

Regulator: The Pensions Regulator

Business Impact Target Reporting Period Covered: 21 June 2018 to 20 June 2019

Excluded Category	Summary of measure(s), including any impact data where available
<p>Measures certified as being below de minimis (measures with an EANDCB below +/- £5 million)</p>	<p>Authorisation of Master Trusts</p> <p>The Pension Schemes Act 2017 (PSA17) set out requirements from 1 October 2018 all master trust pension schemes will have six months to apply for authorisation from us in order to continue operating and where the trustee(s) do not apply before end of the six month application period, they must wind up the scheme.</p> <p>PSA17 sets out the criteria on which we must be satisfied in order to grant the authorisation of a master trust scheme. Our Code of Practice 15, alongside supporting guidance and application forms, clarifies and explains how we will take the matters set out in PSA17 into account in deciding whether a master trust should be authorised and how information can be submitted to us for consideration.</p> <p>38 master trusts applied for authorisation, and so are following the application process and procedure we have set out.</p> <p>During our consultations with master trusts who have completed authorisation we found little evidence of significant regulatory burden associated with the approvals process. In one instance, a master trust reported having undertaken 1,000 hours on the process but even if this was replicated across all 38 schemes and we were to assume a high end estimate of £30 per hour, this would only equate to a one off cost of £1.14m.</p> <p>Annual Funding Statement 2019</p> <p>The Annual Funding Statement 2019 sets out our view on topical issues such as current market conditions and Brexit, repeats and clarifies our views on market good practice such as long-term funding targets and risk management, and reiterates our approach to certain aspects of scheme funding case-work.</p>

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	<p>This year it also sets out an expectation that under some conditions schemes would be expected to reduce the length of their recovery plans to less than the 7 years. The effect of reducing recovery plans is to increase the available funding to pension schemes, and therefore their overall deficit over, a shorter time than would otherwise have been the case. Our analysis concluded that the limited number of schemes on which this expectation falls, the funding characteristics of these schemes, the length of time over which the costs would fall, and investment returns from contributions brought forward produce an Equivalent Annual Net Cost to Business that is significantly below the £5m threshold and as such the measure is de minimis.</p>
<p>EU Regulations, Decisions and Directives and other international obligations, including the implementation of the EU Withdrawal Bill and EU Withdrawal Agreement</p>	<p>Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion</p>
<p>Measures certified as concerning EU Withdrawal Bill operability measures</p>	<p>Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion</p>
<p>Pro-competition</p>	<p>Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion</p>
<p>Systemic Financial Risk</p>	<p>Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion</p>

Excluded Category	Summary of measure(s), including any impact data where available
Civil Emergencies	Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion
Fines and Penalties	<p>In respect of the regulation of work-based pensions schemes during this reporting period:</p> <p>TPR issued 286 penalty notices.</p> <p>In respect of the regulation of the automatic enrolment duties under the Pensions Act 2008:</p> <p>TPR issued 22,012 fixed penalty notices and 5,114 escalating penalty notices.</p>
Misuse of Drugs	Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion
Measures certified as relating to the safety of tenants, residents and occupants in response to the Grenfell tragedy	Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion
Casework	<p>In respect of the regulation of work-based pension schemes, casework activities in this reported period included:</p> <p>9 reports published on cases of non-compliance under section 89 of the Pensions Act 2004; 103 demands for information under section 72 of the Pensions Act 2004; TPR appointed 611 trustees to pension schemes, in accordance with their powers to do so; TPR provided 4 clearance statements.</p> <p>In respect of the regulation of the automatic enrolment duties under the Pensions Act 2008 casework activity included:</p> <p>37,430 compliance notices</p>

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	<p>33 unpaid contributions notices 300 inspections</p> <p>During this reporting period a total of around 218,454 employers completed their mandatory declaration of compliance, to inform TPR how they have complied with their legal duties under the Pensions Act 2008.</p>
<p>Education, communications and promotion</p>	<p>During this reporting period TPR officials participated at around 300 speaking events and seminars.</p> <p>TPR carried out 13 campaigns on various topics relating to occupational scheme regulation and automatic enrolment.</p> <p>TPR sent over 880,000 letters to around employers at different stages before and after their automatic enrolment staging date / duties start date to let them know about the requirements they must comply with under the relevant legislation.</p> <p>TPR published guidance for trustees, employers and those considering setting up and running a DB superfund explaining the implications of the government's consultation on DB superfunds and our approach to regulating such schemes prior to legislation. This was an explanation of the government's consultation position.</p> <p>TPR updated also published guidance on how trustees of defined contribution pension schemes can close and wind up their scheme. This is a step by step guide that does not set any additional expectations but clarifies what trustees may wish to consider depending on their scheme circumstances.</p> <p>In respect of both the regulation of automatic enrolment and work-based pension schemes TPR published around 201 publications.</p> <p>TPR received and processed a total of 115 complaints. TPR also received and processed a total of around 88 Freedom of information requests.</p>
<p>Activity related to policy development</p>	<p>TPR carried out one consultation on the master trust supervision and enforcement policy and published a response to the DWP superfunds consultation.</p>

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	<p data-bbox="573 268 1637 296">Regarding the regulation of work-based pension schemes, in this reporting period:</p> <p data-bbox="573 368 2000 467">We continued our voluntary pilot relating to the winding up of orphaned occupational defined contribution schemes. A pension scheme is orphaned when it continues to hold assets but where it is no longer possible to identify either a trustee or a party with the power to appoint a trustee under the trust deed and rules.</p> <p data-bbox="573 504 1980 533">TPR carried out a total of 16 surveys on different issues around scheme regulation and automatic enrolment.</p>
Changes to management of regulator	Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion