



Defined benefit trust-based pension schemes research

Report of findings from the 2024 survey

Prepared for The Pensions Regulator by OMB Research
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1. Executive summary

1.1 Introduction

This report summarises results from the 2024 survey of trust-based occupational defined benefit (DB) pension schemes. The research covered a range of different topics including long-term planning, discretionary benefits, investment in UK assets, Environment, Social and Governance (ESG), The Pensions Regulator's (TPR) General Code of Practice, pension scams and pensions dashboards.

The survey was conducted by OMB Research, an independent market research agency. It comprised 200 quantitative telephone interviews and took place in September 2024.

1.2 Key findings

1.2.1 The majority of schemes had a long-term objective, and this was typically to buy-out.

As in the 2023 survey, around nine in ten schemes (92%) had a long-term objective (LTO). Approaching two-thirds (62%) of these intended to buy-out liabilities with an insurance company, while 27% aimed to run on with low dependency on the employer and 7% to run on and generate a surplus. A minority were aiming to enter a commercial consolidator vehicle (1%). This pattern of results was statistically similar to those from the 2023 survey.

In the previous 12 months 61% had increased their consideration of buy-out as an option. In addition, 30% had increased their consideration of making changes to the scheme's investment strategy, 28% of running on the scheme to generate a surplus, 26% of changing their LTO time period, 24% of changing the LTO itself. However, fewer had considered entering a consolidator vehicle (9%).

Where schemes had increased their consideration of these actions, it was typically driven by their improved funding position (74%).

1.2.2 One in five schemes were attracted to consolidation and one in eight said they would be likely to enter a Public Sector Consolidator if one were created.

Although 1% of schemes were aiming to enter a commercial consolidator as their long-term objective, a significantly larger proportion (20%) believed that consolidation was an attractive option for their scheme. Consolidation was more appealing to micro/small (26%) and medium (21%) schemes than large schemes (8%).

One in eight (12%) said their scheme would be likely to enter a Public Sector Consolidator if it were available.

The vast majority were confident that their trustee board had access to sufficient expertise to consider the pros and cons of different consolidation models (98%).

1.2.3 Most schemes offered discretionary benefits¹, but few had provided them recently.

Two-thirds (67%) of schemes allowed the provision of discretionary benefits to their members, with this more prevalent among large schemes (83%). Only a minority (32%) of those allowing discretionary benefits had provided any such benefits in the last three years.

Generally, discretionary benefits required consent from both the trustees and the employer (72%).

1.2.4 Over a third of schemes had UK investments in private equity, infrastructure, renewables or venture capital, although only a small proportion planned to increase investment in the next year.

Around a quarter of schemes currently held UK investments in private equity (28%), infrastructure (26%) and renewables (23%), but UK venture capital investments were less common (9%). However, a relatively high proportion of respondents didn't know, with 46% answering 'don't know' for at least one of the investments and 24% answering 'don't know' for all four.

Overall, 38% of schemes confirmed that they had UK investments in one or more of these areas, and this increased in line with scheme size (micro/small 23%, medium 39%, large 66%).

There was relatively little appetite for increased investment in these areas, with 8% of schemes intending to increase their allocation of any of these UK investments over the next 12 months. However, a significant proportion of respondents were unsure of their scheme's plans in this respect (between 29% and 34%). If those who did not know whether they currently held any of these investments are excluded from the analysis, the proportion of schemes intending to increase their allocation of any UK investments was 10% (with around a quarter unsure).

A third (32%) of schemes reported barriers to investing more in UK assets, with these typically relating to the level of risk (e.g. that the investment will fall in value) or the time horizon (i.e. not fitting with the scheme endgame).

1.2.5 Awareness of TPR's General Code of Practice increased since 2023 and the majority of schemes had scrutinised their processes against it or planned to do so.

Awareness of the General Code of Practice stood at 94%, up from 59% in the 2023 survey (prior to its introduction). Approaching three-quarters (70%) of respondents described themselves as 'very' or 'fairly' familiar with the code, although this increased among large schemes (micro/small 54%, medium 74%, large 94%).

Over half (54%) of schemes had compared their governance processes against the code, and a further 30% planned to do this. The majority (59%) of those who had compared their processes identified gaps where improvements were required, and 90% of these had either already remedied them or started work to do so.

¹ This relates to benefits offered to all or multiple members and excludes 'routine' discretionary benefits (e.g. providing benefits to a dependent or child).

Almost two-thirds of schemes (63%) had assessed their entire trustee board's knowledge and understanding against TPR's expectations. However, micro/small schemes were less likely to have done this (53%, compared with 67% of medium schemes and 74% of large schemes).

1.2.6 Around half of schemes had dedicated time or resources to assessing climate-related risks and opportunities, similar to the 2021 survey.

Overall, 54% of schemes had dedicated time or resources to assessing the financial risks and opportunities associated with climate change (compared with 46% when this question was last asked in 2021). However, this proportion was higher among large schemes (87%).

Two-thirds (65%) felt that they understood the climate-related financial risks 'very' or 'fairly' well, but for a quarter there were barriers to improving their understanding. The most widely mentioned barrier was quality of the data (5%, rising to 21% of large schemes).

Over half (57%) of trustee boards were considering corporate governance-related risks and opportunities as part of their investment decisions. This was followed by risks/opportunities related to EDI (47%) and other social factors (42%), availability or quality of transition plans for the companies/funds they invested in (35%), and risks/opportunities related to biodiversity (28%) and nature (28%). Consideration of these ESG factors typically increased in line with scheme size.

1.2.7 Most trustees believed suspected pension scams should be reported to TPR, but few mentioned Action Fraud.

TPR's guidance states that schemes should report potential pension scams to Action Fraud, and only to TPR or the Financial Conduct Authority in specific circumstances (e.g. if they involve unauthorised financial advice, transfer concerns or breaches of pensions law)². However, when asked who suspected scams should be reported to, two-thirds of trustees suggested TPR (65%) compared with 11% for Action Fraud.

The other most widely mentioned options were the trustees or scheme manager (28%), the administrator (18%) and a law enforcement body (15%).

1.2.8 Most medium sized schemes³ had discussed pensions dashboards at trustee meetings and with their administrator, but fewer had decided on a route to connection.

Around three-quarters of medium schemes had already discussed pensions dashboards at their trustee board (78%) and with their administrator (76%). In comparison, fewer than half (44%) had considered how they will connect to dashboards, although a further 23% were planning to do this in the next six months.

Most (85%) of those who had considered how they will connect planned to use a third-party provider such as their administrator or a software provider, with the other 15% intending to build their own IT solution to connect to dashboards.

² <https://www.thepensionsregulator.gov.uk/en/pension-scams>

³ These questions were only asked to medium schemes as TPR has sufficient data on large schemes' dashboards readiness from other sources and micro/small schemes are not currently required to connect to pensions dashboards.

2. Introduction and methodology

2.1 Background and research objectives

This report summarises the results from TPR's 2024 survey of trust-based occupational defined benefit (DB) pension schemes.

While there has been a long-term trend towards defined contribution schemes, accelerated by the introduction of automatic enrolment in 2012, defined benefit schemes still form a significant part of the UK pensions landscape. As of 31 March 2023 there were c.5,300 private sector occupational DB schemes which together had around 9.6 million memberships and held c.£1,400bn in assets⁴.

TPR's objectives include protecting the benefits of members under occupational pension schemes (in the context of use of its powers in relation to scheme funding), minimising any adverse impact on the sustainable growth of an employer, promoting and improving understanding of good administration, and reducing the risk of situations arising that may lead to claims for compensation from the Pension Protection Fund (PPF).

The 2024 survey of DB schemes sought to provide evidence on a number of important policy areas. The specific research objectives were to:

- gather data on schemes' long-term planning, including their long-term objectives, views on consolidation and consideration of various governance, investment and insurance options
- identify the proportion of schemes that allow discretionary benefits, and the types of benefits provided
- identify the proportion of schemes that currently invest in UK assets, whether this is likely to increase over the next 12 months and any barriers to doing so
- measure awareness and knowledge of TPR's General Code of Practice⁵, and the extent to which schemes' processes meet the expectations set out in the code
- understand the actions taken by schemes around ESG, particularly climate change
- understand who schemes would report suspected pension scams to
- understand the extent to which medium sized schemes (100-999 members) have prepared for pensions dashboards

Additionally, the survey aimed to identify any differences in the above areas by size of scheme and, where available, changes since previous surveys of DB schemes.

⁴ <https://www.thepensionsregulator.gov.uk/en/document-library/research-and-analysis/occupational-defined-benefit-landscape-in-the-uk-2023>

⁵ The General Code of Practice consolidates ten of TPR's previous codes of practice to provide a common set of expectations for those involved in the running of all types of scheme. It came into force in March 2024.

2.2 Methodology

2.2.1 Sampling approach

The sample frame for this research was a comprehensive list of DB pension schemes, extracted from TPR's database. The survey population included relevant hybrid pension schemes with DB members⁶. A hybrid pension scheme includes both DB and DC benefits and for the purposes of the survey hybrid schemes were instructed to answer questions only in relation to the DB sections of their scheme.

The survey covered open, closed and paid-up schemes but those that were wound-up or in the process of winding up were excluded from the sample. Relevant small schemes (broadly similar to the former small, self-administered schemes) and executive pension plans (EPPs) are not subject to the key governance requirements so were also excluded.

The survey sample consisted of four distinct sub-groups of DB schemes, namely micro schemes (those with fewer than 12 members), small schemes (12-99 members), medium schemes (100-999 members) and large schemes (1,000+ members). A disproportionate stratified sampling approach was adopted, and quotas were set on scheme type (DB/hybrid) and size. Micro and large schemes were intentionally over-sampled to ensure they were adequately represented and to allow more robust sub-analysis. The final data was weighted to account for the disproportionate sampling approach, as described in section 2.3.

In some cases, an individual can be involved with several different pension schemes, so the sample was de-duplicated to ensure that any such individual this was applicable to was only contacted/surveyed about one specific scheme.

2.2.2 Data collection

The survey was conducted between 3 and 27 September 2024 by OMB Research, on behalf of TPR. Interviews were conducted via Computer Assisted Telephone Interviewing (CATI) by a team of experienced business-to-business interviewers.

Where an email address was provided, potential respondents were sent an introductory email by TPR prior to being telephoned for the survey. This explained the purpose of the research, provided reassurances about its bona fide and confidential nature and introduced OMB Research as an independent market research agency that had been appointed by TPR to conduct the survey.

Interviews lasted an average of 21 minutes, and each respondent completed the survey in relation to a pre-specified pension scheme.

A total of 200 interviews were completed. Table 2.2.2 shows the final number of interviews achieved with each type and size of scheme.

⁶ TPR also conducts a regular survey of DC pension schemes, and hybrid schemes were included in either the DB or DC survey based on their characteristics.

Table 2.2.2 Interview profile

Scheme type & size		Interviews	
		Number	%
DB schemes	Micro (<12 members)	14	7%
	Small (12-99 members)	58	29%
	Medium (100-999 members)	71	36%
	Large (1000+ members)	38	19%
Hybrid schemes	Micro (<12 members)	0	0%
	Small (12-99 members)	3	2%
	Medium (100-999 members)	7	4%
	Large (1000+ members)	9	5%
Total		200	100%

Hybrid schemes were allocated to the above size bands based on the total number of members in the scheme.

To qualify for interview, respondents had to be a trustee of the scheme. In total, 56% of respondents were the chair to the board of trustees and 44% were other trustees (i.e. not the chair). In addition, 20% were professional trustees.

2.3 Analysis and reporting conventions

Throughout this report the survey results have been analysed by scheme size (based on their total members). However, micro and small schemes have been combined due to the low number of interviews with the former. Results for DB and hybrid schemes have also been combined.

To account for the disproportionate sampling approach and ensure results are representative of the overall scheme population, all data has been weighted based on the total number of schemes in each size category and of each type (i.e. DB/hybrid). Where member analysis has been shown, the data has been weighted to reflect the proportion of total DB memberships accounted for by each type of scheme.

Unweighted bases (the number of responses from which the findings are derived) are displayed under the charts and tables to give an indication of the robustness of results. Where the base for a particular group is low (fewer than 25 respondents) and results should therefore be interpreted with caution, this has been highlighted.

The data presented in this report is from a sample of DB schemes rather than the total population. This means the results are subject to sampling error. Only differences which are statistically significant are mentioned in the report commentary. For example, if a percentage is said to be higher among large schemes than medium schemes, this means that it is a statistically significant difference. All significance testing referred to in this report was carried out at the 95% confidence

level ($p < 0.05$)⁷. This means that we can be at least 95% confident that the change is 'real' rather than a function of sampling error.

Where available, equivalent results from the 2023 survey of DB schemes have been shown (or in some cases the 2021 survey if no more recent data was available). Typically this has been shown as the percentage point change, so an increase from 40% in 2023 to 50% in 2024 would be displayed as +10%. In the charts and tables statistically significant increases have been highlighted in green and statistically significant decreases in red.

All figures in this report have been rounded to the nearest whole percent. The one exception is cases where the value is between 0.01% and 0.49%, which have been shown as <0.5% (whereas if no respondents selected an answer the value has been shown as 0%). Please note that results in the charts and tables may not add up to 100% due to rounding and/or respondents being able to select more than one answer to a question.

⁷ Strictly speaking, calculations of statistical significance apply only to samples that have been selected using probability sampling methods. However, in practice it is reasonable to assume that these calculations provide a good indication of significant differences in quota surveys like this one.

3. Research findings

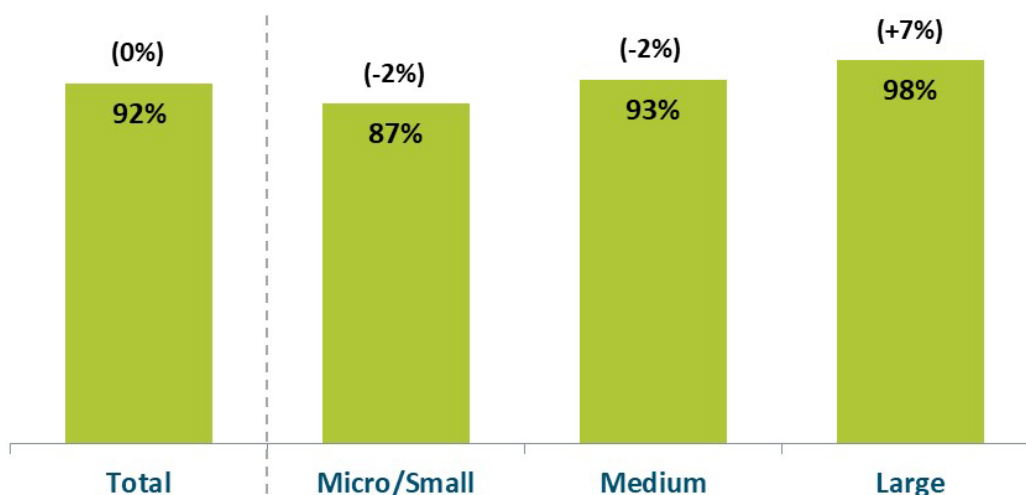
3.1 Long-term planning

The survey included a number of questions about schemes' long-term objectives (LTOs), which were defined as a strategy for ensuring that pensions and other benefits under the scheme can be provided over the long-term.

Figure 3.1.1 shows the proportion of schemes that had an LTO, along with any changes since the 2023 survey of DB schemes (with the percentage point change shown in brackets).

More than nine in ten schemes (92%) had an LTO, rising to 98% of large schemes. There were no statistically significant changes since the 2023 survey.

Figure 3.1.1 Proportion with an LTO



Base: All respondents (Base, Don't know)

Total (200, 1%), Micro/Small (75, 1%), Medium (78, 1%), Large (47, 0%)

Brackets show change since 2023, with statistically significant increases/decreases in green/red
[View a table showing all data from the above figure](#)

When the survey data is weighted based on the number of DB memberships, this shows that 98% of members were in a scheme that had an LTO.

As detailed in Table 3.1.1, the majority (62%) of schemes with an LTO were aiming to buy-out liabilities with an insurance company, and this was the most common LTO for all schemes sizes. Around a quarter (27%) of schemes intended to run on with low dependency on the employer and a further 7% aimed to run on and generate a surplus. However, comparatively few schemes (1%) intended to enter a commercial consolidator vehicle.

The figures in brackets show the percentage point change since the 2023 survey, with green/red arrows used to denote statistically significant increases/decreases⁸. Results have been broadly consistent over time, with few statistically significant differences between 2023 and 2024.

⁸ Please note that the 'run on and generate a surplus' option was not included in the 2023 survey.

Table 3.1.1 Focus of LTO

	Total	Micro/Small	Medium	Large
To buy-out	62% (+7%)	60% (+9%)	67% (+5%)	55% (+12%)
To run on with low dependency on the employer (low risk basis)	27% (-9%)	26% (-8%)	22% (-9%)	39% (-10%)
To run on and generate a surplus	7% (n/a)	8% (n/a)	8% (n/a)	4% (n/a)
To enter a consolidator vehicle such as a superfund	1% (-1%)	1% (-4%)	1% (+1%)	0% (-2%)
Something else	2% (-5%)↓	3% (-6%)	1% (-4%)	0% (-6%)

Base: All with an LTO (Base, Don't know) -

Total (184, 1%), Micro/Small (65, 2%), Medium (73, 0%), Large (46, 2%)

Brackets show change since 2023, with statistically significant increases/decreases identified by green/red arrows

As set out in Table 3.1.2, most schemes hoped to reach their LTO in either less than five years (39%) or in 5-10 years (40%), and this was the case for all sizes of scheme. Results were similar to those seen in the 2023 survey.

Table 3.1.2 Time period for reaching LTO

	Total	Micro/Small	Medium	Large
Less than 5 years ⁹	39% (-5%)	42% (-1%)	41% (-6%)	29% (-9%)
5-10 years	40% (+8%)	31% (0%)	46% (+18%)↑	43% (-4%)
11-15 years	7% (-2%)	3% (-2%)	6% (-6%)	15% (+7%)
16-20 years	3% (0%)	4% (-2%)	1% (0%)	2% (+2%)
More than 20 years	4% (0%)	7% (+3%)	3% (0%)	2% (-2%)
No time period	6% (-2%)	9% (+1%)	4% (-5%)	4% (0%)

Base: All with an LTO (Base, Don't know)

Total (184, 2%), Micro/Small (65, 3%), Medium (73, 0%), Large (46, 4%)

Figures in brackets show change since 2023, with statistically significant increases/decreases identified by green/red arrows

⁹ In 2024 this option was split into 'Less than 2 years' and '2-4 years' but results have been combined to provide comparability with the 2023 survey (which only had a single option for 'Less than 5 years'. In 2023, 22% of schemes said they were aiming to achieve their LTO in less than 2 years and 17% in 204 years.

Schemes targeting buy-out typically had a shorter LTO duration, with 49% aiming to achieve this in less than five years (compared with 22% of those with a different LTO). Schemes that were closed to future accrual also typically aimed to achieve their LTO sooner (45% in less than five years, compared with 19% of schemes that were open to future accrual).

Overall, 12% of medium and large schemes had an LTO of buy-out and were aiming to achieve this in less than two years. These schemes were asked whether they were on track to do this, and all of them (100%) confirmed this was the case.

Trustees were asked whether they had increased their consideration of various actions over the previous 12 months, with results shown in Table 3.1.3. The majority had given greater consideration to preparing the scheme for buy-out (61%), and approaching a third had increased their consideration of making changes to their investment strategy (30%) and running on the scheme to generate a surplus (28%). In addition, 26% had considered changing the time period of their LTO and 24% had considered changing the LTO itself.

Fewer schemes (9%) had increased their consideration of transferring to a commercial consolidator. This is consistent with the earlier findings showing that consolidation was the least common LTO (1%).

The above pattern was consistent irrespective of scheme size.

Table 3.1.3 Proportion that had increased consideration of long-term planning options in last 12 months

	Total	Micro/ Small	Medium	Large
Preparing the scheme for buy-out	61%	56%	70%	51%
Making significant changes to the scheme's investment strategy, such as a capital-backed journey plan	30%	31%	33%	21%
Running on the scheme to generate a surplus	28%	27%	28%	28%
Making significant changes to the time period to achieve the long-term objective	26%	23%	29%	28%
Making significant changes to the scheme's long-term objective	24%	22%	23%	30%
Transferring to a commercial consolidator vehicle such as a superfund	9%	12%	9%	4%
None of these	20%	27%	13%	21%

Base: All respondents (Base, Don't know)

Total (200, <0.5%), Micro/Small (75, 0%), Medium (78, 0%), Large (47, 2%)

In the 2023 survey this question was solely asked to those that had an LTO. When comparing this year's results with 2023 on a like-for-like basis (i.e. just based on those with an LTO), there were increases in the proportions who had increased consideration of buy-out (62% in 2024 vs. 51% in 2023) and transferring to a commercial consolidator (10% in 2024 vs. 3% in 2023). Conversely, fewer schemes

had increased their consideration of making significant changes to their investment strategy (31% in 2024 vs. 56% in 2023).

Schemes that had increased their consideration of any of these actions over the previous 12 months were asked whether this was due to the scheme's improved funding position, poorer funding position or some other reason. If the latter, they were asked to provide details (and their responses have been coded into common themes for ease of interpretation).

As shown in Table 3.1.4, in most cases increased consideration of these options was driven by an improved funding position (74%), with a minority (5%) motivated by a poorer funding position. A fifth (20%) gave another reason, and these typically related to the employer's circumstances or preference.

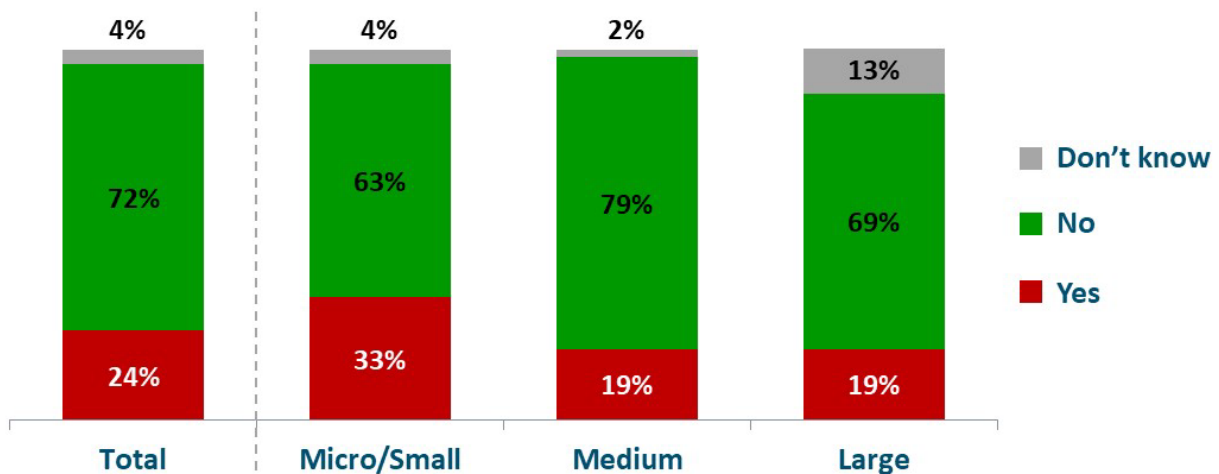
Table 3.1.4 Reasons for increased consideration of long-term planning options

	Total	Micro/ Small	Medium	Large
The scheme's improved funding position	74%	72%	75%	78%
The scheme's poorer funding position	5%	2%	6%	6%
For a different reason	20%	25%	18%	14%
- Changes to employer circumstances/strength	5%	8%	4%	0%
- Driven/requested by employer	4%	4%	2%	8%
- De-risking	3%	4%	3%	0%
- Part of the LTO/wider strategy	2%	3%	3%	0%
- The cost/burden of running the scheme	2%	1%	3%	0%
- Other	5%	9%	3%	6%

Base: All who had increased consideration of any actions (Base, Don't know)
Total (159, 2%), Micro/Small (55, 1%), Medium (68, 2%), Large (36, 3%)

Schemes whose LTO was to buy-out or who had increased consideration of buy-out in the last 12 months were asked if they had encountered any difficulties with this. Figure 3.1.2 shows that a quarter (24%) of these schemes had experienced difficulties, rising to a third (33%) of micro/small schemes.

Figure 3.1.2 Whether encountered difficulties with buy-out



Base: All with LTO of buy-out or who had increased consideration of buy-out
Total (140), Micro/Small (50), Medium (58), Large (32)

[View a table showing all data from the above figure](#)

Table 3.1.5 shows that the primary difficulties encountered related to finding an insurer willing to quote due to the size of the scheme (36%), the scheme not being prepared for buy-out in practical terms (26%) and the costs (25%).

Table 3.1.5 Difficulties experienced with buy-out

Top mentions (5%+)	Total
Finding an insurer willing to quote due to the size of the scheme	36%
The scheme not being prepared for buy-out in practical terms (e.g. data readiness)	26%
Buy-out costs	25%
Finding an insurer willing to quote due to the scheme's benefit structure	16%
Employer attitude/delays	11%
Fund performance/ investment returns	9%
Lack of knowledge about buy-out	7%
Market capacity	7%

Base: All who had encountered difficulties with buy-out (34)

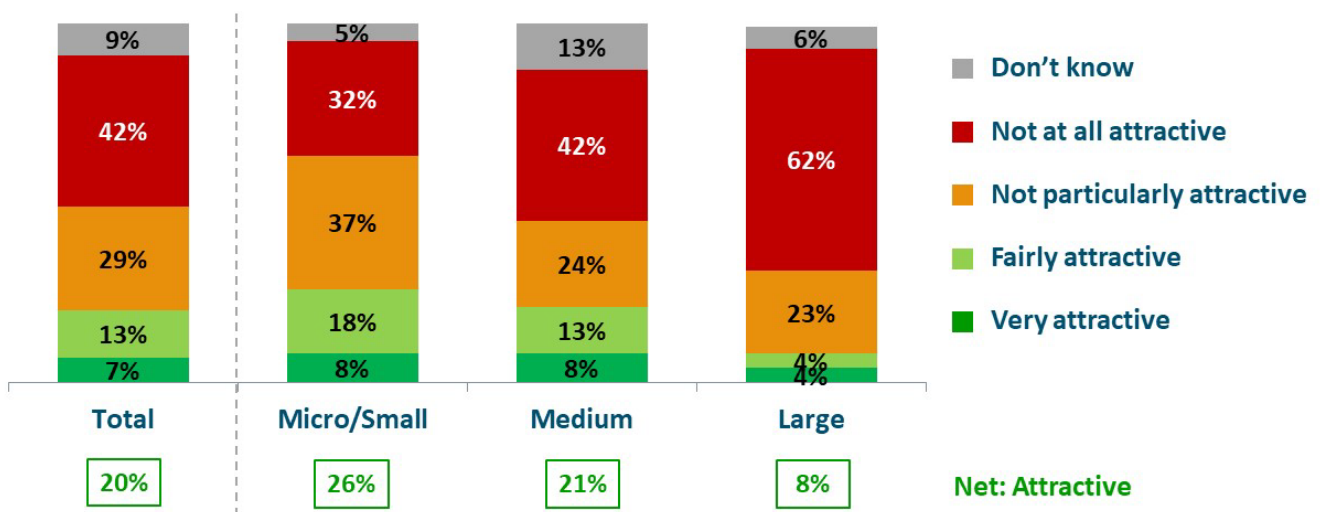
Where the scheme's LTO was to buy-out, they were asked whether these difficulties had a significant impact on the scheme or its plans. Most (71%) reported no impact, but 12% were unable to go to buy-out, 10% needed to assess their options or seek advice on how to proceed, and 8% delayed or extended their buy-out timescales.

Similar questions were asked to schemes whose LTO was to enter a commercial consolidator or who had increased their consideration of this option in the last 12 months. This applied to just 19 schemes so results should be treated as indicative

only. Three of these schemes (15%) had experienced difficulties; these related to finding a consolidator willing to take the scheme or the cost quoted to do so.

All respondents were asked the extent to which consolidation was an attractive option for their scheme (Figure 3.1.3). Despite the fact that relatively few schemes had an LTO of entering a commercial consolidator (1%) or had increased their consideration of this option in the previous 12 months (9%), a fifth (20%) believed that it was a very or fairly attractive option. Micro/small (26%) and medium (21%) schemes were more likely than large schemes (8%) to see consolidation as attractive.

Figure 3.1.3 Attractiveness of consolidation



Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)

[View a table showing all data from the above figure](#)

Table 3.1.6 provides a comparison with the 2021 survey (the most recent occasion when this question was asked) and shows that there has been little change in attitudes towards consolidation over this period.

Table 3.1.6 Proportion who felt consolidation was attractive

	Total	Micro/Small	Medium	Large
2024	20%	26%	21%	8%
2021	18%	24%	18%	9%

Base: All respondents

2024 - Total (200), Micro/Small (75), Medium (78), Large (47)

2021 - Total (265), Micro/Small (101), Medium (105), Large (59)

Statistically significant increases/decreases since 2021 are identified by green/red arrows

As detailed in Table 3.1.7, the primary reasons for finding consolidation attractive were reduced costs (36%) and reduced covenant/funding risks (23%).

Table 3.1.7 Reasons for being attracted to consolidation

Top mentions (5%+)	Total
Reduced costs	36%
Reduced covenant and/or funding risks	23%
Better security/outcomes for members	13%
Small scheme/few members	13%
Want to close/wind down/offload the scheme	12%
Improved investment options	7%
More efficient /reduced administration	7%
Improved journey planning	6%
Sponsoring employer preference	5%

Base: All seeing consolidation as attractive (39)

The reasons for finding consolidation unattractive typically related to its lack of suitability for their scheme rather than specific issues with consolidation itself (Table 3.1.8). Half (50%) felt that their current LTO was more appropriate, 9% said that consolidation was not relevant/needed for their scheme or situation, and 8% felt it was not appropriate due to the size of their scheme. However, a minority voiced more specific concerns; 7% believed it would be too expensive, 7% were unsure of the benefits, and 6% felt it would provide a worse outcome/service for their members.

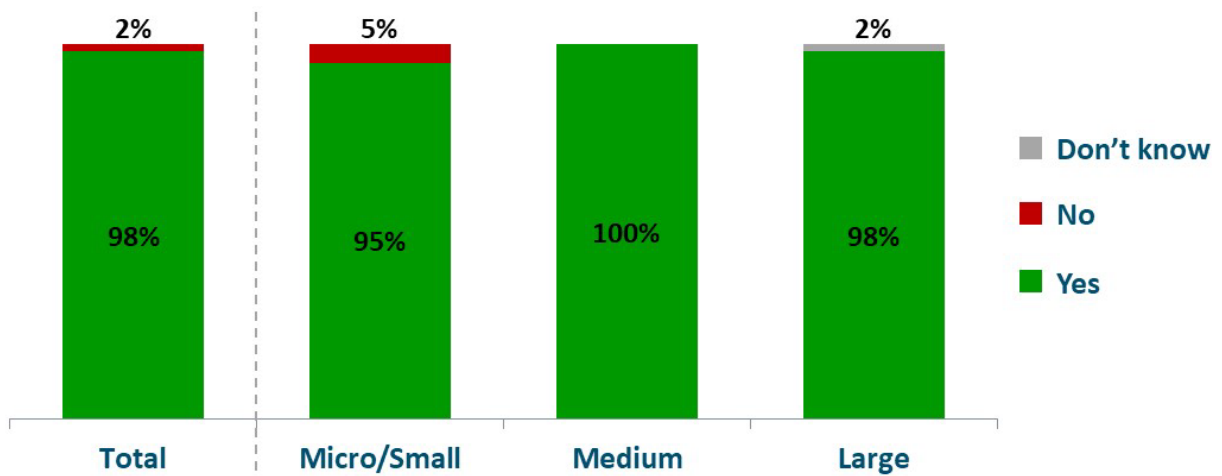
Table 3.1.8 Reasons for not being attracted to consolidation

Top mentions (5%+)	Total
Current LTO is more appropriate for the scheme	50%
Not appropriate/relevant/needed for our scheme/situation	9%
Due to the size of the scheme	8%
Too expensive	7%
Unsure of the benefits of consolidation	7%
In employer's benefit to keep current scheme	6%
Feel like it would provide worse outcome/service	6%

Base: All seeing consolidation as not attractive (144)

There was no evidence that schemes were deterred from considering consolidation due to lack of expertise. As shown in Figure 3.1.4, respondents almost universally (98%) believed that their trustee board had enough expertise available to it through advisers and service providers to effectively consider the pros and cons of the different models for consolidation. This proportion was similar across all scheme sizes.

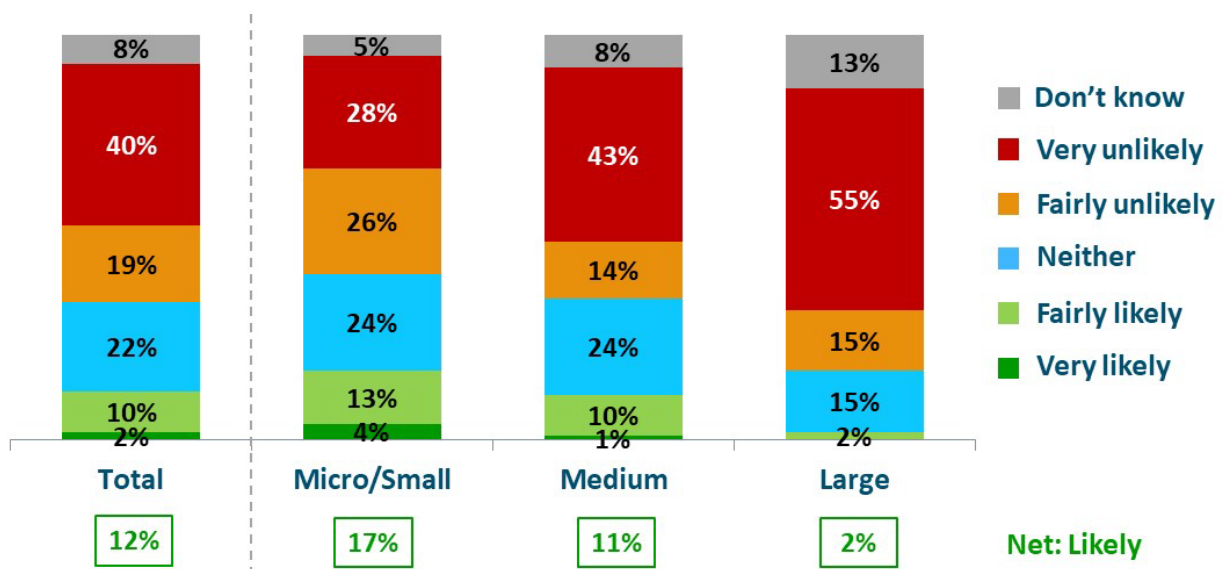
Figure 3.1.4 Whether trustee board has enough expertise available to consider pros and cons of different consolidation models



Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)
[View a table showing all data from the above figure](#)

Respondents were asked how likely their scheme would be to enter a Public Sector Consolidator (PSC) of DB pension schemes if one were to be created, as shown in Figure 3.1.5. Overall 12% would be likely to enter a PSC, with this more prevalent among smaller schemes (micro/small 17%, medium 11%, large 2%).

Figure 3.1.5 Likelihood of entering a PSC



Base: All respondents- Total (200), Micro/Small (75), Medium (78), Large (47)
[View a table showing all data from the above figure](#)

As might be expected, schemes who said consolidation in general was attractive were more likely to enter a PSC if available (38%). However, a minority of those who did not find consolidation an attractive prospect still felt they would be likely to go down this route if it was available through a PSC (5%).

Those schemes who had not ruled out entering a PSC were asked to specify the main factors that would attract them to it (Table 3.1.9). The primary appeal of a PSC was its perceived affordability (40%) and security (28%).

Table 3.1.9 Factors attracting schemes to a PSC

Top mentions (3%+)	Total
Affordability (i.e. lower pricing compared to alternatives)	40%
Perceived security	28%
Standardised benefits	9%
Simplicity	4%
Impartiality	4%
Better member outcomes	3%

Base: All except those unlikely to enter a PSC (65, Don't know 15%, Nothing 4%)

Respondents were asked whether the trustee board was considering various governance, investment and insurance options for the scheme. Table 3.1.10 shows that three-quarters (74%) of boards were considering buy-out, consistent with 62% of schemes having an LTO of buy-out (as detailed previously). Buy-in was also widely considered (42%), but no more than 14% of trustee boards were considering any of the other options.

While the proportion considering buy-out was consistent across all scheme sizes, trustee boards of large schemes were comparatively more likely to be considering buy-in (55%) and longevity insurance (25%).

Table 3.1.10 Governance, investment and insurance options being considered by the trustee board

	Total	Micro/ Small	Medium	Large
Buy-out	74%	73%	76%	72%
Buy-in	42%	32%	45%	55%
Sole trustee arrangement	14%	14%	14%	15%
Longevity insurance	10%	7%	7%	25%
Capital backed journey plan	7%	8%	5%	6%
None of these	17%	20%	17%	13%

Base: All respondents (Base, Don't know)

Total (200, 1%), Micro/Small (75, 0%), Medium (78, 1%), Large (47, 2%)

As summarised in Table 3.1.11, the vast majority of trustees believed that their board had enough expertise available to it through advisers and service providers to effectively consider the pros and cons of these options. This ranged from 97% for buy-out down to 84% for a capital backed journey plan. Confidence in the available expertise was similarly high across all sizes of scheme.

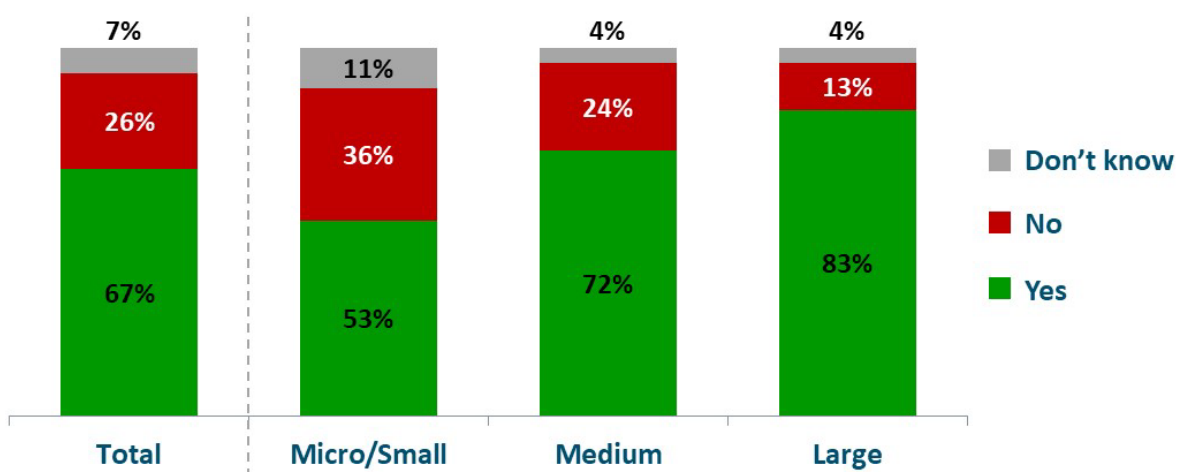
Table 3.1.11 Proportion with enough expertise available to effectively consider pros and cons of each option

	Total	Micro/Small	Medium	Large
Buy-out	97%	93%	100%	98%
Buy-in	95%	92%	97%	98%
Longevity insurance	90%	85%	93%	96%
Sole trustee arrangement	88%	87%	87%	94%
Capital backed journey plan	84%	82%	82%	92%

Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)

3.2 Discretionary benefits

Respondents were asked whether their scheme rules allowed the provision of discretionary benefits (excluding 'routine' discretionary benefits relating to providing benefits to a dependent or child). As detailed in Figure 3.2.1, two-thirds (67%) of schemes allowed the provision of such benefits to their members. This increased in line with scheme size (micro/small 53%, medium 72%, large 83%).

Figure 3.2.1 Whether provide discretionary benefits

Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)

[View a table showing all data from the above figure](#)

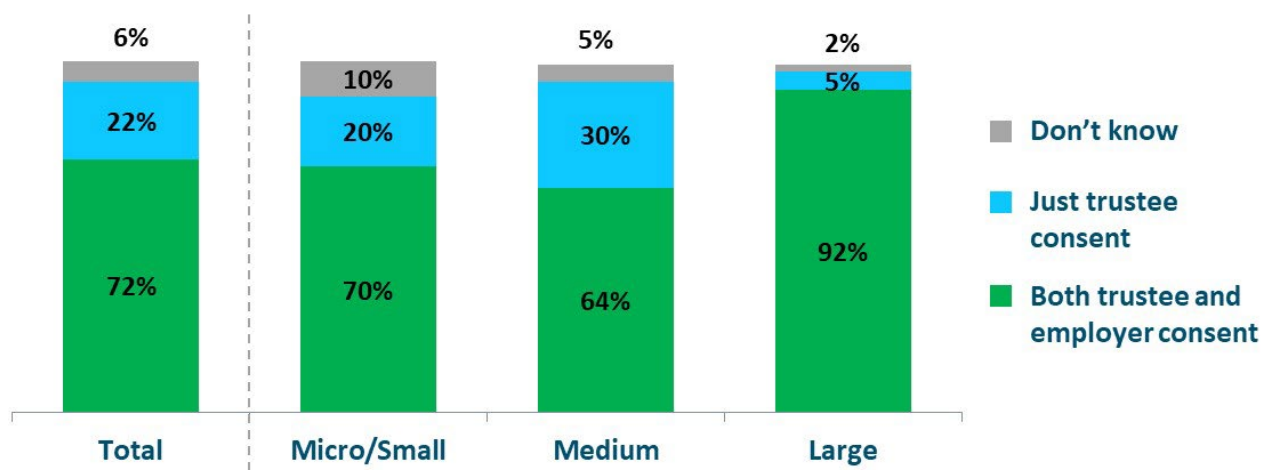
While the majority of schemes allowed discretionary benefits, in most cases (67%) they had not provided any of these to members in the previous three years (Table 3.2.1). Where these had been provided, the most common types were discretionary pension increases (15% relating to pre-1997 service and 14% not relating to pre-1997 service) and preferential early retirement terms (14%).

Table 3.2.1 Discretionary benefits provided over last three years

	Total	Micro/Small	Medium	Large
Discretionary pension increases relating to pre-1997 service	15%	11%	18%	15%
Other discretionary pension increases not related to pre-1997 service	14%	13%	16%	13%
Preferential early retirement terms for multiple members	14%	16%	12%	13%
One-off payments or benefit uplifts for multiple members	9%	5%	11%	10%
Other discretionary benefits provided to multiple members	2%	0%	1%	5%
None	67%	74%	65%	64%

Base: All schemes that allowed discretionary benefits (Base, Don't know)
Total (135, 1%), Micro/Small (39, 0%), Medium (57, 2%), Large (39, 0%)

Figure 3.2.2 shows that where discretionary benefits are allowed under the scheme rules, these typically require consent from both the trustee and the employer (72%). This was particularly the case among large schemes (92%).

Figure 3.2.2 Consent required for providing discretionary benefits

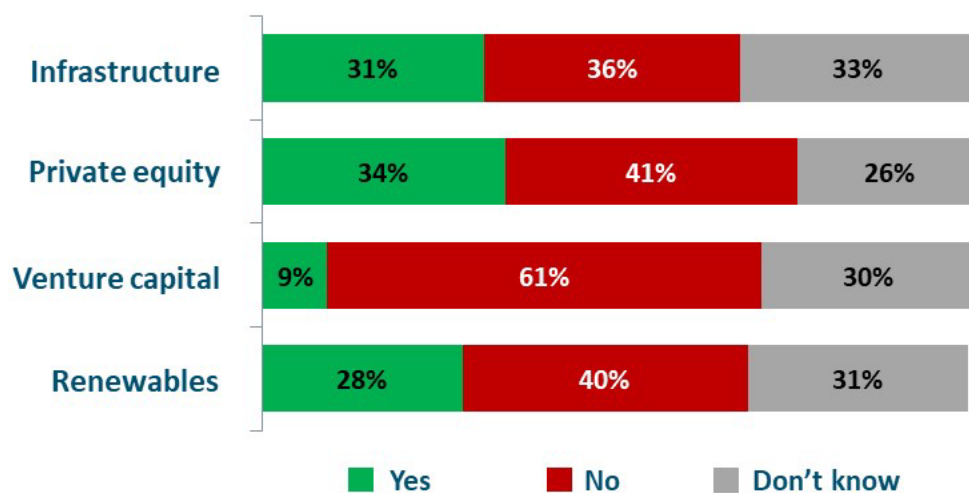
Base: All schemes that allowed discretionary benefits
Total (135), Micro/Small (39), Medium (57), Large (39)
[View a table showing all data from the above figure](#)

3.3 Investment in UK assets

Respondents were first asked whether their scheme held any investments (either in the UK or overseas) in infrastructure, private equity, venture capital or renewables. Results are shown in Figure 3.3.1.

Around a third of schemes held investments in private equity (34%), infrastructure (31%) and renewables (28%), but fewer had venture capital investments (9%). However, a significant number of respondents didn't know if the scheme held these investments (between 26% and 33% across the four investment types). As such, the true proportions may be higher.

Figure 3.3.1 Investments held in the UK or overseas



Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)
[View a table showing all data from the above figure](#)

As shown in Table 3.3.1, approaching half (45%) of schemes held one or more of these investments, and this increased in line with size (large 70%, medium 47%, micro/small 30%). Comparatively few (6%) had investments in all four areas.

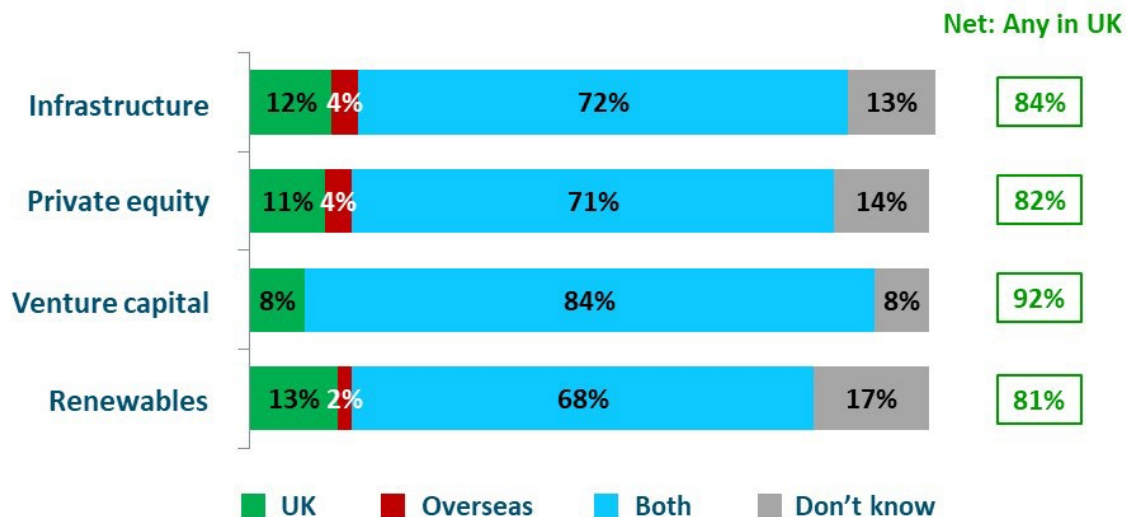
Table 3.3.1 Proportion holding investments (in the UK or overseas)

	Total	Micro/Small	Medium	Large
Infrastructure	31%	15%	36%	55%
Private equity	34%	22%	34%	58%
Venture capital	9%	5%	13%	11%
Renewables	28%	15%	33%	44%
Don't know (for at least one investment)	42%	53%	39%	25%
Don't know (for all investments)	22%	30%	21%	4%
Net: Any of these investments	45%	30%	47%	70%
Net: All of these investments	6%	1%	11%	6%

Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)

Trustees of schemes that held these investments were asked whether each of these was in the UK, overseas or both. Figure 3.3.2 shows that the majority (between 68% and 84%) indicated that they were in both the UK and overseas¹⁰.

Figure 3.3.2 Location of investments



Base: All holding each investment type – **Caution: low base for venture capital**
 Infrastructure (65), Private equity (70), Venture capital (19), Renewables (58)
[View a table showing all data from the above figure](#)

Results to the above questions have been combined to provide an analysis of the proportion of schemes that held each investment type in the UK. Table 3.3.2 shows that 38% of schemes held at least one of these investments in the UK. UK private equity (28%), infrastructure (26%) and renewables (23%) investments were more widespread than UK venture capital investments (9%).

The likelihood of holding these investments in the UK increased with scheme size. Two-thirds (66%) of large schemes held any UK investments, compared with 39% of medium schemes and 23% of micro/small schemes. This pattern was evident for each specific investment type, with the exception of venture capital.

However, the high level of 'don't know' responses should be considered when interpreting these findings. Approaching half (46%) of respondents answered 'don't know' for at least one of these investment types, and 24% answered 'don't know' for all four. This was a particular issue among respondents from micro/small schemes (33% answered 'don't know' for all four investments).

¹⁰ Those who answered 'both' were also asked whether each investment was larger in the UK or overseas. The majority of respondents didn't know, but among those able to answer there was a broadly even split between those who said it was larger in the UK and those who said it was larger overseas.

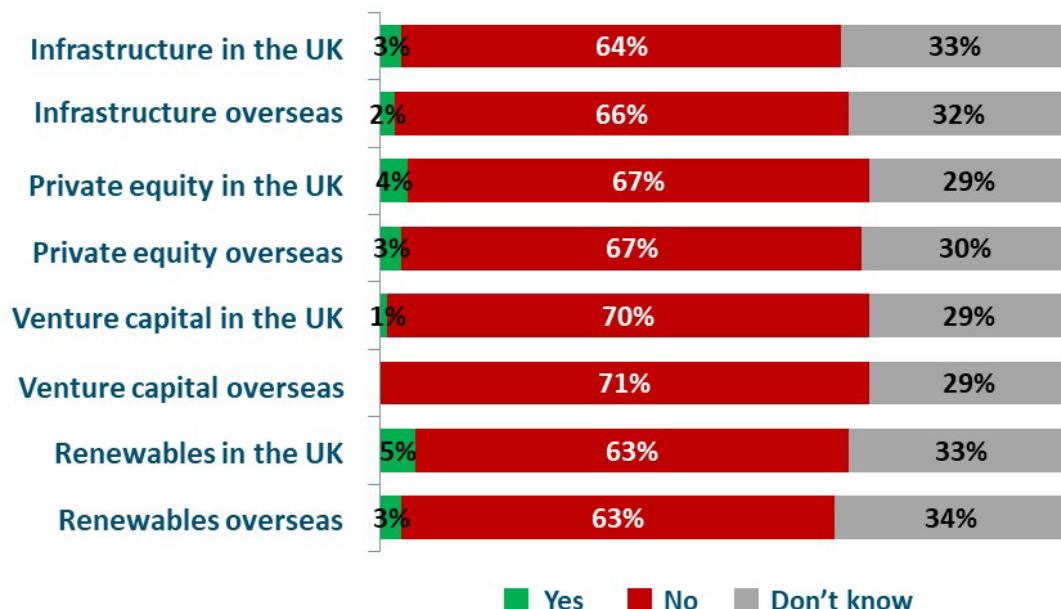
Table 3.3.2 Proportion holding investments in the UK

	Total	Micro/Small	Medium	Large
Infrastructure	26%	13%	29%	49%
Private equity	28%	16%	29%	49%
Venture capital	9%	5%	13%	6%
Renewables	23%	12%	27%	36%
Don't know (for at least one investment)	46%	58%	43%	30%
Don't know (for all investments)	24%	33%	22%	8%
Net: Any of these investments in the UK	38%	23%	39%	66%
Net: All of these investments in the UK	5%	1%	9%	2%

Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)

Irrespective of whether they currently held any of these investments, schemes were asked whether they intended to increase their allocation in each one over the next 12 months (Figure 3.3.3). Only a small minority of schemes planned to increase their investment in these areas, ranging from 5% for renewables in the UK to no schemes for venture capital overseas. However, the relatively high number of 'don't know' responses (between 29% and 34%) should be considered when interpreting these results.

Figure 3.3.3 Whether intend to increase investment allocation over next 12 months



Base: All respondents (200)

[View a table showing all data from the above figure](#)

Table 3.3.3 summarises the proportion of schemes that intended to increase their allocation of these investments over the next 12 months. Approaching one in ten (9%) expect to increase their investment in any of these areas, with 8% specifically anticipating an increase in the UK (compared with 6% overseas).

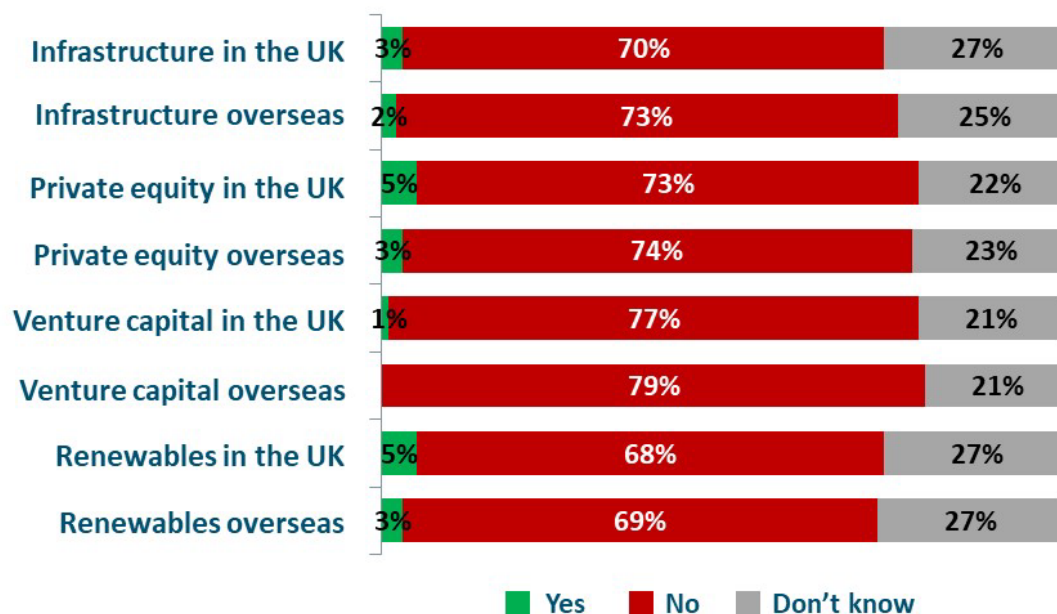
Table 3.3.3 Summary of intention to increase investment allocation over next 12 months

	Total	Micro/Small	Medium	Large
Intend to increase investment in UK and/or overseas	9%	7%	9%	13%
Intend to increase investment in UK	8%	7%	8%	11%
Intend to increase investment overseas	6%	4%	7%	11%

Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)

Figure 3.3.4 provides an alternative analysis that excludes those who didn't know whether their scheme currently held any of these investments. However, this makes little difference to the overall picture in terms of the proportion of schemes expecting to increase their allocation of these investments, and around a quarter were still unsure of their plans in this regard.

Figure 3.3.4 Whether intend to increase investment allocation over next 12 months (excluding those who didn't know if they had any investments)



Base: All except those who didn't know if they currently held any investments (159)

[View a table showing all data from the above figure](#)

Similarly, Table 3.3.4 provides an alternative summary of the proportion of schemes that intended to increase their allocation of these investments over the next 12 months, excluding those who didn't know if they currently held any of these

investments. Based on this analysis, 11% expected to increase their investment in any of these areas (10% in the UK and 8% overseas).

Table 3.3.4 Summary of intention to increase investment allocation over next 12 months (excluding those who didn't know if they had any investments)

	Total	Micro/Small	Medium	Large
Intend to increase investment in UK and/or overseas	11%	8%	12%	14%
Intend to increase investment in UK	10%	8%	10%	11%
Intend to increase investment overseas	8%	4%	8%	11%

Base: All except those who didn't know if they currently held any investments
Total (159), Micro/Small (52), Medium (62), Large (45)

As set out in Table 3.3.5, a third (32%) of trustees felt there were barriers to their scheme investing more in UK assets. The most widely mentioned specific barriers were the level of risk associated with these investments (11%) and the time scales involved (8%). These were the top barriers for each size of scheme.

Table 3.3.5 Barriers to increased investment in UK assets

	Total	Micro/Small	Medium	Large
Yes, there are barriers	32%	33%	27%	41%
– Risk too great (high probability of investment falling in value)	11%	17%	6%	13%
– Time horizon (investment may not fit with scheme endgame)	8%	9%	8%	11%
– Scheme size/circumstances prevent us	4%	3%	5%	4%
– We don't make investments (e.g. insurer does this)	4%	4%	5%	0%
– Likely performance/return	3%	3%	3%	6%
– Fiduciary duty/policy	2%	1%	1%	4%
– We need to match investments to liabilities	1%	2%	0%	2%
– Lack of clarity of regulations/government policy	1%	0%	2%	0%
– Lack of liquidity	1%	0%	0%	4%
– Other barriers	4%	6%	3%	4%
No barriers	64%	64%	68%	55%
Don't know	4%	2%	5%	4%

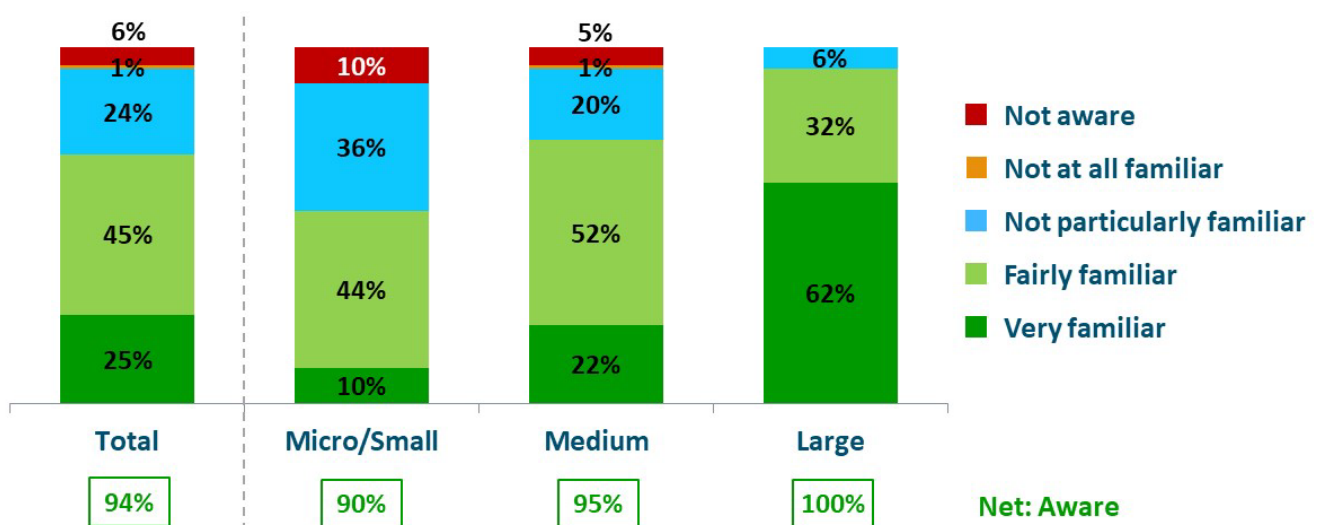
Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)

3.4 General Code of Practice

Trustees were asked whether, prior to the interview, they were aware of TPR’s new General Code of Practice and, if so, how familiar they were with the expectations set out in the code.

Figure 3.4.1 shows that the vast majority (94%) were aware of the General Code of Practice, ranging from 90% of micro/small scheme trustees to 100% of large scheme trustees. Familiarity was also relatively high, with 70% of trustees reporting that they were ‘very’ or ‘fairly’ familiar with the expectations set out in the code. This also increased with scheme size (micro/small 54%, medium 74%, large 94%).

Figure 3.4.1 Familiarity with the General Code of Practice



Base: All respondents (Base)
 Total (200), Micro/Small (75), Medium (78), Large (47)
[View a table showing all data from the above figure](#)

As detailed in Table 3.4.1, awareness increased from 59% in the 2023 survey (prior to the code’s introduction) to 94% in 2024. This pattern was evident for all scheme sizes, although the greatest increase was seen among trustees of micro/small schemes (up from 41% to 90%).

Table 3.4.1 Proportion aware of the General Code of Practice

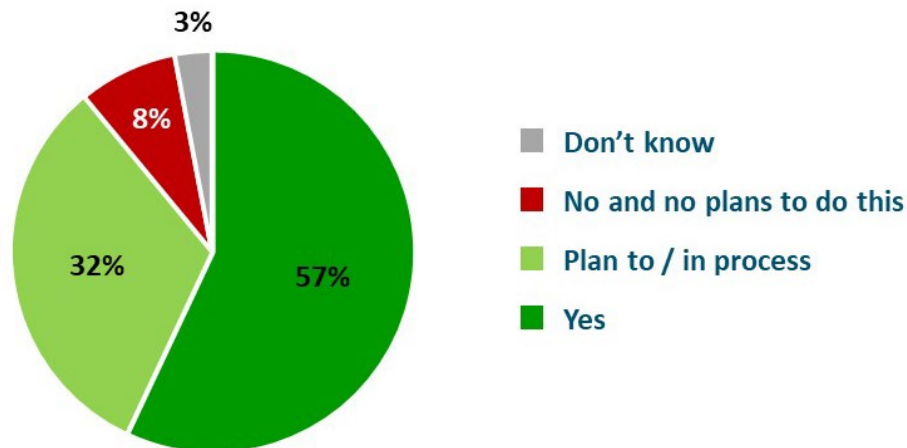
	Total	Micro/Small	Medium	Large
2024	94%↑	90%↑	95%↑	100%↑
2023	59%	41%	64%	88%

Base: All respondents
 2024 - Total (200), Micro/Small (75), Medium (78), Large (47)
 2023 - Total (250), Micro/Small (97), Medium (95), Large (58)
 Statistically significant increases/decreases since 2023 are identified by green/red arrows

Those respondents who were aware of the General Code of Practice were asked whether the trustee board had compared the scheme’s governance processes with

the code to identify any gaps where improvements were required. Figure 3.4.2 shows that 90% of these schemes had either compared their processes or planned to do so (with 57% having already done this).

Figure 3.4.2 Whether compared governance processes against the General Code of Practice

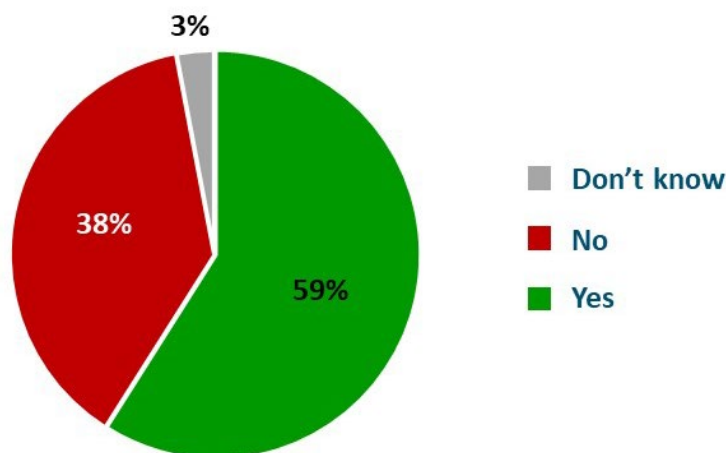


Base: All aware of the General Code of Practice (189)

[View a table showing all data from the above figure](#)

Over half (59%) of those schemes that compared their processes against the code identified gaps where improvements were required (Figure 3.4.3).

Figure 3.4.3 Whether identified gaps where improvements were required

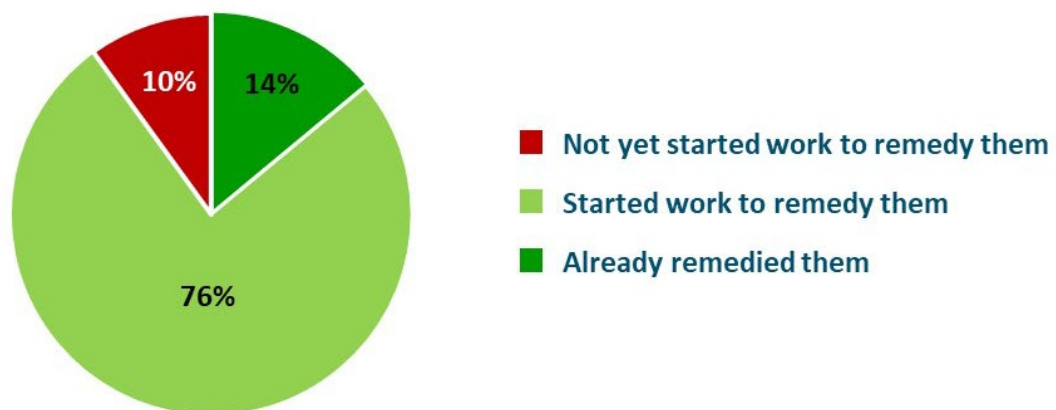


Base: All who had compared processes against the code (110)

[View a table showing all data from the above figure](#)

Schemes that identified gaps when comparing their governance processes against the General Code of Practice were asked whether they had taken action to remedy these. As set out in Figure 3.4.4, 90% had at least started to do so (14% had already remedied the gaps and 76% had started work on this).

Figure 3.4.4 Whether taken action to remedy the gaps identified



Base: All who had identified gaps in their governance processes (69)

[View a table showing all data from the above figure](#)

Table 3.4.2 combines results from the above questions to provide an overall assessment of the proportion of schemes (of each size) that had compared their processes against the code, identified gaps and taken action to remedy these. This is based on all respondents, including those unaware of the code¹¹.

Table 3.4.2 Summary of proportion comparing governance processes, identifying gaps and taking action

Summary (based on all respondents)	Total	Micro/Small	Medium	Large
Compared processes and identified gaps	32%	17%	31%	66%
- Already remedied gaps	4%	4%	1%	13%
- Started work to remedy gaps	24%	11%	26%	49%
- Not yet started work to remedy gaps	3%	2%	4%	4%
Compared processes and did not identify gaps	20%	20%	26%	9%
Compared processes but don't know if identified gaps	2%	3%	1%	0%
Not compared processes but plan to (or in process)	30%	37%	27%	23%
Not compared processes and no plans to	7%	12%	5%	0%
Don't know if compared processes	3%	1%	4%	2%
Not aware of General Code of Practice	6%	10%	5%	0%
Net: Compared processes	54%	40%	58%	74%
Net: Compared processes or plan to	84%	76%	85%	98%
Net: No plans to compare processes (inc. don't know and not aware of code)	16%	24%	15%	2%

Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)

¹¹ This analysis is based on all respondents whereas the previous questions were based on particular sub-sets (those aware of the code, those who had compared processes, etc). As a result, the percentages do not match.

As detailed above, 54% of schemes had compared their processes against the General Code of Practice. However, 16% had no plans to do this (including those who were unaware of the code).

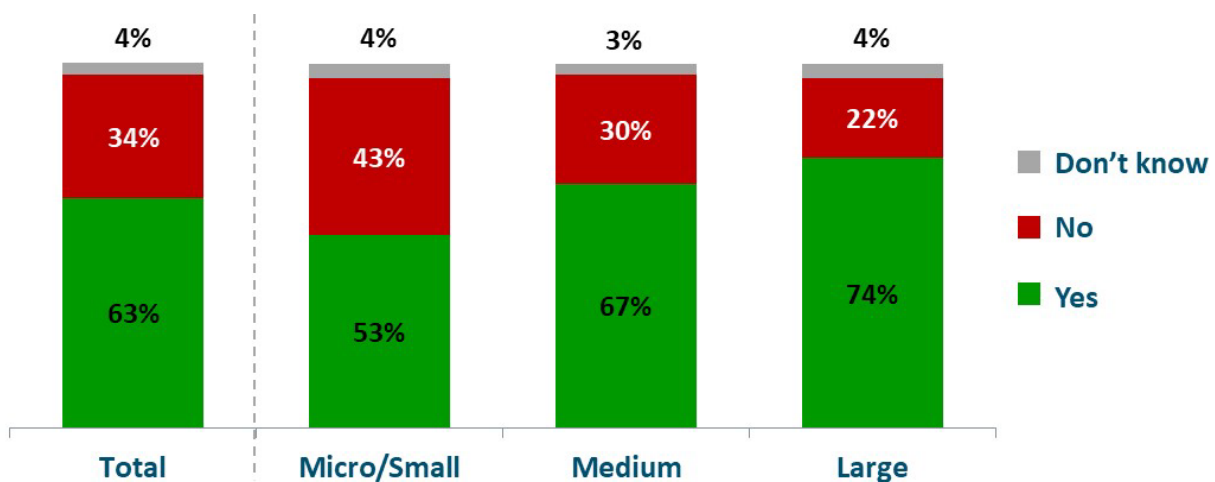
Large schemes were most likely to have compared their processes against the code (74%), and in most cases they had identified gaps where improvements were required (66%). In contrast, less than half of micro/small schemes had compared their processes (40%), and a quarter had no plans to do so (24%).

When the survey data is weighted based on the number of DB memberships, this shows that around three-quarters (73%) of members were in a scheme that had already compared its governance processes against the General Code of Practice.

Respondents were asked if the knowledge and understanding of the entire trustee board had been assessed against expectations set for trustees by TPR. Figure 3.4.5 shows that approaching two-thirds (63%) of schemes had done this, and this was more likely among larger schemes (micro/small 53%, medium 67%, large 74%).

Overall, 76% of DB members were in a scheme that had assessed trustee knowledge and understanding against TPR's expectations (this is based on member-weighted analysis).

Figure 3.4.5 Whether assessed trustee knowledge and understanding against TPR's expectations



Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)

[View a table showing all data from the above figure](#)

Schemes were asked about the effectiveness of their governance policies and procedures in various areas. The question wording was adjusted depending on scheme size to reflect TPR's differing expectations; micro and small schemes were asked if they had 'effective' policies and procedures whereas medium and large schemes were asked if they had 'effective and documented' policies and procedures.

As summarised in Table 3.4.3, over 90% of schemes reported having effective policies/procedures for monitoring scheme investments (95%), ensuring compliance with statutory disclosures (94%), conflicts of interest (93%), ensuring accuracy of scheme/member data (93%) and assessing/managing investment risks (91%).

Schemes were least likely to report having effective policies/procedures for the maintenance of IT systems/cyber controls (75%) and an effective approach to reviewing their policies and procedures (77%).

Half (52%) of schemes had effective policies/procedures in all of these areas, and this was similar across all scheme sizes. However, micro/small schemes were comparatively less likely to report having effective policies and procedures in some areas, particularly in relation to maintenance of IT systems and cyber controls (68%), monitoring and managing the performance of advisers and service providers (71%), and the knowledge and skills of trustees (75%).

Table 3.4.3 Proportion with ‘effective’ / ‘effective and documented’ policies and procedures

	Total	Effective	Effective & documented	
		Micro/Small	Medium	Large
Monitoring scheme investments	95%	90%	97%	98%
Ensuring compliance with statutory disclosures	94%	91%	95%	98%
Conflicts of interest	93%	87%	96%	98%
Ensuring accuracy of scheme and member data	93%	93%	95%	98%
Assessing and managing investment risks to the scheme	91%	90%	90%	96%
Identifying and reporting breaches of law	89%	86%	91%	89%
Assessing and managing operational risks to the scheme	88%	87%	91%	87%
Resolving contribution and payment issues	85%	86%	85%	85%
The knowledge and skills of trustees	83%	75%	89%	89%
Monitoring and managing the performance of advisers and service providers	83%	71%	92%	89%
The maintenance of IT systems and cyber controls	75%	68%	79%	83%
Your approach to reviewing your policies and procedures (to ensure they remain effective)	77%	79%	78%	70%
Net: All of these	52%	50%	53%	53%
Net: None of these (including don't know)	1%	2%	0%	2%

Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)

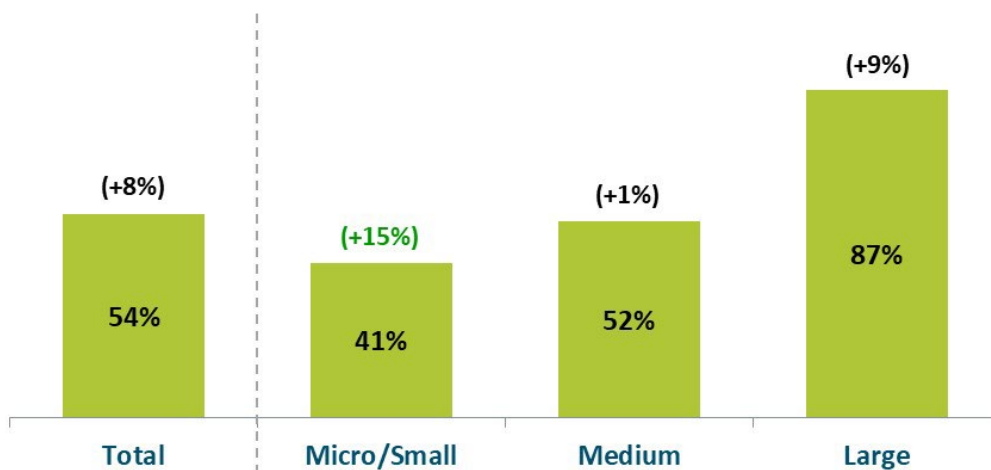
3.5 Environment, Social and Governance (ESG)

Figure 3.5.1 shows the proportion of schemes that had dedicated time or resources to assessing any financial risks and opportunities associated with climate change. The figures in brackets give the percentage point change since the 2021 survey (the most recent occasion on which this question was asked).

Half (54%) of schemes had dedicated time/resources to assessing climate-related financial risks and opportunities, rising to 87% of large schemes. In comparison 46% of schemes had done this in the 2021 survey, although this apparent increase was not statistically significant. However, there was a significant increase among micro/small schemes over this period, from 26% to 41%.

Overall, 84% of members were in a scheme that had dedicated time and resources to assessing the financial risks and opportunities associated with climate change (based on member-weighted analysis of the survey data).

Figure 3.5.1 Proportion that have dedicated time or resources to assessing financial risks and opportunities associated with climate change



Base: All respondents (Base, Don't know)

Total (200, 4%), Micro/Small (75, 2%), Medium (78, 6%), Large (47, 0%)

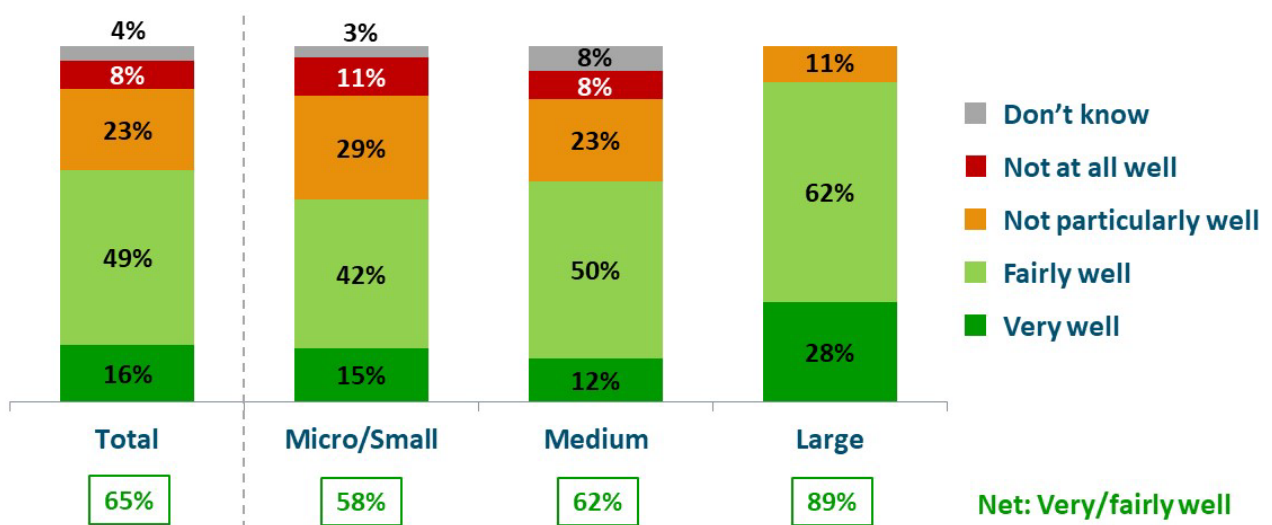
Brackets show change since 2021, with statistically significant increases/decreases in green/red
[View a table showing all data from the above figure](#)

As set out in Figure 3.5.2, two-thirds (65%) of trustees felt that they understood the scale of the financial risks posed by climate change to their scheme 'very well' or 'fairly well'. Again, this was more likely to be the case for large schemes (89%).

This increased to 81% among schemes who had dedicated time or resources to assessing climate-related risks/opportunities (compared with 49% of those who had not done this).

Nine out of ten members (88%) were in a scheme that reported understanding the risks very/fairly well.

Figure 3.5.2 Understanding of the scale of the financial risks posed by climate change to the scheme



Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)

[View a table showing all data from the above figure](#)

Trustees were asked if there were any barriers to improving their understanding of the financial risks posed by climate change (Table 3.5.1). A quarter (25%) reported barriers, rising to 41% of large schemes (who were also more likely to have devoted time and resources to assessing climate-related risks/opportunities).

While a range of barriers were reported, the most common related to the quality of the data (5%). This was a particular issue for large schemes (21%).

Table 3.5.1 Barriers to improving understanding of financial risks posed by climate change

Top mentions (3%+ at total level)	Total	Micro/Small	Medium	Large
Yes – there are barriers	25%	25%	19%	41%
– Quality of the data	5%	0%	3%	21%
– Cost of analysis	3%	7%	0%	4%
– Lack of knowledge or skills	3%	2%	3%	4%
– Expect the scheme to transfer to an insurer (buy-out) or consolidator soon	3%	4%	3%	0%
– Lack of simple/clear/reliable information on the topic	3%	1%	4%	6%
– Not relevant (due to scheme size, type of investments, etc.)	3%	1%	4%	2%
No	73%	72%	80%	59%
Don't know	2%	3%	1%	0%

Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)

Respondents were asked whether the scheme had taken various actions on stewardship to help with its management of climate risks, with results summarised in Table 3.5.2. Please note that the 46% of schemes that had not allocated time or resources to assessing climate-related risks/opportunities (as reported in Figure 3.5.1) and were therefore not asked this question, but this group has been included in the analysis base and shown separately in the table. Where available, the percentage point change since the 2021 survey (the last occasion on which this question was asked) is shown in brackets¹².

Table 3.5.2 Stewardship actions taken on climate risk

	Total	Micro/ Small	Medium	Large
When appointing new asset managers, asked the prospective manager how they include climate factors in engagement and voting behaviour	44% (+11%)↑	26% (+11%)	45% (+9%)	81% (+15%)
Talked to advisers and asset managers about how climate-related risks and opportunities are built into their engagement and voting policies	43% (+2%)	22% (+2%)	45% (0%)	83% (+8%)
Aligned with aspects of the UK Stewardship Code	30%	15%	27%	70%
When outsourcing activities, set out in legal documents your expectations on climate stewardship and approaches	27% (+10%)↑	19% (+11%)↑	27% (+9%)	47% (+15%)
Requested that your asset managers vote on certain issues in a particular way	16%	5%	18%	36%
Targeted companies or investments with the highest carbon emissions so you can encourage them to reduce these	16%	10%	16%	32%
Signed the UK Stewardship Code	15% (+9%)↑	5% (+1%)	15% (+10%)↑	36% (+21%)↑
Joined collaborative engagement efforts on climate change	14% (+6%)↑	7% (+3%)	11% (+3%)	34% (+17%)↑
Not allocated any time or resources to climate change (inc. don't know if done this)	46% (-8%)	59% (-15%)↓	48% (-1%)	13% (-9%)

Base: All respondents (Base, None of these/Don't know)

Total (200, 6%), Micro/Small (75, 12%), Medium (78, 1%), Large (47, 0%)

Brackets show change since 2021, with statistically significant increases/decreases identified by green/red arrows

As detailed above, schemes were most likely to have asked prospective asset managers how they included climate factors in engagement and voting behaviour (44%) and talked to advisers and asset managers about how climate-related risks and opportunities were built into their engagement and voting policies (43%). This

¹² Some actions were added for first time in the 2024 survey so no comparative data is available.

was followed by aligning with aspects of the UK Stewardship Code (30%) and setting out expectations on climate stewardship/approaches in legal documents when outsourcing activities (27%).

While 30% of schemes had aligned the UK Stewardship Code, fewer (15%) had signed it. The other least widespread actions were requesting that asset managers voted on certain issues in a particular way (16%), targeting companies/investments with the highest carbon emissions to encourage them to reduce these (16%) and joining collaborative engagement efforts on climate change (14%).

Since 2021, there was increased uptake of most of the actions where comparative data is available.

Respondents were also asked whether the trustee board was considering various ESG related issues as part of its investment decisions for the scheme. Table 3.5.3 shows that the most commonly considered issues were financial risks and opportunities relating to corporate governance (57%), equality, diversity and inclusion (47%) and other social factors (42%).

Generally, the smaller the scheme the less likely the trustee board was to be considering ESG factors in its investment decisions. A quarter (24%) of micro/small schemes were not considering any of them, compared with 18% of medium schemes and 2% of large schemes. In addition, 15% of micro/small and 17% of medium schemes said it was not applicable as the trustees did not make investment decisions (whereas this only applied to 4% of large schemes).

Table 3.5.3 Other ESG factors considered in investment decisions

	Total	Micro/ Small	Medium	Large
Corporate governance-related financial risks and opportunities	57%	48%	56%	79%
Equality, diversity and inclusion related financial risks and opportunities	47%	33%	49%	72%
Financial risks and opportunities related to other social factors, e.g. modern slavery	42%	36%	40%	62%
Availability or quality of transition plans for companies or funds that you invest in	35%	25%	38%	49%
Biodiversity-related financial risks and opportunities	28%	21%	33%	32%
Nature-related financial risks and opportunities	28%	27%	27%	32%
Other ESG factors	3%	0%	4%	6%
Not applicable (e.g. trustees don't make investment decisions)	14%	15%	17%	4%
None of these (no other material ESG factors being considered)	21%	34%	18%	2%

Base: All respondents (Base, Don't know)

Total (200, 3%), Micro/Small (75, 1%), Medium (78, 5%), Large (47, 2%)

As set out in Table 3.5.4, 70% of schemes had investments in pooled funds, ranging from 64% of micro/small to 83% of large schemes.

Table 3.5.4 Whether any investments held in pooled funds

	Total	Micro/Small	Medium	Large
Yes	70%	64%	70%	83%
No	23%	28%	23%	13%
Don't know	7%	8%	7%	4%

Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)

3.6 Pension scams

TPR's guidance¹³ states that potential pension scams should be reported to Action Fraud, and only to TPR or the Financial Conduct Authority (FCA) in specific circumstances (e.g. if they involve unauthorised financial advice, transfer concerns or breaches of pensions law). However, when asked who schemes should report a suspected pension scam to, comparatively few respondents mentioned Action Fraud (11%) whereas two-thirds (65%) suggested TPR.

The other most widely mentioned options were the trustees or scheme manager (28%), the administrator (18%) and a law enforcement body (15%).

In comparison to medium and large schemes, trustees of micro schemes were less likely to mention TPR (54%) and the administrator (11%) but more likely to say 'don't know' (10%). Large schemes were more likely to suggest the FCA (19%).

Table 3.6.1 Who pensions scams should be reported to (unprompted)

Top mentions (5%+ at total level)	Total	Micro/Small	Medium	Large
TPR	65%	54%	72%	72%
The trustees or scheme manager	28%	34%	24%	25%
The administrator	18%	11%	25%	19%
Another law enforcement body (e.g. police, National Crime Agency, National Economic Crime Centre)	15%	17%	14%	15%
Action Fraud (or Police Scotland/Advice Direct Scotland)	11%	7%	14%	11%
Financial Conduct Authority (FCA)	9%	7%	7%	19%
ICO	5%	3%	5%	11%
The sponsoring employer	5%	2%	8%	2%
Don't know	5%	10%	3%	0%

Base: All respondents - Total (200), Micro/Small (75), Medium (78), Large (47)

¹³ <https://www.thepensionsregulator.gov.uk/en/pension-scams>

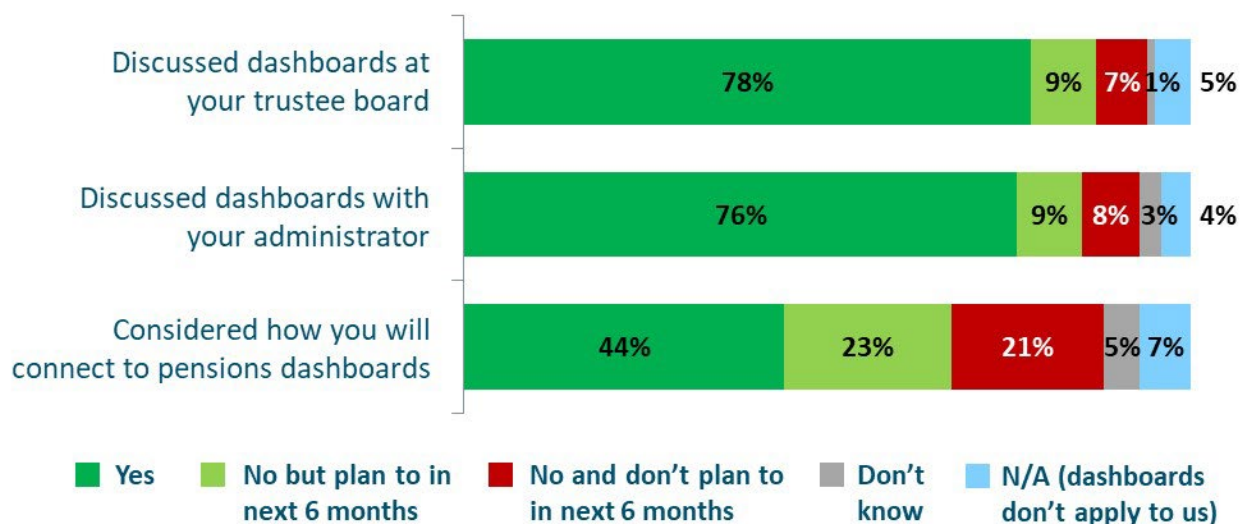
Professional trustees were more likely to correctly say that scams should be reported to Action Fraud (32%, compared with 6% of non-professional/lay trustees).

3.7 Pensions dashboards

Medium schemes (with between 100 and 999 members) were asked several questions about their preparations for pensions dashboards¹⁴. Depending on their specific size, these schemes are due to connect to dashboards between January and September 2026, so between 15 and 23 months after they completed this survey.

Figure 3.7.1 shows that around three-quarters of medium schemes had already discussed dashboards at their trustee board (78%) and with their administrator (76%). In comparison, fewer than half (44%) had considered how they will connect to dashboards, although a further 23% were planning to do this in the next six months.

Figure 3.7.1 Dashboards preparations



Base: All medium schemes (78)

[View a table showing all data from the above figure](#)

As detailed in Table 3.7.1, most schemes that had considered how they would connect to dashboards expected to use a third-party provider (85%). This was typically an existing provider such as their administrator or software provider (79%) rather than a new provider (6%).

The remainder planned to build their own IT solution to connect to dashboards (15%).

¹⁴ DWP guidance allocates each scheme a dashboards connection deadline based on their size, with larger schemes due to connect first. Large schemes were not asked these questions as TPR already has sufficient data on their dashboards readiness from other sources, and micro/small schemes were not included because they are currently not required to connect to pensions dashboards.

Table 3.7.1 How schemes will connect to dashboards

	Total
Through an existing third-party provider (e.g. administrator or software provider)	79%
Through a new third-party provider	6%
By building your own IT solution to connect to the dashboards	15%
You haven't decided yet	0%

Base: All medium schemes that have considered how they will connect to dashboards (35)

4. Appendix: Underlying data for all figures/charts

This annex provides the underlying data for each of the figures/charts shown in the main body of this report.

Data for 'Figure 3.1.1 Proportion with an LTO'

	Total	Micro/Small	Medium	Large
Yes	92%	87%	93%	98%
<i>Change since 2023</i>	0%	-2%	-2%	+7%

Statistically significant increases/decreases are shown by a green/red arrow

[Return to the corresponding figure in the main body of the report](#)

Data for 'Figure 3.1.2 Whether encountered difficulties with buy-out'

	Total	Micro/Small	Medium	Large
Yes	24%	33%	19%	19%
No	72%	63%	79%	69%
Don't know	4%	4%	2%	13%

[Return to the corresponding figure in the main body of the report](#)

Data for 'Figure 3.1.3 Attractiveness of consolidation'

	Total	Micro/Small	Medium	Large
Very attractive	7%	8%	8%	4%
Fairly attractive	13%	18%	13%	4%
Not particularly attractive	29%	37%	24%	23%
Not at all attractive	42%	32%	42%	62%
Don't know	9%	5%	13%	6%

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Data for 'Figure 3.1.4 Whether trustee board has enough expertise available to consider pros and cons of different consolidation models'

	Total	Micro/Small	Medium	Large
Yes	98%	95%	100%	98%
No	2%	5%	0%	0%
Don't know	<0.5%	0%	0%	2%

[Return to the corresponding figure in the main body of the report](#)

Data for 'Figure 3.1.5 Likelihood of entering a PSC'

	Total	Micro/Small	Medium	Large
Very likely	2%	4%	1%	0%
Fairly likely	10%	13%	10%	2%
Neither likely nor unlikely	22%	24%	24%	15%
Fairly unlikely	19%	26%	14%	15%
Very unlikely	40%	28%	43%	55%
Don't know	8%	5%	8%	13%
Net: Very/Fairly likely	12%	17%	11%	2%

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Data for 'Figure 3.2.1 Whether provide discretionary benefits'

	Total	Micro/Small	Medium	Large
Yes	67%	53%	72%	83%
No	26%	36%	24%	13%
Don't know	7%	11%	4%	4%

[Return to the corresponding figure in the main body of the report](#)

Data for 'Figure 3.2.2 Consent required for providing discretionary benefits'

	Total	Micro/Small	Medium	Large
Require both trustee and employer consent	72%	70%	64%	92%
Just require trustee consent	22%	20%	30%	5%
Don't know	6%	10%	5%	2%

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Data for 'Figure 3.3.1 Investments held in the UK or overseas'

	Infra-structure	Private equity	Venture capital	Renewables
Yes	31%	34%	9%	28%
No	36%	41%	61%	40%
Don't know	33%	26%	30%	31%

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Data for 'Figure 3.3.2 Location of investments'

	Infra-structure	Private equity	Venture capital	Renewables
UK	12%	11%	8%	13%
Overseas	4%	4%	0%	2%
Both	72%	71%	84%	68%
Don't know	13%	14%	8%	17%
Net: Any in UK	84%	82%	92%	81%

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Data for 'Figure 3.3.3 Whether intend to increase investment allocation over next 12 months'

	Infrastructure in the UK	Infrastructure overseas	Private equity in the UK	Private equity overseas
Yes	3%	2%	4%	3%
No	64%	66%	67%	67%
Don't know	33%	32%	29%	30%
	Venture capital in the UK	Venture capital overseas	Renewables in the UK	Renewables overseas
Yes	1%	0%	5%	3%
No	70%	71%	63%	63%
Don't know	29%	29%	33%	34%

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Data for 'Figure 3.3.4 Whether intend to increase investment allocation over next 12 months (excluding those who didn't know if they had any investments)'

	Infrastructure in the UK	Infrastructure overseas	Private equity in the UK	Private equity overseas
Yes	3%	2%	5%	3%
No	70%	73%	73%	74%
Don't know	27%	25%	22%	23%
	Venture capital in the UK	Venture capital overseas	Renewables in the UK	Renewables overseas
Yes	1%	0%	5%	3%
No	77%	79%	68%	69%
Don't know	21%	21%	27%	27%

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Data for ‘Figure 3.4.1 Familiarity with the General Code of Practice’

	Total	Micro/Small	Medium	Large
Very familiar	25%	10%	22%	62%
Fairly familiar	45%	44%	52%	32%
Not particularly familiar	24%	36%	20%	6%
Not at all familiar	1%	0%	1%	0%
Not aware	6%	10%	5%	0%

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Data for ‘Figure 3.4.2 Whether compared governance processes against the General Code of Practice’

	Total
Yes	57%
Plan to / in process	32%
No and no plans to do this	8%
Don’t know	3%

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Data for ‘Figure 3.4.3 Whether identified gaps where improvements were required’

	Total
Yes	59%
No	38%
Don’t know	3%

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Data for ‘Figure 3.4.4 Whether taken action to remedy the gaps identified’

	Total
Already remedied them	14%
Started work to remedy them	76%
Not yet started work to remedy them	10%

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Data for 'Figure 3.4.5 Whether assessed trustee knowledge and understanding against TPR's expectations'

	Total	Micro/Small	Medium	Large
Yes	63%	53%	67%	74%
No	34%	43%	30%	22%
Don't know	4%	4%	3%	4%

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Data for 'Figure 3.5.1 Proportion that have dedicated time or resources to assessing financial risks and opportunities associated with climate change'

	Total	Micro/Small	Medium	Large
Yes	54%	41%	52%	87%
<i>Change since 2021</i>	+8%	+15%↑	+1%	+9%

Statistically significant increases/decreases are shown by a green/red arrow

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Data for 'Figure 3.5.2 Understanding of the scale of the financial risks posed by climate change to the scheme'

	Total	Micro/Small	Medium	Large
Very well	16%	15%	12%	28%
Fairly well	49%	42%	50%	62%
Not particularly well	23%	29%	23%	11%
Not at all well	8%	11%	8%	0%
Net: Very/fairly well	65%	58%	62%	89%

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Data for 'Figure 3.7.1 Dashboards preparations'

	Discussed dashboards at your trustee board	Discussed dashboards with your administrator	Consider how you will connect to pensions dashboards
Yes	78%	76%	44%
No but plan to in next 6 months	9%	9%	23%
No and don't plan to in next 6 months	7%	8%	21%
Don't know	1%	3%	5%
N/A (dashboards don't apply to us)	5%	4%	7%

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