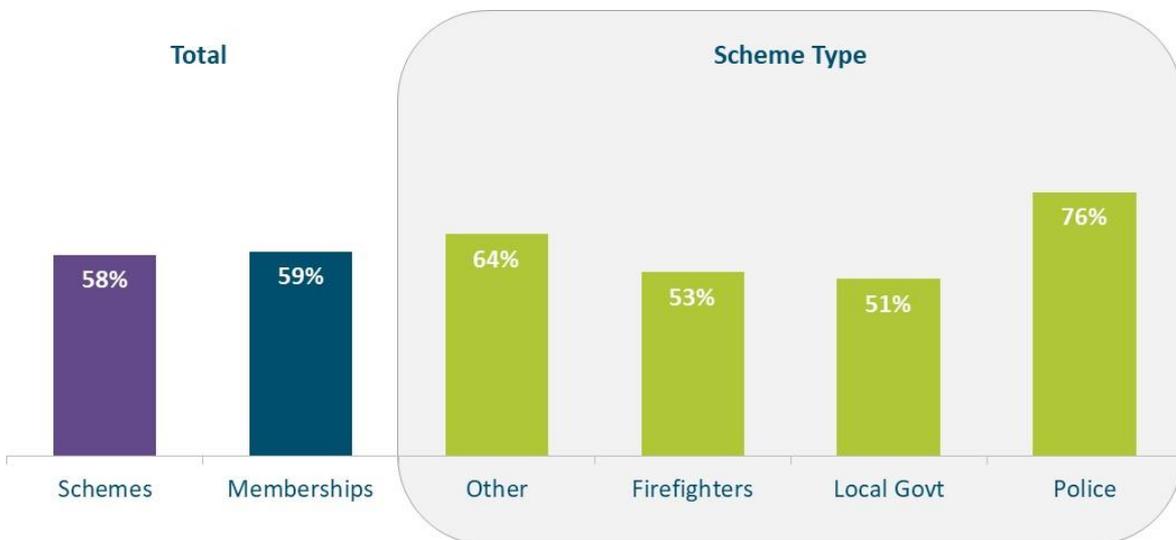
As mentioned previously, six schemes had fewer current board members at the time they completed the survey than specified by their respective regulations. The four Local Government schemes all indicated that they had

vacant positions on their board. If these vacant positions were filled then they would all have met the minimum requirement for the number of pension board members for Local Government schemes.

Of the two Police schemes that had fewer current board members than required by their regulations, one did not report any vacant positions. The other indicated declared that they had one vacancy, but if this was filled they would still be below the minimum requirement for Police schemes.

Figure 4.1.8 shows that 58% of schemes had a succession plan in place for members of the pension board. This was most likely to be the case among Police schemes (76%).

Figure 4.1.8 Proportion of schemes with a succession plan in place for pension board members



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 5%, 2%), Memberships (193, 8%, 6%), Other (11, 9%, 9%), Firefighters (47, 0%, 2%), Local Govt (93, 5%, 0%), Police (42, 10%, 2%)

Results were broadly consistent with the 2019 survey, although Local Government schemes were less likely to have a succession plan in place (51% vs. 59%).

Table 4.1.12 Proportion of schemes with a succession plan in place for pension board members – Time series

	Total schemes	Scheme Type			
		Other	Firefighters	Local Govt	Police
PSPS Survey 2020-21	58%	64%	53%	51%	76%
PSPS Survey 2019	54%	64%	57%	59%	72%

4.2 Managing risk

Figure 4.2.1 shows the proportion of schemes that had various risk management processes and procedures in place, along with comparative data from the 2019 survey.

Table 4.2.1 Proportion of schemes with risk managements processes and procedures - Time series

	Survey	Total		Scheme Type			
		Schemes	Member-ships	Other	Fire-fighters	Local Govt	Police
<i>Base: All respondents</i>		193	193	11	47	93	42
Its own documented procedures for assessing and managing risk	2020-21	85%	83%	82%	83%	84%	90%
	2019	82%	92%	100%	76%	80%	87%
	2018	92%	98%	100%	80%	96%	93%
A documented policy to manage the pension board members' conflicts of interest	2020-21	92%	92%	91%	94%	94%	88%
	2019	92%	81%	73%	94%	92%	93%
	2018	90%	86%	82%	85%	93%	91%
Processes to monitor records for all membership types on an ongoing basis to ensure they are accurate/complete	2020-21	95%	93%	91%	94%	97%	95%
	2019	92%	97%	100%	94%	94%	82%
	2018	91%	92%	91%	85%	95%	89%
A process for monitoring the payment of contributions	2020-21	89%	88%	82%	96%	99%	64%
	2019	96%	100%	100%	90%	100%	93%
	2018	98%	100%	100%	96%	100%	95%
A process for resolving contribution payment issues	2020-21	92%	88%	82%	96%	98%	76%
	2019	92%	99%	100%	82%	98%	89%
	2018	94%	99%	100%	85%	98%	95%
Procedures to identify breaches of the law	2020-21	95%	87%	82%	98%	94%	100%
	2019	94%	96%	100%	98%	90%	98%
	2018	94%	95%	100%	89%	96%	93%
Procedures to assess breaches of the law and report these to TPR if required	2020-21	97%	93%	91%	98%	96%	100%
	2019	96%	98%	100%	98%	96%	93%
	2018	95%	99%	100%	89%	98%	95%

Over nine in ten schemes had a policy to manage board members' conflicts of interest (92%), processes to monitor records for accuracy and completeness (95%), a process for resolving contribution payment issues (92%), procedures to identify breaches of the law (95%) and procedures to assess and report breaches (97%).

Slightly fewer had a process for monitoring the payment of contributions (89%) and their own documented procedures for assessing and managing risk (85%).

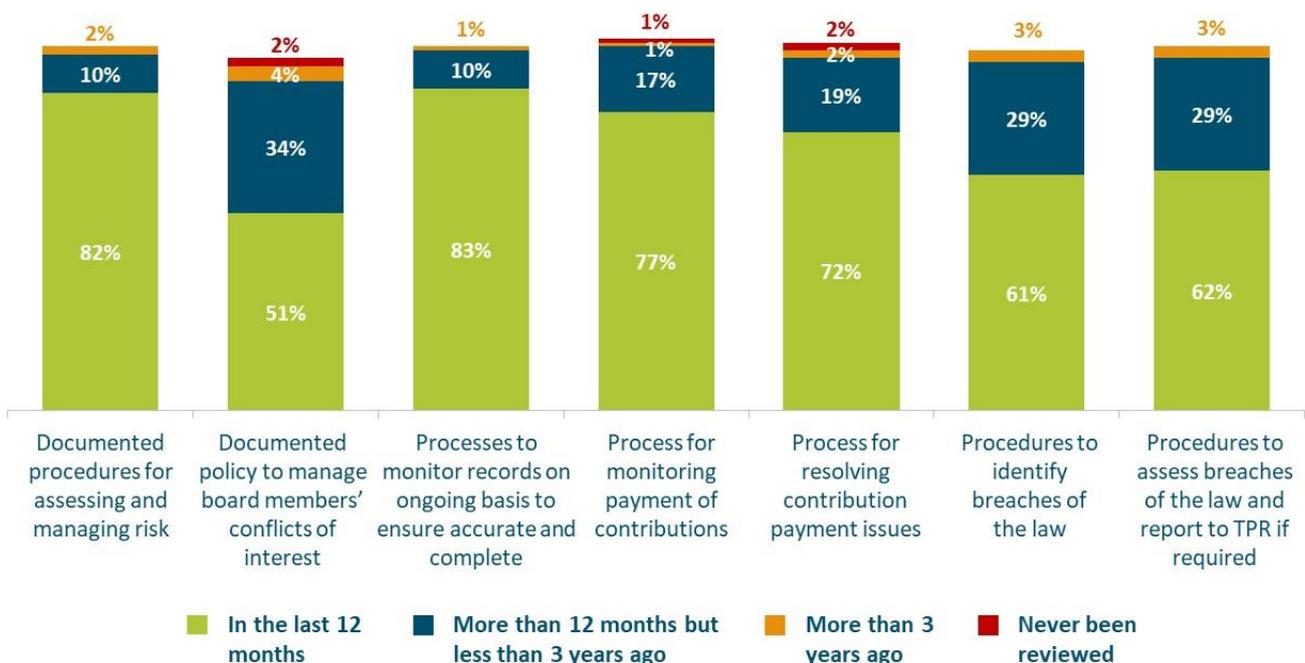
Results were generally consistent with the 2019 survey, with the only changes at the total sample level being an increase in the proportion of schemes with a process to monitor records for accuracy and completeness (+3 percentage points) and a decrease in the proportion with a process for monitoring the payment of contributions (-7 percentage points).

However, there were some changes at a scheme type level. In particular, 'Other' schemes were less likely than in 2019 to have these processes and procedures in place (with the exception of procedures to identify and report breaches of the law). The proportion of Police schemes with a process for monitoring contribution payments and resolving contribution payment issues also fell (by -29 and -13 percentage points respectively).

As summarised in Figure 4.2.1, where schemes had these processes and procedures they had typically reviewed them within the last 12 months. However, this was least likely to be the case for conflicts of interest policies (51%), and procedures to identify (61%) and report (62%) breaches of the law.

Most of the remainder had reviewed these in the last three years, with few schemes last reviewing them more than three years ago (1-4%) or never reviewing them (0-2%).

Figure 4.2.1 When risk management processes and procedures were last reviewed



All with each process/procedure in place (Base, Don't know, Did not answer question) - Assessing & managing risk (164, 5%, 1%), Manage conflicts of interest (178, 7%, 2%), Monitor records to ensure accurate & complete (184, 6%, 1%), Monitoring payment of contributions (173, 3%, 1%), Resolving contribution payment issues (177, 5%, 1%), Identify breaches (184, 6%, 1%), Assess & report breaches (187, 7%, 1%)

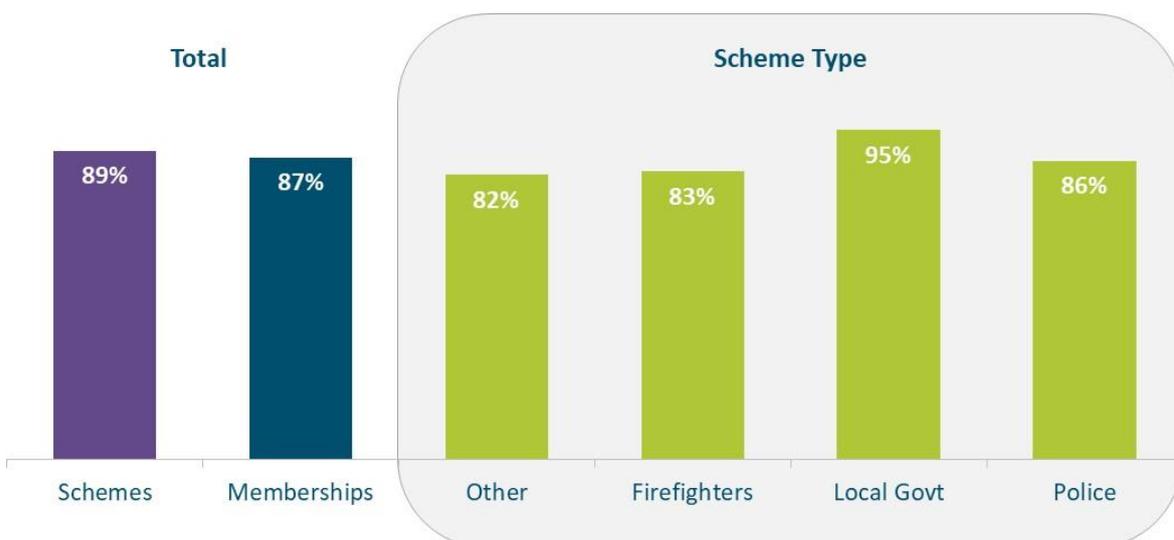
While this varied across the different processes and procedures, 'Other' schemes were generally most likely to have reviewed these in the last 12 months. Firefighters' schemes typically reviewed these less frequently, with this particularly true of the processes relating to contribution payments and breaches of the law.

Table 4.2.2 Proportion reviewing each risk management process and procedure in the last 12 months – by scheme type

	Scheme Type			
	Other	Fire-fighters	Local Govt	Police
<i>Base: All with each process or procedure</i>	9-10	39-46	78-92	27-42
Own documented procedures for assessing and managing risk	78%	85%	86%	74%
Documented policy to manage the pension board members' conflicts of interest	80%	45%	49%	54%
Processes to monitor records for all membership types on an ongoing basis to ensure they are accurate and complete	100%	86%	81%	78%
Process for monitoring the payment of contributions	100%	62%	78%	93%
Process for resolving contribution payment issues	89%	60%	70%	88%
Procedures to identify breaches of the law	67%	54%	63%	64%
Procedures to assess breaches of the law and report these to TPR if required	60%	54%	63%	67%

The vast majority (89%) of schemes had a risk register, with this most likely to be the case for Local Government schemes (95%).

Figure 4.2.2 Proportion of schemes with their own risk register



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 1%, 2%), Memberships (193, 0%, 1%), Other (11, 0%, 0%), Firefighters (47, 2%, 2%), Local Govt (93, 0%, 2%), Police (42, 2%, 0%)

The proportion of schemes with a risk register fell slightly since 2019 (89% vs. 93%), with the greatest decline seen for 'Other' schemes (-18 percentage points) and Police schemes (-7 percentage points)⁶.

Table 4.2.3 Proportion of schemes with a risk register – Time series

	Total schemes	Scheme Type			
		Other	Firefighters	Local Govt	Police
PSPS Survey 2020-21	89%	82%	83%	95%	86%
PSPS Survey 2019	93%	100%	86%	96%	93%
PSPS Survey 2018	94%	100%	87%	98%	93%

Schemes were asked to identify the top three governance and administration risks on their register (or facing the scheme if they did not have a risk register).

Table 4.2.4 Top governance and administration risks

Top Mentions (5%+)	Total		Scheme Type			
	Schemes	Member-ships	Other	Fire-fighters	Local Govt	Police
<i>Base: All respondents</i>	193	193	11	47	93	42
Remediation (McCloud judgement)	61%	60%	73%	74%	37%	95%
Record-keeping (i.e. receipt and management of correct data)	36%	35%	36%	43%	32%	38%
Securing compliance with changes in scheme regulations	30%	28%	27%	45%	30%	17%
Funding or investment	28%	20%	0%	6%	54%	5%
Cyber risk	26%	15%	9%	26%	23%	36%
Recruitment and retention of staff or knowledge	22%	25%	27%	30%	22%	14%
Lack of resources/time	17%	14%	9%	15%	22%	12%
Systems failures (IT, payroll, administration systems, etc)	15%	23%	27%	15%	16%	12%
Administrator issues (expense, performance, etc)	14%	20%	27%	23%	10%	10%
Guaranteed Minimum Pension (GMP) reconciliation	10%	13%	18%	2%	3%	31%
Production of annual benefit statements	8%	19%	27%	6%	6%	7%

⁶ It appears unusual for a scheme to have a risk register one year and not have one the following year. It is not possible for us to know why this is the case. We can only speculate that it may be that a different person each year completes the survey and they have different views or interpret the question differently each year; or it could genuinely be that a scheme had a register previously but no longer have one.

4. Research findings

Lack of knowledge, effectiveness or leadership among key personnel	6%	3%	0%	6%	6%	5%
Receiving contributions from the employer(s)	5%	3%	0%	2%	9%	2%
Don't know	1%	0%	0%	0%	1%	0%
Did not answer question	0%	0%	0%	0%	0%	0%

A wide range of risks were reported by schemes but the most prevalent was remediation (61%). This was mentioned by 95% of Police schemes and was also the top risk for 'Other' (73%) and Firefighters' (74%) schemes.

The next most widely identified risks were record-keeping (36%), regulatory compliance (30%), funding or investment (28%) and cyber risk (26%). Funding or investment was the top risk for Local Government schemes (54%) but was rarely mentioned by other scheme types (0-6%).

Irrespective of whether it was identified as one of the top risks they faced, schemes were asked what actions they had taken in relation to the remediation proposals. Table 4.2.5 shows that most had taken a range of different actions, with the most common being assessing the possible administration impacts (88%) and assessing the data requirements (79%).

Table 4.2.5 Actions taken in relation to the remediation proposals

Top Mentions (5%+)	Total			Scheme Type		
	Schemes	Member-ships	Other	Fire-fighters	Local Govt	Police
<i>Base: All respondents</i>	193	193	11	47	93	42
Assessed the possible administration impacts	88%	90%	91%	79%	89%	95%
Assessed the data requirements	79%	83%	82%	66%	87%	74%
Assessed any additional resources likely to be required	68%	79%	91%	64%	60%	86%
Discussed system requirements with IT suppliers	60%	80%	82%	32%	80%	43%
Commenced a specific data cleansing or data gathering exercise	48%	59%	64%	32%	54%	48%
Provided specific information to members	32%	56%	82%	26%	14%	67%
Other	23%	41%	55%	15%	20%	31%
None of these	2%	1%	0%	4%	2%	0%
Don't know	0%	0%	0%	0%	0%	0%
Did not answer question	0%	0%	0%	0%	0%	0%

Firefighters' scheme had generally taken fewer actions in relation to the remediation proposals than other public service schemes, with this particularly

apparent for discussing system requirements with IT suppliers (32%), commencing a data cleansing or data gathering exercise (32%) and assessing the data requirements (66%).

While Local Government schemes were less likely to identify remediation as one of the top risks facing the scheme, the proportions taking each action were broadly consistent with other scheme types. The one exception is that they were less likely to have provided specific information to members (14%).

As detailed in Table 4.2.6, around a third of schemes (35%) had reviewed their exposure to new and existing risks in at least 4 board meetings over the previous 12 months. Most of the remainder had reviewed their risk exposure in 2-3 meetings (42%) but 14% had done so on one occasion and 5% had not reviewed their risk exposure at any board meetings over this period.

On average, schemes reviewed their risk exposure at 2.8 board meetings in the last 12 months. This equated to 84% of all the board meetings held.

'Other' and Police schemes were most likely to have reviewed their risk exposure on a regular basis; 73% and 69% respectively had done so in at least four board meetings in the previous 12 months. In comparison, 28% of Firefighters' and 19% of Local Government schemes had reviewed their risk exposure in four or more board meetings over this period. This is due in part to the lower number of board meetings held by these scheme types in the last 12 months (as detailed in Section 4.1 of this report).

Table 4.2.6 Number of pension board meetings held in last 12 months that reviewed the scheme's risk exposure

	Total schemes	Scheme Type			
		Other	Fire-fighters	Local Govt	Police
<i>Base: All respondents</i>	193	11	47	93	42
None	5%	0%	6%	6%	0%
1	14%	9%	11%	23%	2%
2	20%	9%	26%	24%	7%
3	22%	9%	26%	25%	17%
4	32%	64%	26%	15%	69%
5+	3%	9%	2%	4%	0%
Net: 4 or more	35%	73%	28%	19%	69%
Mean number of board meetings that reviewed risk exposure	2.8	3.7	2.6	2.4	3.6
Mean % of board meetings that reviewed risk exposure	84%	82%	87%	76%	96%

Table 4.2.7 shows that there was no change since 2019 in the overall proportion of schemes that had reviewed risk exposure in at least four board meetings in the previous 12 months. However, there were increases for Police (+22 percentage points) and Firefighters' (+8 percentage points) schemes but a decrease for Local Government schemes (-13 percentage points).

Table 4.2.7 Number of pension board meetings held in last 12 months that reviewed the scheme's risk exposure – Time series

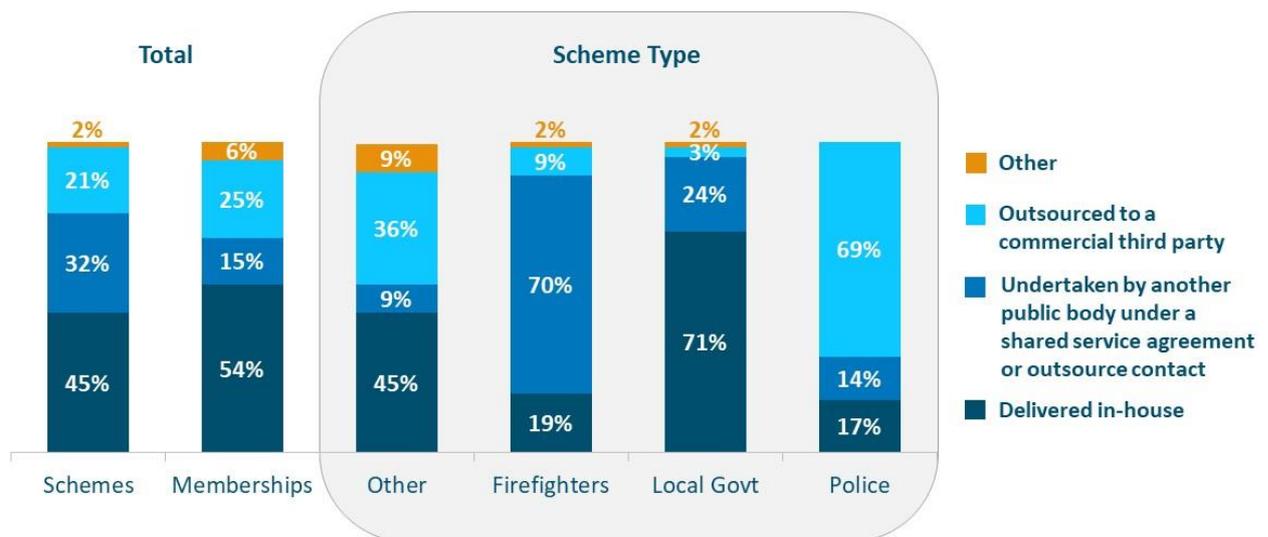
	Survey	Total schemes	Scheme Type			
			Other	Fire-fighters	Local Govt	Police
Reviewed risk exposure in 4 or more board meetings	2020	35%	73%	28%	19%	69%
	2019	35%	73%	20%	32%	47%
Mean % of board meetings that reviewed risk exposure	2020	84%	82%	87%	76%	96%
	2019	77%	98%	78%	68%	92%

4.3 Administration and record-keeping

Around half of schemes (53%) used an external administrator. This included 32% where the administration was undertaken by another public body under a shared service agreement or outsource contract and 21% where the administration was outsourced to a commercial third party.

Most of the remainder (45%) were administered in-house, with 2% using some other form of administration arrangement.

Figure 4.3.1 Scheme administration arrangements



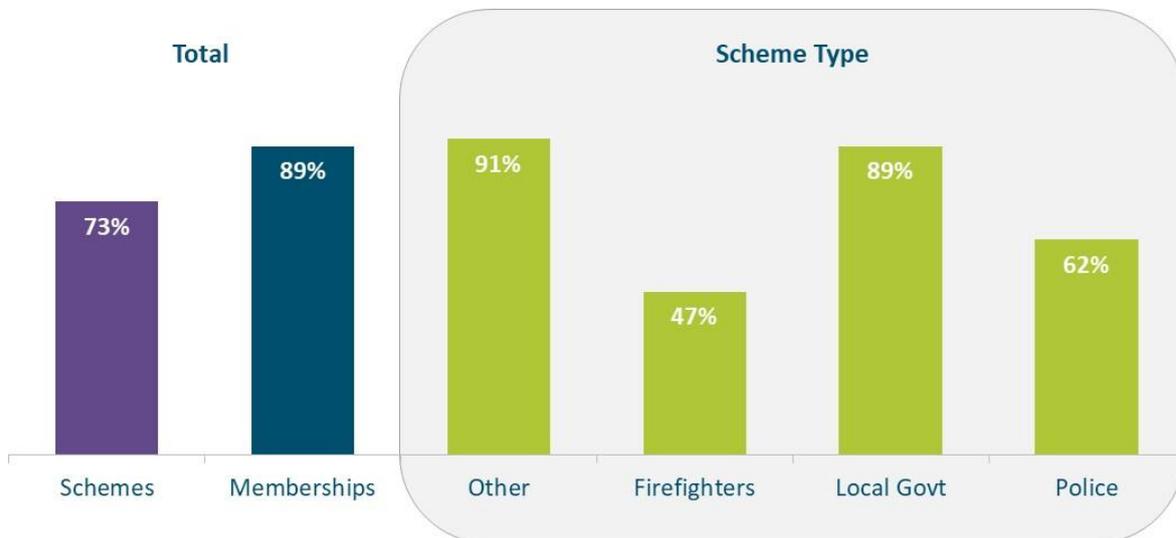
All respondents (Base, Don't know, Did not answer question) - Schemes (193, 0%, 0%), Memberships (193, 0%, 0%), Other (11, 0%, 0%), Firefighters (47, 0%, 0%), Local Govt (93, 0%, 0%), Police (42, 0%, 0%)

There was some variation by scheme type in terms of the administration arrangements. Approaching three-quarters (71%) of Local Government schemes undertook scheme administration in-house, whereas Firefighters' and Police schemes were more likely to outsource it (79% and 83% respectively). Of the latter groups, Firefighters' schemes tended to outsource administration to another public body whereas Police schemes were more likely to use a commercial third party.

Schemes that used an in-house administrator were asked whether they were likely to outsource any aspect of scheme administration in the next three years. Overall, 7% of this group indicated they expected to do so, with 2% planning to outsource to another public body and 2% to a commercial third party (with the remainder unsure as to who they would outsource administration to).

As shown in Figure 4.3.2, almost three-quarters (73%) of schemes had an administration strategy. This was highest among 'Other' (91%) and Local Government (89%) schemes. Overall, 89% of all memberships were in a scheme which had an administration strategy.

Figure 4.3.2 Proportion of schemes with an administration strategy



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 6%, 0%), Memberships (193, 1%, 0%), Other (11, 0%, 0%), Firefighters (47, 2%, 0%), Local Govt (93, 0%, 0%), Police (42, 24%, 0%)

The proportion of Firefighters' and Police schemes with an administration strategy was lower than in 2019 (-10 and -14 percentage points respectively), whereas there was an increase among Local Government schemes (+5 percentage points).

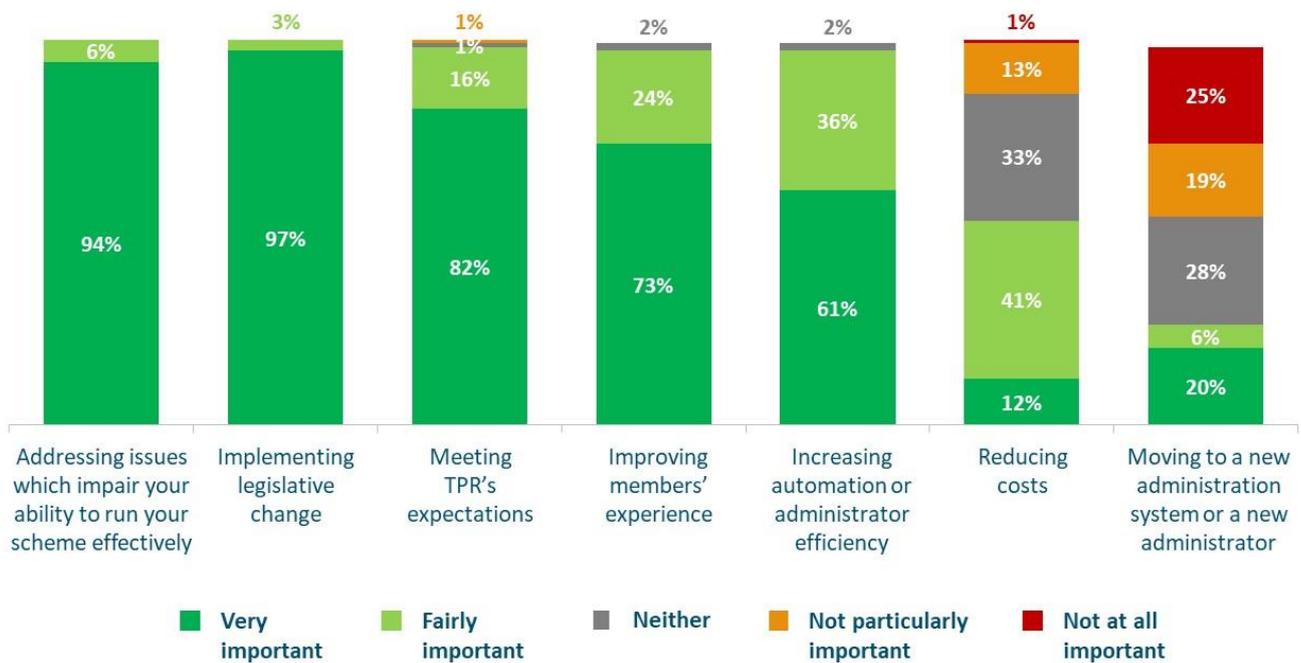
Table 4.3.1 Proportion of schemes with an administration strategy – Time series

	Total schemes	Scheme Type			
		Other	Firefighters	Local Govt	Police
PSPS Survey 2020-21	73%	91%	47%	89%	62%
PSPS Survey 2019	76%	91%	57%	84%	76%

Schemes were asked about the importance of a number of administration objectives, as summarised in Figure 4.3.3. Addressing issues which impaired their ability to run the scheme, implementing legislative change, meeting TPR's expectations, improving members' experience and increasing automation or administrator efficiency were all seen as very or fairly important objectives by the vast majority of schemes (97-100%).

In comparison, schemes were typically less focussed on reducing costs (53% very/fairly important) or moving to a new administration system or a new administrator (26% very/fairly important).

Figure 4.3.3 Administration objectives



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 0-2%, 0-1%)

Results were similar across the various types of scheme, although 'Other' schemes were comparatively more likely to view reducing costs (82%) and moving to a new administrator or administration system (45%) as important.

Table 4.3.2 Proportion rating each administration objective as very/fairly important – by scheme type

	Scheme Type			
	Other	Fire-fighters	Local Govt	Police
<i>Base: All respondents</i>	11	47	93	42
Addressing issues which impair your ability to run your scheme effectively	100%	100%	100%	100%
Implementing legislative change	100%	98%	100%	100%
Meeting TPR's expectations	91%	98%	99%	100%
Improving members' experience	100%	98%	98%	95%
Increasing automation or administrator efficiency	100%	91%	99%	100%
Reducing costs	82%	57%	49%	48%
Moving to a new administration system or a new administrator	45%	30%	18%	36%

Most schemes (85%) included administration as a dedicated item on the agenda at every pension board meeting held in the previous 12 months. A further 6% covered it in at least half of their board meetings, 4% did so at fewer than half of their meetings and 4% never included it on the agenda.

Figure 4.3.4 Proportion of pension board meetings held in last 12 months that had administration as a dedicated item on the agenda



Base: All that held any board meetings in the last 12 months (Base, Don't know, Did not answer question) - Schemes (191, 0%, 2%), Memberships (191, 0%, 6%), Other (11, 0%, 9%), Firefighters (46, 0%, 4%), Local Govt (92, 0%, 0%), Police (42, 0%, 2%)

Coverage of administration at board meetings has increased over the last two years, with 76% doing this at every board meeting in the 2018 survey, 81% in the 2019 survey and 85% in the 2020-21 survey. This increase was driven by Local Government and Police schemes (+12 and +18 percentage points respectively since 2018).

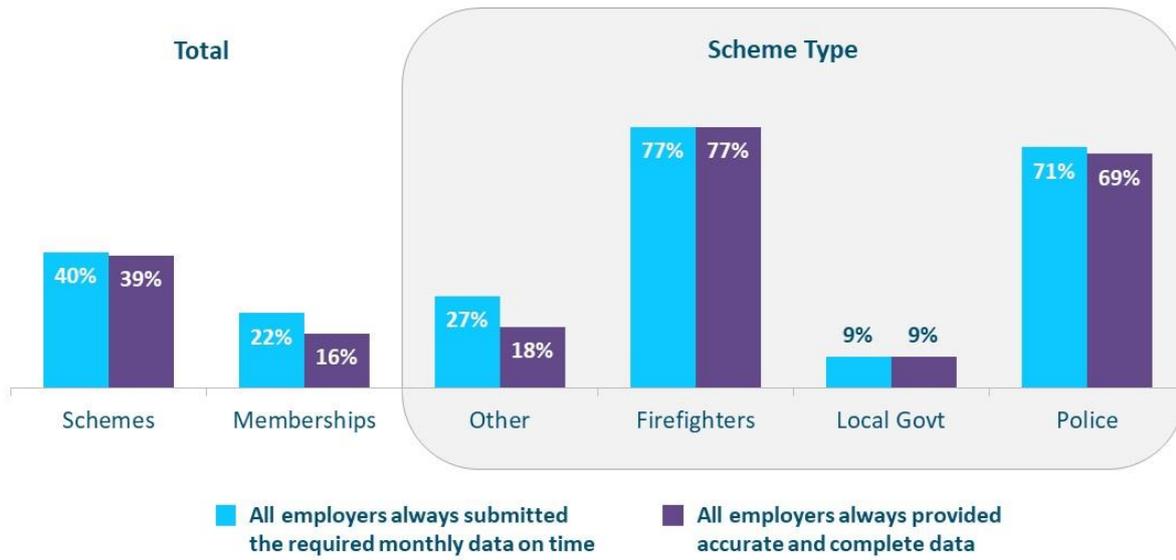
Table 4.3.3 Proportion of schemes that had administration on the agenda at every board meeting in last 12 months - Time series

	Total schemes	Scheme Type			
		Other	Firefighters	Local Govt	Police
PSPS Survey 2020-21	85%	91%	80%	83%	93%
PSPS Survey 2019	81%	100%	84%	76%	84%
PSPS Survey 2018	76%	100%	80%	71%	75%

Schemes were asked the extent to which, in the last 12 months, the employer(s) had submitted the data required each month on time and had provided accurate and complete data. Single employer schemes were asked whether their participating employer always did this, whereas multi-employer schemes were asked to give the proportion of their employers that always did this. The analysis in Figure 4.3.5 combines the results from both questions.

Overall, 40% of schemes reported that all their employers had always provided the required monthly data on time, and a similar proportion (39%) reported that all their employers had always provided accurate and complete data. However, this differed by scheme type and was lower among 'Other' (27% and 18%) and Local Government (9% and 9%) schemes, which are typically multi-employer.

Figure 4.3.5 Proportion of schemes where all employers had always submitted the data required each month on time and had always provided accurate and complete data in the last 12 months



All respondents (Base, Don't know on time, Did not answer on time, Don't know accurate/complete, Did not answer accurate/complete) - Schemes (193, 9%, 1%, 9%, 2%), Memberships (193, 4%, 0%, 4%, 1%), Other (11, 0%, 0%, 0%, 0%), Firefighters (47, 6%, 2%, 6%, 2%), Local Govt (93, 9%, 1%, 9%, 2%), Police (42, 14%, 0%, 14%, 0%)

Although 'Other' and Local Government schemes were less likely to report that all their employers had submitted data on time and had provided accurate and complete data, the average proportion of employers doing so was broadly similar across the different scheme types (Table 4.3.4). Overall, an average of 87% of scheme employers always provided the required data on time and 85% always provided accurate and complete data in the last 12 months.

Table 4.3.4 Mean proportion of employers that always submitted the data required each month on time and always provided accurate and complete data in the last 12 months

	Total		Scheme Type			
	Schemes	Memberships	Other	Firefighters	Local Govt	Police
<i>Base: All respondents</i>	193	193	11	47	93	42
Mean % of employers that always submitted required monthly data on time	87%	88%	89%	84%	86%	91%
Mean % of employers that always provided accurate and complete data	85%	84%	84%	84%	85%	89%

Table 4.3.5 shows that there was no change since 2019 in the overall proportion of schemes reporting that all their employers always submitted the required data on time and always provided accurate and complete data. The mean proportions of employers doing this were also consistent with 2019.

However, there were some changes at a scheme type level; 'Other' and Local Government schemes were more likely to report that all employers had submitted data on time (+9 and +4 percentage points respectively), whereas Firefighters' schemes were less likely to report this than in 2019 (-9 percentage points). The proportion of Local Government schemes reporting that all employers provided accurate and complete data also increased (+7 percentage points).

Table 4.3.5 Provision of on time, accurate and complete data by employers – Time series

	Survey	Total		Scheme Type			
		Schemes	Member-ships	Other	Fire-fighters	Local Govt	Police
All employers (100%) always submitted the required monthly data on time	2020-21	40%	22%	27%	77%	9%	71%
	2019	40%	15%	18%	86%	5%	71%
	2018	42%	16%	18%	80%	6%	82%
Mean % of employers that always submitted the required monthly data on time	2020-21	87%	88%	89%	84%	86%	91%
	2019	88%	86%	87%	87%	85%	96%
	2018	87%	85%	86%	95%	81%	92%
All employers (100%) always provided accurate and complete data	2020-21	39%	16%	18%	77%	9%	69%
	2019	37%	13%	18%	80%	2%	69%
	2018	39%	15%	18%	72%	4%	82%
Mean % of employers that always provided accurate and complete data	2020-21	85%	84%	84%	84%	85%	89%
	2019	84%	82%	83%	82%	80%	96%
	2018	84%	82%	84%	89%	79%	90%

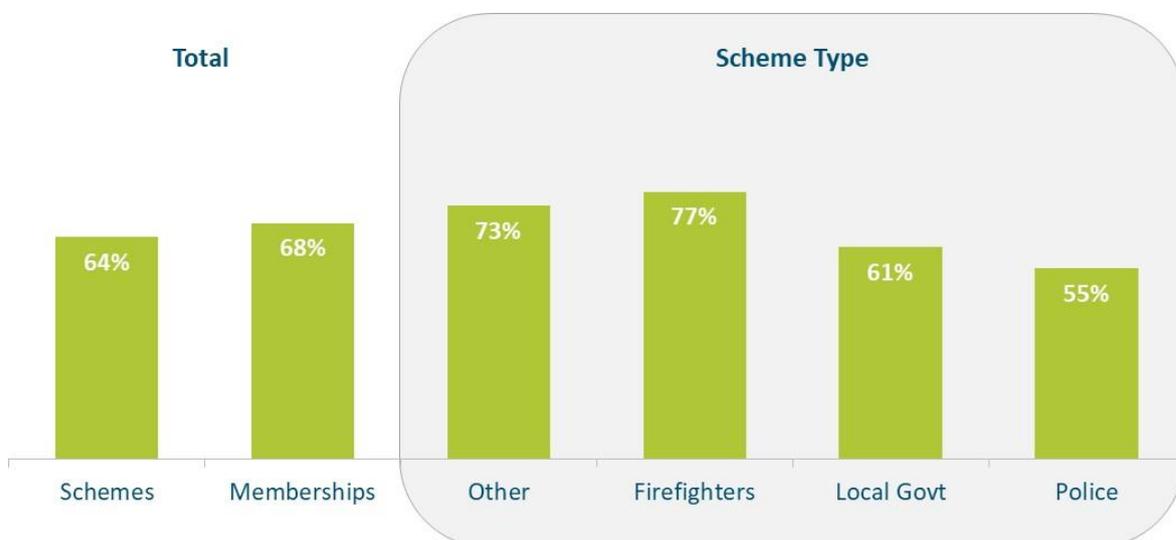
As detailed in Table 4.3.6, the proportions of employers that always provided on time, accurate and complete data were much lower for multi-employer schemes than single employer ones. Among multi-employer schemes, 9% said that all their employers always submitted data on time and the same proportion said that all their employers always provided accurate and complete data (compared with 85% and 83% respectively for single employer schemes).

Table 4.3.6 Provision of on time, accurate and complete data by employers – by single and multi-employer schemes

	Single employer schemes	Multi-employer schemes
<i>Base: All respondents</i>	78	115
All employers (100%) always submitted the required monthly data on time	85%	9%
All employers (100%) always provided accurate and complete data	83%	9%

Schemes were also asked the extent to which the employer(s) had submitted data electronically in the last 12 months. Single employer schemes were asked whether their participating employer had submitted all, some or no data electronically, and multi-employer schemes were asked to give the proportion of their employers that had provided all, some and no data electronically. The results for both groups have been combined in the analysis below.

Approaching two-thirds (64%) of schemes reported that all their employers had submitted all data electronically in the last 12 months. This applied to around three-quarters of Firefighters' (77%) and 'Other' (73%) schemes but was lower for Local Government (61%) and Police (55%) schemes.

Figure 4.3.6 Proportion of schemes where all employers had submitted all data electronically in the last 12 months

All respondents (Base, Don't know, Did not answer) - Schemes (193, 6%, 1%), Memberships (193, 3%, 0%), Other (11, 0%, 0%), Firefighters (47, 2%, 2%), Local Govt (93, 6%, 0%), Police (42, 10%, 0%)

Table 4.3.7 shows that, on average, 80% of scheme employers submitted all data electronically in the last 12 months, 17% submitted some data electronically and 4% did not submit any data electronically. The mean proportion of employers submitting all data electronically was lowest for Police schemes (61%).

Table 4.3.7 Mean proportion of employers that submitted data electronically in the last 12 months

	Total		Scheme Type			
	Schemes	Memberships	Other	Fire-fighters	Local Govt	Police
<i>Base: All respondents</i>	193	193	11	47	93	42
Mean % of employers that submitted all data electronically	80%	89%	91%	80%	87%	61%
Mean % of employers that submitted some data electronically	17%	9%	8%	16%	8%	39%
Mean % of employers that submit no data electronically	4%	3%	1%	4%	6%	0%

As detailed in Table 4.3.6, there was little difference in the proportions of single and multi-employer schemes who reported that all employers submitted all data electronically.

Table 4.3.8 Proportion of schemes where all employers had submitted all data electronically in the last 12 months – by single and multi-employer schemes

	Single employer schemes	Multi-employer schemes
<i>Base: All respondents</i>	78	115
All employers (100%) submitted all data electronically	69%	61%

No comparative data is available from previous years due to changes in the way that this data was captured in the 2020-21 survey.

4.4 Cyber security

Schemes were asked whether they had 14 specific controls in place to protect their data and assets from cyber risk. Overall, 90% had at least half of these controls in place, an increase from 82% in 2019.

Table 4.4.1 Proportion of schemes with controls to protect their data and assets from ‘cyber risk’ – Time series

	Survey	
	2020-21	2019
<i>Base: All respondents</i>	193	202
System controls (e.g. firewalls, anti-virus/malware, software updates)	95%	90%
Controls restricting access to systems and data	93%	89%
Critical systems and data regularly backed up	93%	88%
Policies on the acceptable use of devices, passwords/other authentication and on home/mobile working	91%	87%
Policies on data access, protection, use and transmission in line with data protection legislation and guidance	90%	87%
Cyber risk is on the risk register and regularly reviewed	86%	84%
Scheme manager assured themselves of third party providers’ controls	83%	71%
Access to specialist skills and expertise to understand and manage risk	74%	68%
Incident response plan to deal with any incidents which occur	71%	71%
Roles and responsibilities on cyber resilience clearly defined and documented	69%	65%
Assessment of vulnerability to a cyber incident of key functions, systems, assets and parties involved in running the scheme	68%	63%
Assessment of likelihood of different types of breaches occurring	65%	53%
Scheme manager receives regular updates on cyber risks, incidents and controls	62%	52%
Pension board receives regular updates on cyber risks, incidents and controls	56%	49%
None of these	0%	0%
Net: At least half of these cyber controls in place (7+)	90%	82%
Mean number of cyber controls in place	11	10
Don’t know	1%	4%
Did not answer question	0%	1%

The most common types of cyber protection were system controls such as firewalls, anti-virus products and regular software updates (95%), controls restricting access to systems and data (93%), regular back-ups of critical systems and data (93%), policies on acceptable use of devices, passwords, other authentication and home and mobile working (91%) and policies on data access, protection, use and transmission in line with data protection legislation and guidance (90%).

Schemes were least likely to say that the pension board or scheme received regular updates on cyber risks, incidents and controls (56% and 62% respectively).

For 11 of the 14 cyber controls, the proportion of schemes with these in place was higher than in 2019⁷. The greatest increases were seen for the scheme manager assuring themselves of third party providers' controls (+12 percentage points), assessment of the likelihood of different types of breaches occurring (+12 percentage points) and the scheme manager receiving regular updates (+10 percentage points). The only controls where there was not an increase since 2019 were cyber risk being included on the risk register and regularly reviewed, schemes having an incident response plan, and roles and responsibilities on cyber resilience being clearly defined and documented.

Table 4.4.2 shows 34% of schemes had experienced some kind of cyber breach or attack in the previous 12 months, a decrease from 42% in 2019. These incidents typically involved staff receiving fraudulent emails or being directed to fraudulent websites (29%).

Table 4.4.2 Proportion of schemes experiencing any cyber security breaches or attacks in last 12 months (including at their administration provider) – Time series

	Survey	
	2020-21	2019
<i>Base: All respondents</i>	193	202
Staff receiving fraudulent emails or being directed to fraudulent websites	29%	33%
People impersonating scheme in emails or online	7%	8%
Computers becoming infected with other viruses, spyware or malware	2%	1%
Attacks that try to take down website or online services	2%	10%
Unauthorised use of computers, networks or servers by staff, even if accidental	2%	1%
Unauthorised use or hacking of computers, networks or servers by people outside scheme	1%	3%
Computers becoming infected with ransomware	1%	0%
Hacking or attempted hacking of online bank accounts	0%	0%
Any other types of cyber security breaches or attacks	7%	4%
None of these	60%	49%
Net: Any cyber incidents reported in last 12 months	34%	42%
Don't know	5%	8%
Did not answer question	2%	1%

⁷ The increases shown in Table 4.4.1 were statistically significant for all controls except 'Cyber risk is on risk register & regularly reviewed', 'Incident response plan to deal with any incidents which occur', and 'Roles and responsibilities on cyber resilience clearly defined and documented'.

Those schemes that had experienced any cyber breaches or attacks in the previous 12 months were asked what, if anything, had happened as a result. Most (92%) said that there had been no impact but 5% reported a negative impact. This equates to 2% of all public service schemes (i.e. including those that did not experience any cyber incidents or breaches), a decrease from the 6% seen in the 2019 survey.

The negative impacts reported were money being stolen (3%), permanent loss of files (2%), temporary loss of access to files or networks (2%), the scheme's website or online services being taken down or made slower (2%) and personal data being altered, destroyed or taken (1%).

Table 4.4.3 Impact of cyber security breaches or attacks experienced in last 12 months

	Survey	
	2020-21	2019
<i>Base: All experiencing cyber security breaches or attacks</i>	65	84
Money stolen	3%	1%
Permanent loss of files (other than personal data)	2%	0%
Temporary loss of access to files or networks	2%	2%
Website or online services taken down or made slower	2%	5%
Personal data altered, destroyed or taken	1%	1%
Software or systems corrupted or damaged	0%	0%
Lost or stolen assets, trade secrets or intellectual property	0%	0%
Lost access to any third-party services relied on	0%	10%
None of these	92%	81%
Net: Any impact reported in last 12 months	5%	15%
Don't know	2%	1%
Did not answer question	2%	2%

Table 4.4.4 provides a summary based on memberships. Overall, 96% of memberships were in a scheme that had at least half of the cyber controls in place, an increase from 92% in 2019.

Almost half (47%) of memberships were in a scheme that had experienced any cyber breaches or attacks in the previous 12 months (an increase from 40% in 2019). However, there was a fall in the proportion of memberships that were in a scheme which reported a negative impact of any cyber incidents (12% of those in a scheme that had experienced breaches or attacks, compared with 21% in 2019).

Table 4.4.4 Summary of cyber controls and breaches/attacks by memberships – Time series

	Survey	Total memberships
Proportion with at least half of the cyber risk controls in place (i.e. 7 or more) <i>(All schemes)</i>	2020-21	96%
	2019	92%
Proportion experiencing any cyber breaches/attacks in last 12 months <i>(All schemes)</i>	2020-21	47%
	2019	40%
Proportion reporting any impact of cyber breaches/attacks in last 12 months <i>(All experiencing breaches/attacks)</i>	2020-21	12%
	2019	21%

Schemes that had experienced any cyber security breaches or attacks in the last 12 months were also asked if they had reported these to various organisations or people. A fifth (20%) had reported the breaches or attacks to any of these parties, and this was typically to the pension board (14%) and/or scheme members (8%).

All three of the schemes that experienced a negative impact from a cyber breach/attack reported this to their pension board, two reported it to the ICO, one to TPR and one to members.

Table 4.4.5 Proportion of schemes reporting cyber breaches or attacks

	Total schemes
<i>Base: All who experienced any cyber security breaches/attacks</i>	65
The pension board	14%
Members of your scheme	8%
Information Commissioners Office	3%
TPR	1%
None of these	71%
Net: Reported to any of these	20%
Don't know	5%
Did not answer question	5%

Schemes who had experienced any cyber breaches or attacks in the last 12 months and had an incidence response plan (IRP) were asked if any of the breaches/attacks had triggered the IRP. Of the 52 schemes that this applied to, 11% stated that their IRP had been triggered.

The six schemes that had triggered their IRP all judged this to have been very or fairly effective, and four of them had subsequently made changes to their IRP as a result of this experience.

4.5 Annual benefit statements

In 2020, three-quarters (74%) of schemes sent active members their annual benefit statements by post. The next most common method was via a digital online portal with notification by email (49%). Almost half of schemes (44%) sent out statements by more than one method.

Table 4.5.1 Methods used to send active members their annual benefit statements in 2020

	Total		Scheme Type			
	Schemes	Memberships	Other	Fire-fighters	Local Govt	Police
<i>Base: All respondents</i>	193	193	11	47	93	42
By post	74%	83%	82%	72%	87%	45%
Via a digital online portal, with notification by email	49%	37%	27%	34%	52%	64%
Via a digital online portal, with no notification	15%	28%	36%	9%	16%	14%
Via a digital online portal, with notification by letter	11%	5%	0%	9%	14%	10%
Other ways	9%	19%	27%	6%	5%	17%
Used more than one method	44%	53%	55%	28%	51%	45%

On average, 46% of each scheme's active members were sent their statements by post and 36% via an online portal with email notification. Most of the remainder also received their statements via an online portal, either with no notification (9%) or with notification by letter (5%).

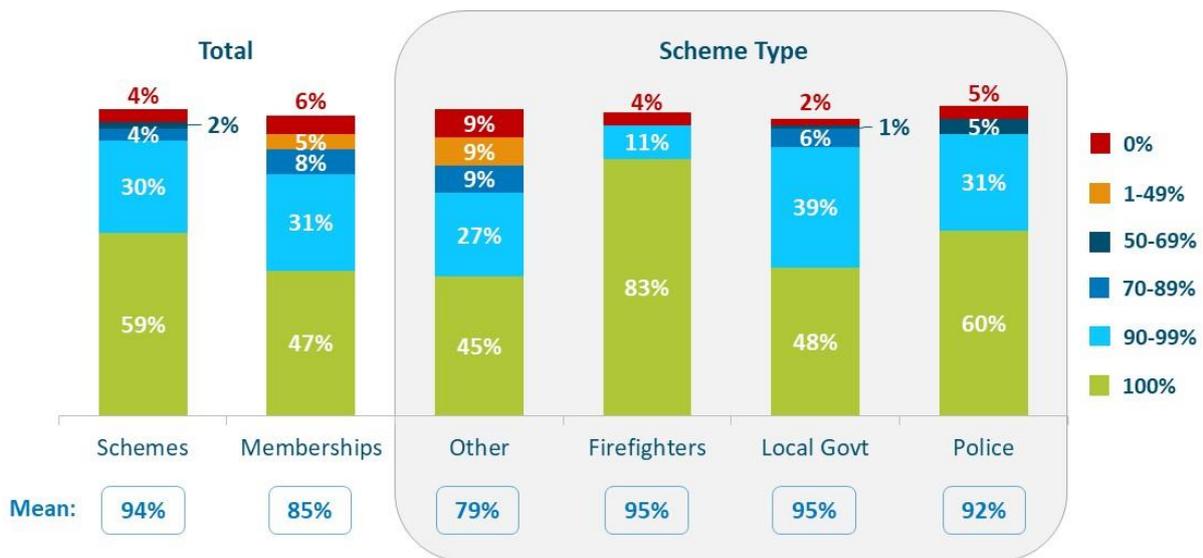
Table 4.5.2 Mean proportion of active members sent their annual benefit statements via each method in 2020

	Total		Scheme Type			
	Schemes	Memberships	Other	Fire-fighters	Local Govt	Police
<i>Base: All respondents</i>	193	193	11	47	93	42
By post	46%	51%	55%	63%	47%	21%
Via a digital online portal, with notification by email	36%	20%	10%	28%	36%	53%
Via a digital online portal, with no notification	9%	20%	27%	5%	9%	10%
Via a digital online portal, with notification by letter	5%	3%	0%	5%	7%	3%
Other ways	6%	6%	7%	6%	3%	12%

Over half of schemes (59%) reported that all of their active members had received their annual benefit statement (ABS) by the statutory deadline in 2020.

The mean proportion of each scheme’s active members that received their statement by the deadline was 94%. When the data is weighted to reflect the number of memberships in each scheme, this shows that 85% of all active members received their ABS by the deadline.

Figure 4.5.1 Proportion of active members receiving annual benefit statement by statutory deadline in 2020



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 2%, 0%), Memberships (193, 1%, 0%), Other (11, 0%, 0%), Firefighters (47, 2%, 0%), Local Govt (93, 3%, 0%), Police (42, 0%, 0%)

Firefighters’ schemes were most likely to have met the ABS deadline for all their active members in 2020 (83%), followed by Police schemes (60%). This proportion was lower for ‘Other’ (45%) and Local Government (48%) schemes, both of which are primarily multi-employer schemes and typically have a greater number of memberships.

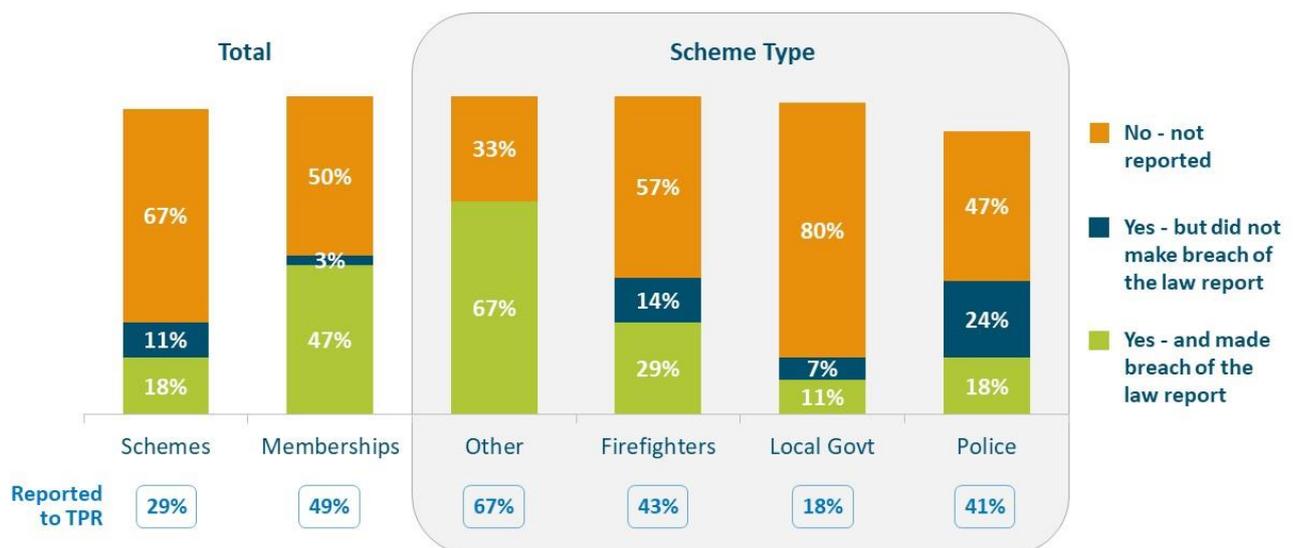
The mean proportion of active members receiving their statement by the deadline was also lower for ‘Other’ schemes (79% vs. 92-95% for other scheme types).

As shown in Table 4.5.3, the mean percentage of active members who received their ABS by the deadline was similar in each of the last three years (94-95%). However, the proportion of schemes that met the deadline for all their active members increased since 2019 (from 53% to 59%), although this was still lower than in 2018 (66%). This change from 2019 was driven by an increase among Firefighters’ scheme (+16 percentage points).

Table 4.5.3 Proportion of active members receiving annual benefit statement by statutory deadline – Time series

	Survey	Total schemes	Scheme Type			
			Other	Firefighters	Local Govt	Police
Mean	2020-21	94%	79%	95%	95%	92%
	2019	95%	80%	98%	96%	90%
	2018	95%	96%	97%	93%	95%
100% received by deadline	2020-21	59%	45%	83%	48%	60%
	2019	53%	45%	67%	44%	60%
	2018	66%	55%	78%	56%	75%

The schemes that missed the ABS deadline for any of their active members were asked whether they reported this to TPR. Overall, 29% of this group had done so, with 18% making a breach of the law report.

Figure 4.5.2 Proportion of schemes reporting to TPR that they missed the deadline for issuing active member statements

All where deadline was missed for any active members (Base, Don't know, Did not answer question) - Schemes (75, 3%, 1%), Memberships (75, 0%, 1%), Other (6, 0%, 0%), Firefighters (7, 0%, 0%), Local Govt (45, 0%, 2%), Police (17, 12%, 0%) – **Caution: Low base sizes for individual scheme types**

Two-thirds (67%) of 'Other' schemes that missed the deadline reported this to TPR, with all of these making a breach of the law report. This fell to 43% of Firefighters', 41% of Police and 18% of Local Government schemes. However, this analysis is based only on a small number of interviews due to the low number of schemes that missed the ABS deadline for any of their active members.

As detailed in Table 4.5.4, fewer schemes who missed the ABS deadline reported this to TPR than in 2019 (29%, compared with 42% in 2019).

Table 4.5.4 Proportion of schemes reporting to TPR that they missed the deadline for issuing active member statements – Time series

	Total schemes	Scheme Type			
		Other	Firefighters	Local Govt	Police
PSPS Survey 2020-21	29%	67%	43%	18%	41%
PSPS Survey 2019	42%	83%	75%	30%	33%
PSPS Survey 2018	34%	80%	11%	33%	40%

The majority (62%) of the schemes that did not report the missed deadline to TPR indicated that this was because it was not considered material as few statements were affected. A further 28% stated that it was not material as there was a very short delay, 4% indicated it was due to the COVID-19 situation and 4% did not report it because it was due to delays or queries by the employer.

As detailed in Figure 4.5.3, 92% of schemes reported that all the annual benefit statements they sent out to members in 2020 contained all the data required by regulations. The mean was 99%. Both of these were unchanged from 2019.

Figure 4.5.3 Proportion of annual benefit statements sent out in 2020 that contained all data required by regulations

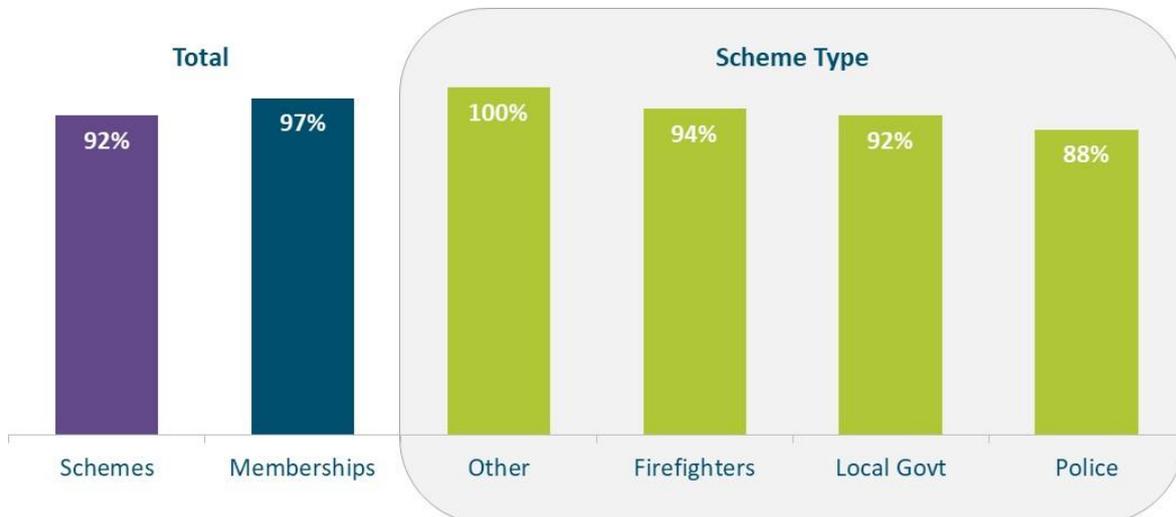


All respondents (Base, Don't know, Did not answer question) - Schemes (193, 2%, 1%), Memberships (193, 1%, 0%), Other (11, 0%, 0%), Firefighters (47, 2%, 2%), Local Govt (93, 3%, 0%), Police (42, 0%, 0%)

4.6 Resolving issues

The majority (92%) of schemes had a working definition of what constitutes a complaint, and this was the case for every 'Other' scheme (100%).

Figure 4.6.1 Proportion of schemes with working definition of a complaint



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 2%, 1%), Memberships (193, 1%, 0%), Other (11, 0%, 0%), Firefighters (47, 0%, 2%), Local Govt (93, 1%, 0%), Police (42, 7%, 0%)

The proportion with a working definition of a complaint increased from 85% in 2019 to 92% in the 2020-21 survey. This was driven by increases for both Firefighters' and Local Government schemes (+12 and +10 percentage points respectively).

Table 4.6.1 Proportion of schemes with working definition of a complaint – Time series

	Total schemes	Scheme Type			
		Other	Firefighters	Local Govt	Police
PSPS Survey 2020-21	92%	100%	94%	92%	88%
PSPS Survey 2019	85%	100%	82%	82%	91%
PSPS Survey 2018	86%	91%	83%	85%	91%

Schemes were asked to provide details of the number of complaints they had received in the previous 12 months. This data has been used to estimate the total number of complaints received by public service schemes and show the number of complaints per 1,000 members, as set out in Table 4.6.2.

Overall, an estimated 10,466 complaints were made to public service schemes in the previous 12 months, equating to 0.6 complaints per 1,000 members. This was a similar ratio to that seen in the 2019 survey (0.7).

Firefighters' and 'Other' schemes were proportionally most likely to generate complaints, receiving 1.0 and 0.7 complaints per 1,000 members respectively.

In comparison, Police schemes received 0.4 and Local Government schemes received 0.3 complaints per 1,000 members.

Table 4.6.2 Estimated total complaints received in last 12 months

	Total schemes	Scheme Type			
		Other	Firefighters	Local Govt	Police
Total memberships	18,360,832	11,058,653	123,431	6,791,973	386,775
Mean number of complaints	52	744	2	21	3
Total complaints (grossed up)	10,466	8,185	124	2,020	138
Share of all memberships	100%	60%	1%	37%	2%
Share of all complaints	100%	78%	1%	19%	1%
Complaints per 1,000 members	0.6	0.7	1.0	0.3	0.4

Schemes were also asked to provide details of the number of complaints entering and upheld by their Internal Dispute Resolution (IDR) process in the previous 12 months. Table 4.6.3 shows this data, presented as the proportion of all complaints received in the last 12 months. On average, 50% of all complaints entered the IDR process and 22% of these were subsequently upheld.

Table 4.6.3 Proportion of complaints that entered the IDR process and proportion upheld in the last 12 months

	Total schemes	Scheme Type			
		Other	Firefighters	Local Govt	Police
Proportion of complaints that entered the IDR process (mean)	50%	50%	77%	39%	54%
Proportion of those complaints entering the IDR process that were upheld (mean)	22%	34%	25%	22%	14%

Complaints made to Firefighters' schemes were most likely to enter the IDR process (77% respectively), whereas this was least likely to happen in Local Government schemes (39%). The proportion of complaints that were upheld by the IDR process was highest for 'Other' schemes (34%) and lowest for Police schemes (14%).

As detailed in Table 4.6.4, the most common types of complaints that entered the IDR process related to eligibility for ill health benefit (46%), followed by disputes or queries about the amount of benefit paid (39%), inaccuracies or disputes around pension value or definitions (23%) and delay or refusal of pension transfer (18%).

Eligibility for ill health benefit was the most common type of complaint that entered the IDR process for Local Government schemes (68%), whereas this was mentioned by comparatively few Police schemes (5%). For 'Other'

schemes the most common complaint was inaccurate data held or statements issued (50%), for Firefighters' schemes it was disputes or queries about the amount of benefit paid (45%), and this was also the top complaint among Police schemes (24%) along with inaccuracies or disputes around pension value or definitions (24%).

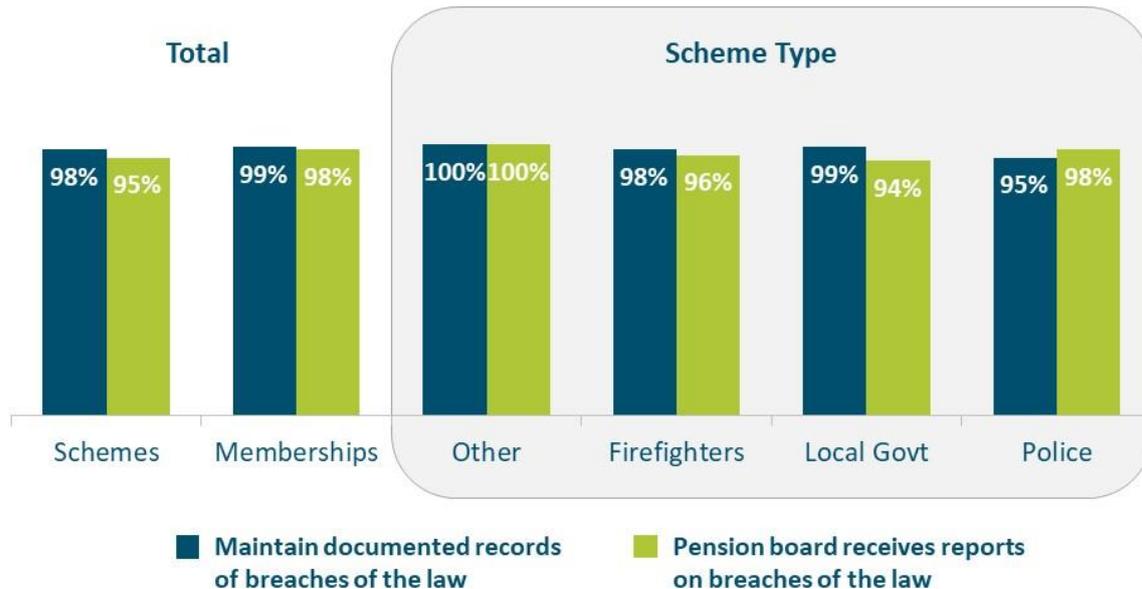
Table 4.6.4 Most common types of complaints entering IDR process in the last 12 months

Top Mentions (5%+ at total level)	Total schemes	Scheme Type			
		Other	Fire-fighters	Local Govt	Police
<i>Base: All with complaints entering the IDR process in last 12 months</i>	136	10	29	76	21
Eligibility for ill health benefit	46%	40%	21%	68%	5%
Disputes or queries about the amount of benefit paid	39%	40%	45%	41%	24%
Inaccuracies or disputes around pension value or definitions	23%	20%	24%	22%	24%
Delay or refusal of pension transfer	18%	10%	7%	24%	19%
Delays to benefit payments	14%	20%	14%	14%	10%
Slow or ineffective communication	12%	10%	0%	18%	10%
Inaccurate data held and/or statement issued	12%	50%	0%	11%	14%
Pension overpayment and recovery	12%	40%	17%	4%	19%
Don't know	5%	10%	3%	3%	14%
Did not answer question	0%	0%	0%	0%	0%

4.7 Reporting breaches

The vast majority of schemes maintained documented records of any breaches of the law identified (98%) and indicated that the pension board received reports on any such breaches (95%). In both cases this applied to 100% of 'Other' schemes.

Figure 4.7.1 Proportion of schemes maintaining documented records of any breaches of the law and providing the pension board with reports on any breaches of the law identified



All respondents (Base, Don't know if maintain documented records, Did not answer if maintain documented records, Don't know if pension board receives reports, Did not answer if pension board receives reports) - Schemes (193, 2%, 0%, 0%, 0%), Memberships (193, 0%, 0%, 1%, 0%), Other (11, 0%, 0%, 0%, 0%), Firefighters (47, 2%, 0%, 2%, 0%), Local Govt (93, 0%, 0%, 2%, 0%), Police (42, 5%, 0%, 2%, 0%)

Of those that maintained documented records of breaches of the law, 95% indicated that these included the decision taken on whether to report the breach to TPR. Again, this applied to all 'Other' schemes (100%).

Table 4.7.1 Proportion of schemes where the documented records on breaches of the law include the decision taken on whether to report it to TPR

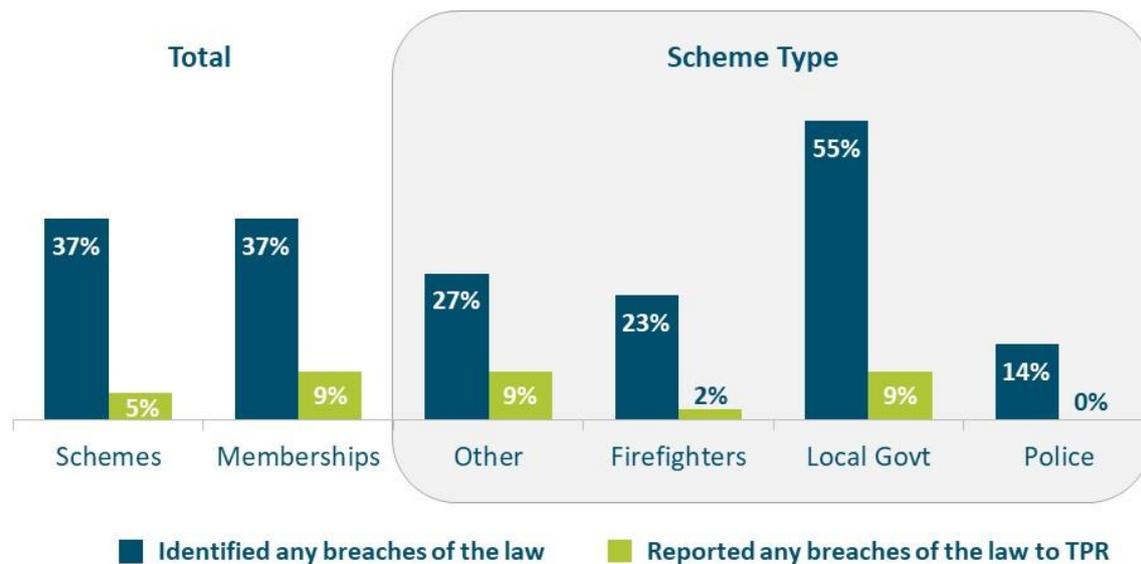
	Total		Scheme Type			
	Schemes	Memberships	Other	Firefighters	Local Govt	Police
<i>Base: All maintaining records of breaches of the law</i>	189	189	11	46	92	40
Records include decision on whether to report the breach to TPR	95%	97%	100%	98%	91%	98%

The survey also captured data on the proportion of schemes that had identified any breaches of the law and had reported any breaches to TPR in the previous 12 months, as summarised in Figure 4.7.2. For these questions, schemes were asked to exclude any breaches of the law relating to annual benefit statements.

Over a third of schemes (37%) had identified non-annual benefit statement breaches of the law in the previous 12 months, and 5% had reported breaches to TPR in this period as they thought they were materially significant. This means that 14% of those schemes that identified breaches in the last 12 months had reported them to TPR.

The proportion identifying breaches in the previous 12 months was highest for Local Government schemes (55%) and lowest for Police schemes (14%). 'Other' schemes were proportionally most likely to have reported any breaches of the law to TPR; 27% had identified any breaches and a third of these (9% overall) had reported them. In contrast, no Police schemes had reported any breaches of the law to TPR in the last 12 months.

Figure 4.7.2 Proportion of schemes that identified breaches of the law and reported any breaches to TPR in last 12 months (excluding those relating to annual benefit statements)



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 1%, 0%), Memberships (193, 0%, 0%), Other (11, 0%, 0%), Firefighters (47, 0%, 0%), Local Govt (93, 1%, 0%), Police (42, 0%, 0%)

Larger schemes were more likely to have identified non-ABS breaches than smaller schemes; 56% of those with over 30,000 memberships had done so in the previous 12 months, compared with 37% of those with 5,001-30,000 memberships and 15% of those with 5,000 or fewer memberships. The proportion reporting breaches to TPR followed a broadly similar pattern with 10% of those with over 30,000 memberships reporting a breach, compared with 3% of those with 5,001-30,000 memberships and 2% of those with 5,000 or fewer memberships.

Where breaches of the law were identified, they were most commonly attributed to the scheme's employers. A third (31%) of those identifying breaches stated that these were caused by late or non-payment of contributions by the employer(s), 28% cited failure of the employer(s) to provide timely, accurate or complete data and a further 11% mentioned other employer-related issues.

Aside from employer-related issues, the most common causes of breaches of the law were systems or process failure (28%), management of transactions (28%) and failure to maintain records or rectify errors (21%).

Table 4.7.2 Causes of breaches of the law identified (excluding those relating to annual benefit statements)

	Total	
	Schemes	Memberships
<i>Base: All identifying breaches of the law (not related to ABS)</i>	71	71
Late or non-payment of contributions by the employer(s)	31%	37%
Failure of the employer(s) to provide timely, accurate or complete data	28%	34%
Systems or process failure	28%	30%
Management of transactions (e.g. errors or delays in payment of benefits)	28%	29%
Failure to maintain records or rectify errors	21%	10%
Other employer-related issues ⁸	11%	8%
Other ⁹	28%	32%
Don't know	0%	0%
Did not answer question	0%	0%

⁸ Schemes were asked to provide details or any 'other employer-related issues' and the most common were employer failure to meet the required timescales (4%) and employer data protection breaches (4%).

⁹ The most widely mentioned 'other' reasons were Failure to meet required timescales (13%), Data protection breaches (6%)

4.8 Addressing governance and administration issues

All schemes were asked to identify the top three barriers to improving their governance and administration over the next 12 months.

The most widely mentioned were the remediation process (65%), the complexity of their scheme (62%) and the volume of changes required to comply with legislation (61%). In addition, 35% identified lack of resources or time as one of the top barriers, and 28% mentioned retention of staff and knowledge.

Table 4.8.1 Barriers to improving governance and administration over next 12 months

	Total schemes	Scheme Type			
		Other	Fire-fighters	Local Govt	Police
<i>Base: All respondents</i>	193	11	47	93	42
The remediation process (also referred to as 'McCloud' or 'Sergeant')	65%	91%	79%	47%	81%
Complexity of the scheme	62%	27%	77%	60%	60%
The volume of changes that are required to comply with legislation	61%	45%	60%	63%	60%
Lack of resources or time	35%	18%	23%	44%	33%
Recruitment, training and retention of staff and knowledge	28%	55%	23%	29%	26%
Employer compliance	12%	0%	2%	25%	0%
Issues with systems (IT, payroll, administration systems, etc.)	12%	27%	13%	11%	12%
Lack of knowledge, effectiveness or leadership among key personnel	2%	0%	0%	2%	5%
Poor communications between key personnel	0%	0%	0%	0%	0%
Other barriers	7%	18%	9%	8%	0%
There are no barriers	1%	0%	2%	0%	0%
Don't know	1%	0%	0%	0%	2%
Did not answer question	0%	0%	0%	0%	0%

The remediation process was the most commonly identified barrier for 'Other' (91%), Firefighters' (79%) and Police schemes (81%), but fewer Local Government schemes selected it as one of the top three barriers they faced (47%).

Instead, the most commonly identified barriers by Local Government schemes were the volume of changes required to comply with legislation (63%) and the

complexity of the scheme (60%). Both of these were also widely mentioned by Firefighters' schemes (60% and 77% respectively) and Police schemes (60% in each case).

Schemes were also asked to what they would attribute any improvements made to their governance and administration in the last 12 months. A variety of improvement drivers were identified but the major one was better understanding of the risks facing the scheme (68%), followed by better understanding of the underlying legislation and standards expected by TPR (46%) and resources being increased or redeployed to address risks (42%).

Table 4.8.2 Drivers of improvements to governance and administration in last 12 months

	Total schemes	Scheme Type			
		Other	Fire-fighters	Local Govt	Police
<i>Base: All respondents</i>	193	11	47	93	42
Improved understanding of the risks facing the scheme	68%	64%	72%	63%	74%
Improved understanding of underlying legislation and standards expected by TPR	46%	18%	43%	43%	62%
Resources increased or redeployed to address risks	42%	82%	23%	51%	33%
Administrator action ¹⁰	31%	27%	26%	39%	21%
Pension board action ¹¹	23%	45%	21%	17%	31%
Scheme manager action ¹²	22%	36%	15%	29%	12%
Improved engagement by TPR	14%	9%	13%	11%	21%
Other ¹³	8%	0%	6%	11%	5%
No improvements made in the last 12 months	6%	0%	17%	2%	5%
Don't know	0%	0%	0%	0%	0%
Did not answer question	0%	0%	0%	0%	0%

¹⁰ The most widely mentioned 'administrator actions' were improved administration processes/systems/strategy (7%), data review/improvement (7%), improved/increased use of technology/automation (6%), improved/more frequent reporting (4%), more engagement with employers (3%)

¹¹ The most widely mentioned 'pension board actions' were increased monitoring/scrutiny by board (8%), improved strategy/action plan/processes/policies (6%), more training/increased knowledge (3%), more collaboration/engagement (3%)

¹² The most widely mentioned 'scheme manager actions' were improved processes/systems/strategy (8%), more collaboration/engagement with stakeholders (5%), increased resources (4%)

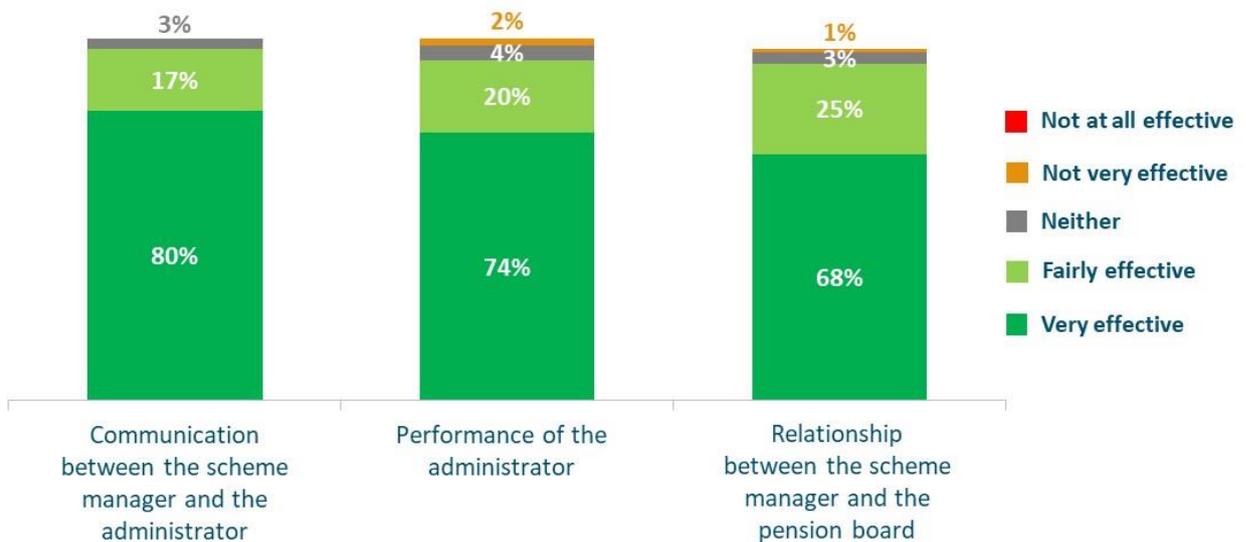
¹³ The most widely mentioned 'other actions' were improved scheme structure/systems (4%)

4.9 The COVID-19 pandemic

Respondents were asked to rate the effectiveness of various aspects relating to the operation of the scheme since the first COVID-19 lockdown started in March 2020.

As set out in Figure 4.9.1, 97% rated the communication between the scheme manager and the administrator since the start of the pandemic as very or fairly effective. Similar proportions judged the performance of the administrator (94%) and the relationship between the scheme manager and the pension board (93%) to have been effective. In each case the majority described this as 'very' effective (68%-80%).

Figure 4.9.1 Performance during the COVID-19 pandemic



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 0-2%, 0-2%)

At least 90% of Firefighters', Local Government, and Police schemes rated each of these aspects as effective. However, a lower proportion of 'Other' schemes indicated that the performance of the administrator (64%) and communication between the communication between the scheme manager and administrator (82%) had been effective.

Table 4.9.1 Proportion rating each aspect as very/fairly effective during the COVID-19 pandemic – by scheme type

	Scheme Type			
	Other	Firefighters	Local Govt	Police
<i>Base: All respondents</i>	11	47	93	42
Communication between the scheme manager and the administrator	97%	82%	98%	98%
Performance of the administrator	94%	64%	96%	97%
Relationship between the scheme manager and the pension board	93%	100%	91%	95%

The vast majority (95%) of schemes had a business continuity plan (BCP) in place prior to the COVID-19 pandemic; 59% had their own scheme-specific BCP and 36% were covered by their local authority's BCP. Every 'Other' scheme had its own BCP in place prior to COVID-19, whereas Firefighters' schemes were more likely to rely on that of their local authority (51%).

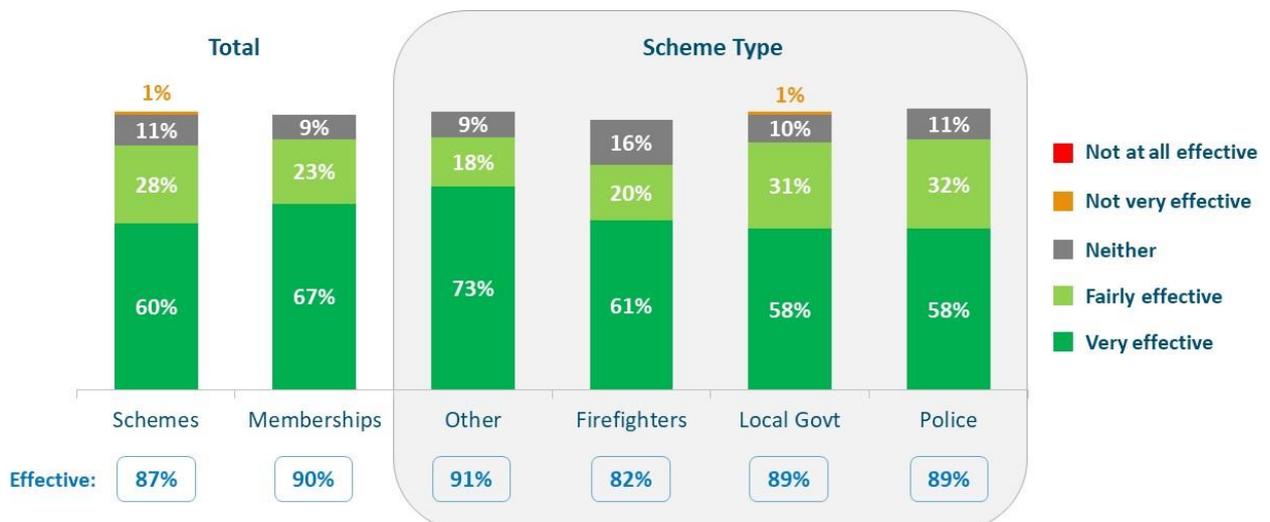
Figure 4.9.2 Proportion of schemes that had a business continuity plan before the first COVID-19 lockdown



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 3%, 0%), Memberships (193, 0%, 0%), Other (11, 0%, 0%), Firefighters (47, 4%, 0%), Local Govt (93, 0%, 0%), Police (42, 7%, 0%)

As set put in Figure 4.9.3, 87% of those with a BCP in place felt this had been effective in helping the scheme respond to the COVID-19 pandemic (with 60% describing it as 'very' effective).

Figure 4.9.3 Effectiveness of business continuity plans in response to COVID-19 pandemic



All with a BCP in place before COVID-19 (Base, Don't know, Did not answer) - Schemes (184, 1%, 0%), Memberships (184, 0%, 0%), Other (11, 0%, 0%), Firefighters (44, 2%, 0%), Local Govt (91, 0%, 0%), Police (38, 0%, 0%)

Firefighters' schemes were slightly less likely to view their BCP as effective (82% vs. 89-91% for other scheme types). There was little difference in effectiveness ratings by scheme type.

When asked what barriers they had faced in implementing the BCP, schemes were most likely to identify IT issues; 31% mentioned the suitability of their IT hardware, 22% the suitability of their IT infrastructure and 12% the suitability of their IT software. In addition, 29% identified the ability of staff to work from home as a barrier. However, around a third of schemes (35%) did not report any barriers to implementing the BCP.

This pattern was broadly consistent across the different scheme types, although Firefighters' schemes were more likely to indicate there had been no barriers (48%). 'Other' schemes were also comparatively more likely to identify issues with administration processes as a barrier (27%), which is consistent with the lower ratings for the administrator performance and communication between the scheme manager and administrator during the pandemic (as seen in Table 4.9.1).

Table 4.9.2 Barriers to implementing business continuity plans

	Total schemes	Scheme Type			
		Other	Fire-fighters	Local Govt	Police
<i>Base: All with a BCP in place before Covid-19</i>	184	11	44	91	38
Suitability of IT hardware (i.e. equipment)	31%	45%	20%	35%	32%
Ability of staff to work from home	29%	45%	18%	31%	32%
Suitability of IT infrastructure	22%	9%	20%	25%	18%
Issues with administration processes	15%	27%	11%	16%	13%
Key person risks	13%	18%	16%	9%	16%
Suitability of IT software	12%	18%	5%	13%	16%
Staff shortages	7%	9%	5%	7%	11%
Issues with employers	3%	9%	0%	4%	0%
Lack of leadership	0%	0%	0%	0%	0%
Other barriers	4%	0%	5%	5%	3%
There were no barriers	35%	27%	48%	30%	34%
Don't know	2%	0%	2%	0%	5%
Did not answer question	1%	0%	2%	0%	0%

4.10 Pensions dashboards

Survey respondents provided with the following description of the pension dashboards project:

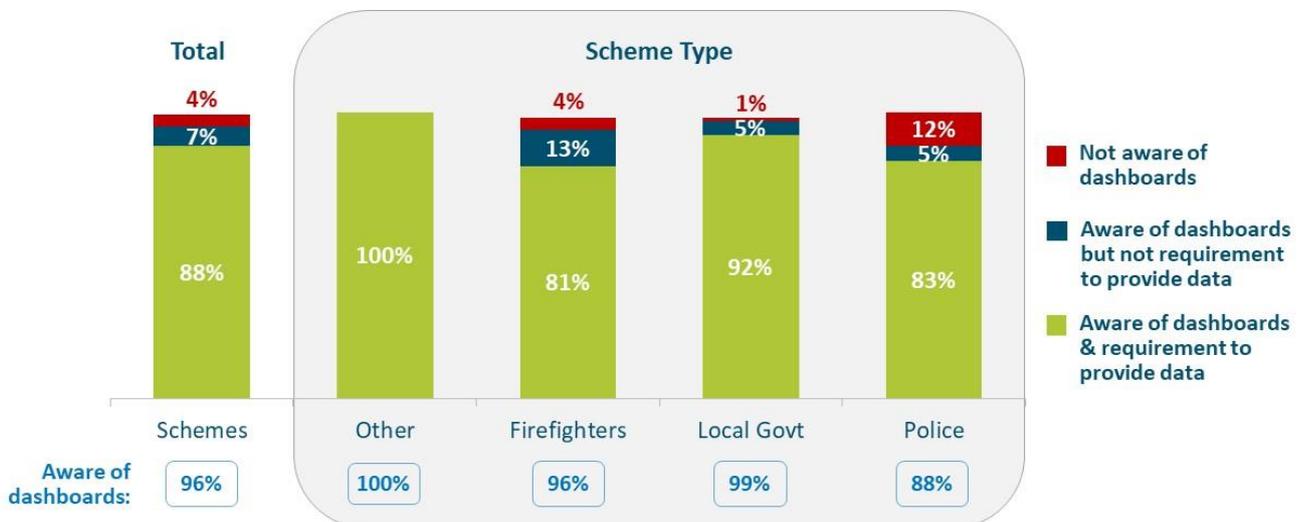
The government has made a commitment to facilitate the pensions industry in the creation of a digital interface that will present all of a person's pensions together in one place. It is most often referred to in the industry as the 'pensions dashboards' project.

They were then asked if, prior to the survey, they had heard of the pensions dashboards. If so, they were then informed that the Pensions Schemes Bill contains provisions to require trustees and scheme managers to provide data to savers through pensions dashboards, and asked whether they were aware of this proposed change to pensions law.

The vast majority of schemes had heard of the pensions dashboards (96%), and most also knew that trustees and scheme managers would be required to provide data to savers through the dashboards (88%).

Every 'Other' scheme was aware of the dashboards and the requirement to share data. Awareness was lowest among Police schemes, 12% of which had not heard of the pensions dashboards.

Figure 4.10.1 Awareness of the pensions dashboards and the requirement to provide data to savers



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 1%, 0%), Other (11, 0%, 0%), Firefighters (47, 2%, 0%), Local Govt (93, 1%, 0%), Police (42, 0%, 0%)

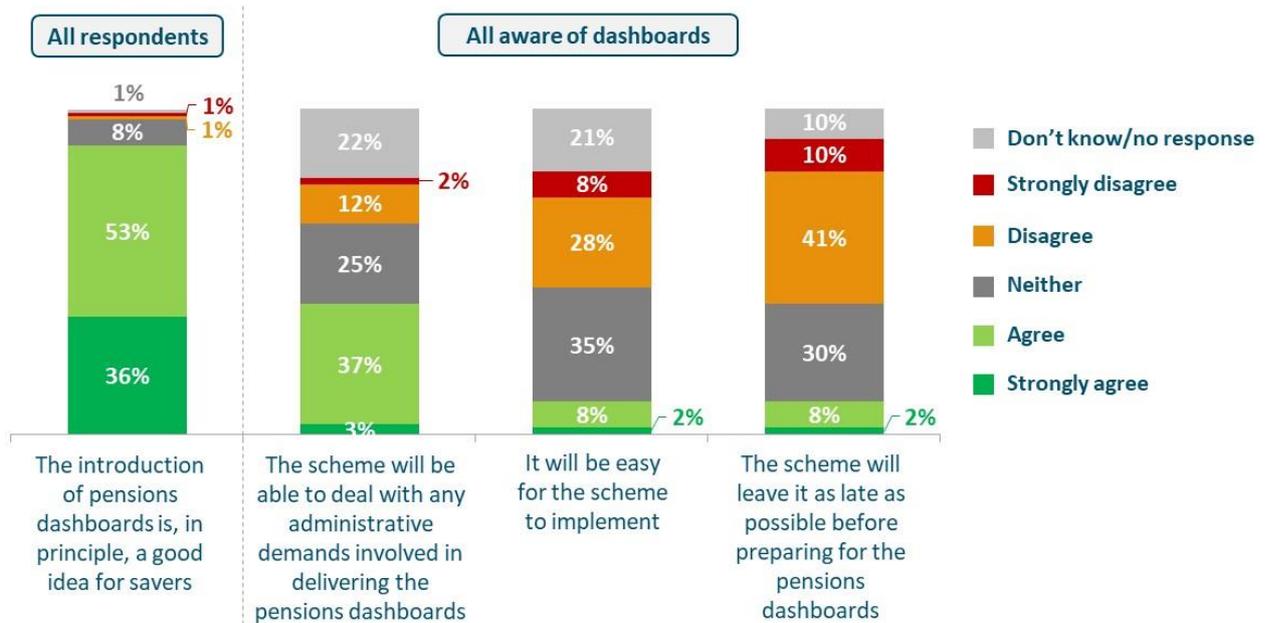
As shown in Figure 4.10.2, 89% of schemes agreed that the pensions dashboards were a good idea (with 36% strongly agreeing).

However, there was less consensus in schemes' views on their ability to implement the requirements. Two-fifths (40%) agreed that they would be able to deal with any administrative demands involved, although comparatively few (13%) disagreed with this (with the remaining 47% either unsure or neither

agreeing nor disagreeing with this). Around a third (35%) disagreed that the dashboards would be easy for their scheme to implement, compared with 9% who agreed.

Half of schemes (51%) disagreed that they would leave it as late as possible before preparing for the dashboards, whereas 10% agreed with this statement.

Figure 4.10.2 Perceptions of the pensions dashboards



All respondents (193), All aware of dashboards (185)

Table 4.10.1 provides a summary by scheme type, showing the proportions agreeing and disagreeing with each statement.

Table 4.10.1 Perceptions of the pensions dashboards – by scheme type

		Scheme Type			
		Other	Fire-fighters	Local Govt	Police
<i>Base: All respondents/All aware of dashboards</i>		11/11	47/45	93/92	42/37
Introduction of dashboards is good idea for savers	Agree	100%	94%	85%	90%
	Disagree	0%	0%	2%	2%
Scheme will be able to deal with administrative demands	Agree	45%	42%	43%	27%
	Disagree	18%	4%	17%	14%
Will be easy for scheme to implement	Agree	9%	16%	8%	5%
	Disagree	45%	36%	32%	41%
Scheme will leave it as late as possible before preparing	Agree	0%	2%	11%	19%
	Disagree	82%	47%	55%	35%

Every 'Other' scheme agreed that the dashboards were a good idea, but Local Government schemes were least likely to agree with this (85%).

Police schemes were least likely to agree that they would be able to deal with the administrative demands (27%, vs. 42-45% for other scheme types). Firefighters' schemes were most likely to agree that the dashboards would be easy to implement (16% vs. 5-9% of other scheme types).

Very few 'Other' and Firefighters' schemes (0% and 2% respectively) expected to leave dashboards preparations as late as possible, but this increased to 19% of Police and 11% of Local Government schemes.

Those respondents aware of the dashboards were asked what, if any, challenges the scheme was likely to face in terms of preparing for them (Table 4.10.2). Three-quarters (75%) identified software compatibility as a potential issue, and over half mentioned knowing what is required (58%). The next most widely anticipated challenges were capacity constraints (36%), cost (31%), availability of data (20%) and accuracy of data (19%).

This pattern was broadly consistent by scheme type, but Local Government and Police schemes were comparatively more likely to identify knowing what is required as a challenge (64% and 68% respectively). Police schemes were also more likely to mention cost (46%), and 'Other' schemes more likely to mention accuracy of data (36%).

Table 4.10.2 Anticipated challenges in preparing for the pensions dashboards

	Total schemes	Scheme Type			
		Other	Fire-fighters	Local Govt	Police
<i>Base: All aware of dashboards</i>	185	11	45	92	37
Software compatibility	75%	64%	71%	76%	81%
Knowing what is required	58%	27%	44%	64%	68%
Capacity constraints	36%	45%	38%	35%	35%
Cost	31%	27%	29%	27%	46%
Availability of data	20%	18%	27%	17%	19%
Accuracy of data	19%	36%	16%	20%	16%
Participating employer reticence	9%	18%	0%	14%	5%
Other	4%	18%	0%	4%	3
None – do not expect to face challenges	1%	0%	2%	1%	0%
Don't know	3%	0%	9%	1%	3%
Did not answer question	0%	0%	0%	0%	0%

As set out in Table 4.10.3, the main sources through which schemes expected to learn about the requirements for the pensions dashboards were their scheme advisory board (69%), the Pensions Dashboards Programme (63%) and TPR (61%). These were the primary sources identified by all scheme

types, with the exception of ‘Other’ schemes who were more likely to mention industry bodies (45%) than their scheme advisory board (27%).

Table 4.10.3 Expected sources of information about pensions dashboards requirements

	Total schemes	Scheme Type			
		Other	Fire-fighters	Local Govt	Police
<i>Base: All respondents</i>	193	11	47	93	42
Scheme advisory board	69%	27%	79%	75%	55%
Pensions Dashboards Programme (PDP)	63%	73%	60%	60%	71%
TPR	61%	55%	68%	53%	71%
Industry bodies (e.g. PASA, PLSA)	41%	45%	26%	53%	33%
Department for Work & Pensions (DWP)	26%	55%	19%	19%	40%
Financial Conduct Authority (FCA)	9%	18%	6%	9%	12%
Somewhere else	15%	36%	15%	16%	7%
Don't know	3%	0%	4%	3%	2%
Did not answer question	0%	0%	0%	0%	0%

4.11 Climate change

For this survey Local Government schemes were asked various questions about the actions they had taken in regard to climate change.

Table 4.11.1 shows that nine in ten Local Government schemes (91%) had allocated time or resources to assessing any financial risks or opportunities associated with climate change.

However, fewer had taken each of the three specific actions tested; 66% had assessed the risks and opportunities for their scheme from particular climate-related scenarios, 60% had tracked the carbon intensity of their portfolio, and 29% had assessed their portfolio's contribution to global warming.

Table 4.11.1 Actions taken on climate change

	Local Government schemes
<i>Base: All Local Government schemes</i>	93
Allocated time or resources to assessing any financial risks and opportunities associated with climate change	91%
– Assessed the risks and opportunities for your scheme from particular climate-related scenarios	66%
– Tracked the carbon intensity of your scheme's portfolio	60%
– Assessed you scheme portfolio's potential contribution to global warming	29%
– None of these (or don't know)	12%
Not allocated any time/resources to assessing any financial risks and opportunities associated with climate change	4%
Don't know	4%
Did not answer question	0%

Local Government schemes were then asked whether they used various processes to manage climate-related risks and opportunities. Please note that the 9% of schemes that had not allocated time or resources to assessing the financial risks/opportunities associated with climate change (or were unsure if they had done this) were not asked this question but have been included in the analysis base and shown separately in Table 4.11.2 overleaf.

Two-thirds (68%) of schemes had added climate-related risks to their risk register¹⁴. Lower proportions included climate-related issues as a regular agenda item at pension board meetings (42%), at trustee meetings, assigned responsibility for climate-related issues to a specified individual or sub-committee (37%) and included, monitored and reviewed targets in their climate policy (37%).

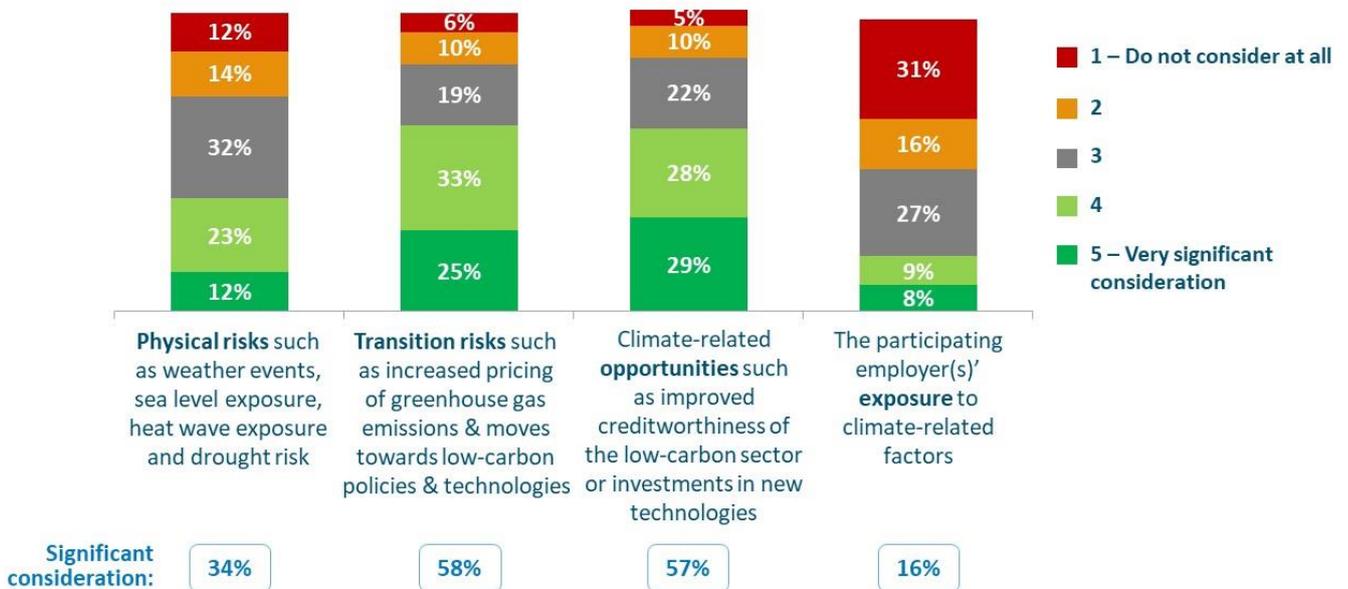
¹⁴ One scheme answered yes to this question even though they had earlier indicated that the scheme did not have a risk register. If this scheme is excluded, the proportion adopting this process falls to 66%.

Table 4.11.2 Processes used to manage climate-related risks and opportunities

	Local Government schemes
<i>Base: All Local Government schemes</i>	93
Add climate-related risks to your risk register	68%
Include climate-related issues as a regular agenda item at pension board meetings	42%
Assign responsibility for climate-related issues to a specified individual or sub-committee	37%
Include, monitor and review targets in the scheme’s climate policy	37%
None of these (or don’t know)	11%
Not allocated any time/resources to climate change (or don’t know if done this)	9%
Did not answer question	0%

Figure 4.11.1 shows the extent to which Local Government schemes considered climate change in their investment and funding strategies. Over half gave significant consideration (4-5) to transition risks (58%) and climate-related opportunities (57%), but fewer schemes considered physical risks (34%) or employer exposure to climate-related factors (16%).

Figure 4.11.1 Consideration of climate change in investment and funding strategy



All Local Government schemes (Base, Don't know, Did not answer question) - Schemes (93, 6-9%, 0-1%)

Schemes were asked whether they had taken various actions on stewardship to help with their management of climate risks, with results shown in Table 4.11.3. Again, those schemes that had not allocated time or resources to assessing the financial risks/opportunities associated with climate change were not asked this question but have been included in the analysis base.

Most of these stewardship actions had been widely adopted by Local Government schemes; 87% had talked to advisers and asset managers about how climate-related factors are built into their engagement and voting policies, 82% indicated that they would also do this when appointing new asset managers, 76% had joined collaborative engagement efforts on climate change, and 56% set out their expectations on climate stewardship and approaches in legal documents when outsourcing activities.

However, approximately two-fifths (42%) of Local Government schemes had signed the UK Stewardship Code.

Table 4.11.3 Stewardship actions taken to help manage climate risks

	Local Government schemes
<i>Base: All Local Government schemes</i>	93
Talked to advisers and asset managers about how climate-related risks and opportunities are built into their engagement and voting policies	87%
When appointing new asset managers, asked the prospective manager how they include climate factors in engagement and voting behaviour	82%
Joined collaborative engagement efforts on climate change	76%
When outsourcing activities, set out in legal documents your expectations on climate stewardship and approaches	56%
Signed the UK Stewardship Code	42%
None of these (or don't know)	3%
Not allocated any time/resources to climate change	9%
Did not answer question	0%

Table 4.11.4 shows that the majority (83%) of Local Government schemes were aware of the work of the Taskforce on Climate-related Financial Disclosures (TCFD). However, approximately a fifth of schemes (22%) made disclosures as recommended by the TCFD.

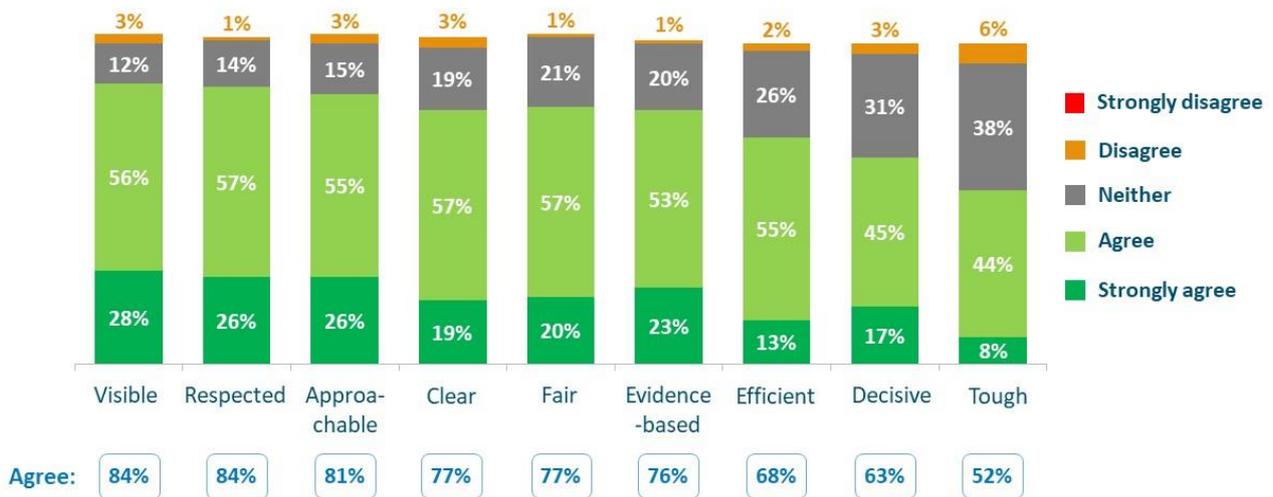
Table 4.11.4 Awareness of TCFD and uptake of recommended disclosures

	Local Government schemes
<i>Base: All Local Government schemes</i>	93
Aware of TCFD	83%
– Scheme makes disclosures as recommended by the TCFD	22%
– Scheme does not make disclosures as recommended by the TCFD	57%
– Don't know	4%
Not aware of TCFD	17%

4.12 Perceptions of TPR

When asked for their perceptions of TPR, schemes were most likely to agree that it was visible (84%), respected (84%) and approachable (81%). They were least likely to agree that it was tough (52%). Few schemes actively disagreed with each of the descriptors of TPR.

Figure 4.12.1 Perceptions of TPR



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 1-5%, 0-1%)

There was little difference in these results between Firefighters', Local Government and Police schemes, but 'Other' schemes had the most positive perception of TPR. All of these schemes (100%) agreed that TPR was respected, approachable, clear, fair, evidence-based, efficient and decisive and 91% agreed that it was visible. However, 'Other' schemes were less likely than other scheme types to see TPR as tough (36%).

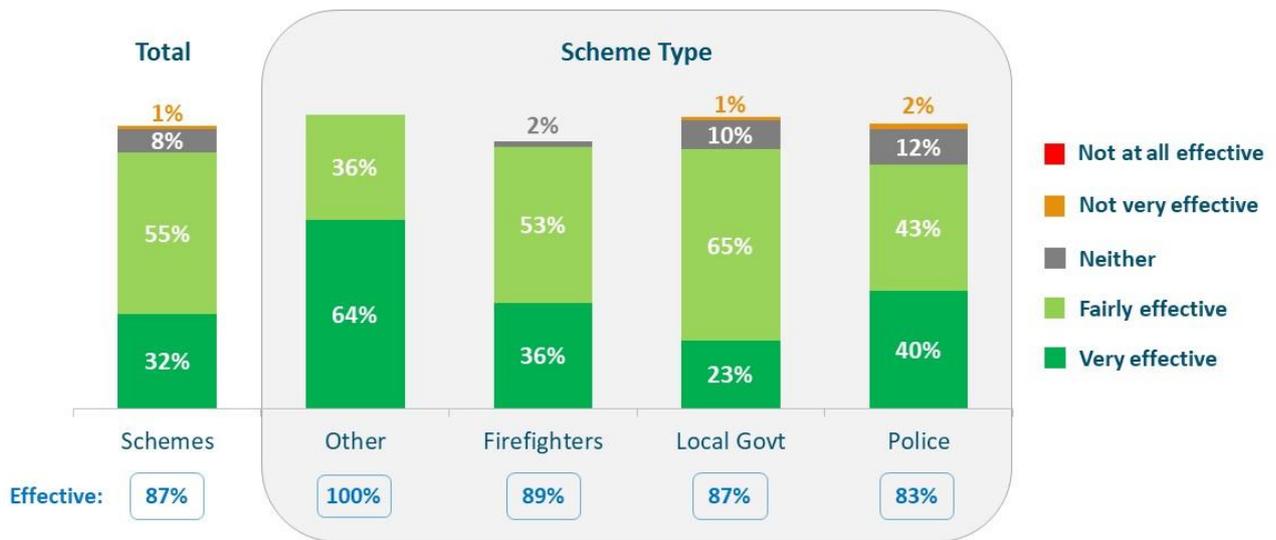
There were increases since 2019 in the proportion seeing TPR as fair (+11 percentage points), clear (+7 percentage points), approachable (+5 percentage points) and evidence-based (+5 percentage points).

Table 4.12.1 Proportion of schemes agreeing with descriptors of TPR – Time series

	Visible	Respected	Approachable	Clear	Fair
PSPS Survey 2020-21	84%	84%	81%	77%	77%
PSPS Survey 2019	84%	84%	76%	70%	66%
PSPS Survey 2018	89%	78%	73%	70%	66%
	Evidence-based	Efficient	Decisive	Tough	
PSPS Survey 2020-21	76%	68%	63%	52%	
PSPS Survey 2019	71%	64%	61%	56%	
PSPS Survey 2018	67%	60%	53%	55%	

Schemes were also asked how effective they believed TPR to be at improving standards of governance and administration in public service pension schemes. Overall, 87% judged TPR to be effective, with 32% describing it as very effective. Every ‘Other’ scheme rated TPR as either very or fairly effective in this regard.

Figure 4.12.2 Perceptions of TPR’s effectiveness at improving standards of governance and administration in public service pension schemes



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 4%, 0%), Other (11, 0%, 0%), Firefighters (47, 9%, 0%), Local Govt (93, 2%, 0%), Police (42, 2%, 0%)

While the overall proportion rating TPR as effective was unchanged since 2019, there was an increase among Local Government schemes (+5 percentage points) and a decrease among Police schemes (-10 percentage points).

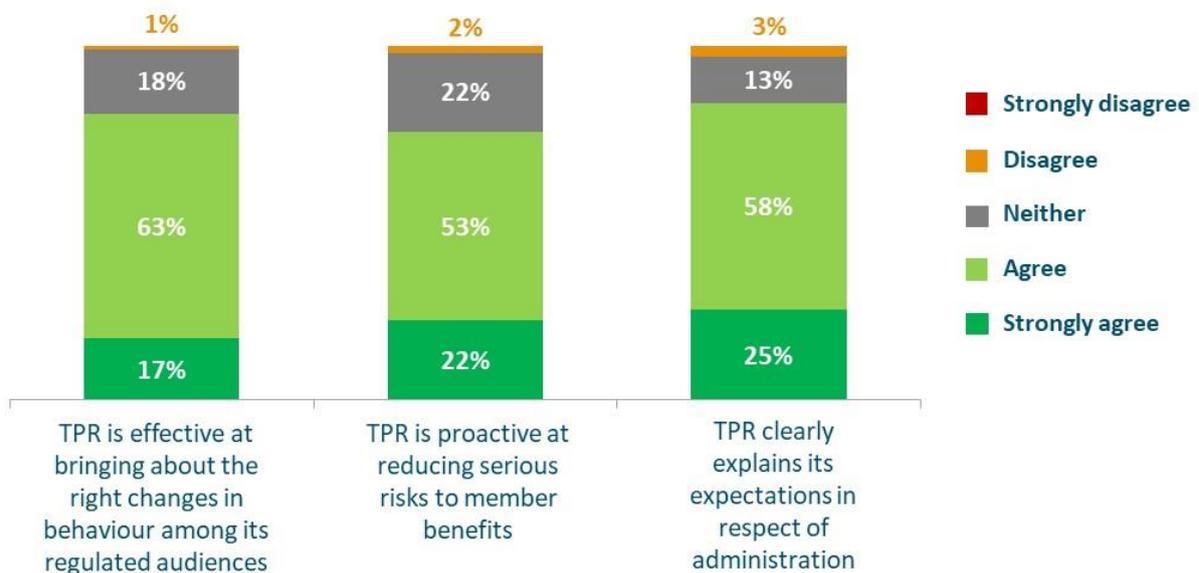
Table 4.12.2 Proportion of schemes rating TPR as very or fairly effective effectiveness at improving standards of governance and administration in public service pension schemes – Time series

	Total schemes	Scheme Type			
		Other	Firefighters	Local Govt	Police
PSPS Survey 2020-21	87%	100%	89%	87%	83%
PSPS Survey 2019	87%	100%	88%	82%	93%
PSPS Survey 2018	88%	100%	83%	89%	89%

Schemes were also asked the extent to which they agreed with three statements about TPR. As summarised in Figure 4.12.3, 84% agreed that TPR clearly explains its expectations in respect of administration, 79% agreed that it is effective at bringing about the right changes in behaviour among its regulated audiences, and 75% agreed that it is proactive at reducing serious risks to member benefits.

Most of the remainder neither agreed nor disagreed, with few schemes actively disagreeing with these statements (1-3%).

Figure 4.12.3 Other perceptions of TPR



All respondents (Base, Don't know, Did not answer question) - Schemes (193, 0-3%, 0-1%)

Table 4.12.3 shows the proportion of each scheme type agreeing with these statements, along with comparisons to the 2019 survey results (where available).

Table 4.12.3 Proportion agreeing with other statements about TPR – Time series

	Total schemes	Scheme Type			
		Other	Firefighters	Local Govt	Police
TPR is effective at bringing about the right changes in behaviour among its regulated audiences					
PSPS Survey 2020-21	79%	100%	70%	78%	86%
PSPS Survey 2019	77%	91%	71%	72%	89%
TPR is proactive at reducing serious risks to member benefits					
PSPS Survey 2020-21	75%	82%	68%	72%	86%
PSPS Survey 2019	74%	91%	65%	68%	91%
TPR clearly explains its expectations in respect of administration					
PSPS Survey 2020-21	84%	100%	85%	80%	88%
PSPS Survey 2019	-	-	-	-	-

Every 'Other' scheme agreed that TPR was effective at bringing about the right changes in behaviour and clearly explained its administration expectations.

The overall results were similar to those seen in 2019, and the only changes at a scheme type level were an increase in the proportion of 'Other' and Local

Government schemes that felt TPR was effective at bringing about the right changes in behaviour (+9 and +6 percentage points respectively) and a decrease in the proportion of 'Other' schemes that believed TPR was proactive at reducing serious risks to member benefits (-9 percentage points).