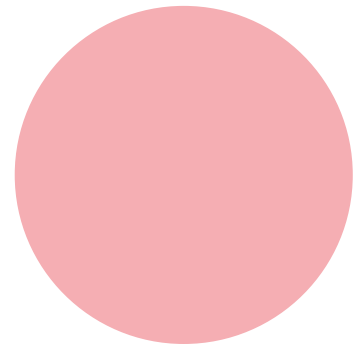
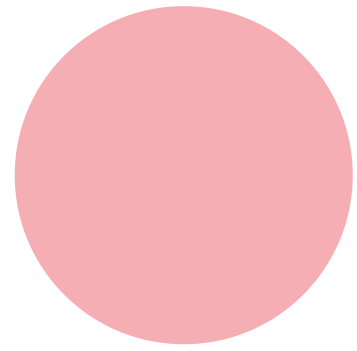


June 2021

Savanta: ComRes



**The Pensions Regulator
Stakeholder research,
Autumn 2020:
Summary of findings**

Introduction and methodology

Savanta ComRes, a market research agency, was commissioned by The Pensions Regulator (TPR) to conduct research among TPR stakeholders. The aim of this research was to understand stakeholder perceptions of TPR and its performance in the context of the COVID-19 pandemic, whether stakeholders' views on our priority areas of focus have changed in light of the pandemic, and what stakeholders think the key risks and issues are going forwards.

TPR is very grateful to stakeholders who took part in the research. The findings helped inform TPR's ongoing response to challenges presented by the pandemic and inform the prioritisation of their activities.



Methodology

Semi-structured telephone interviews



Audience

59 interviewees made up of representatives from the pensions industry, industry bodies, parliament and government.



Fieldwork dates

Fieldwork was conducted in September and October of 2020.

The survey followed The Pension Regulator's earlier survey among stakeholders which took place in January to March 2020, before the COVID-19 crisis.

In the final section of this document, TPR responds to three key conclusions drawn from this research, summarising how stakeholder perceptions have helped to inform its future approaches.

Summary of key findings

Familiarity and overall perceptions

- Stakeholders across the range of categories interviewed were familiar with TPR. While COVID-19 has had a mixed impact on stakeholders' levels of interaction with TPR, this generally did not affect perceptions. Some reported that they saw a temporary reduction in their contact with the TPR, while its guidance and communication brought about increased engagement for others.
- Stakeholders' views of TPR's overall performance did not change significantly when compared to the interviews in early 2020, with the majority positioning themselves as being 'fairly' favourable towards the regulator. Very few expressed unfavourable views towards TPR's overall performance and actions in 2020.
- Many felt that TPR's handling of the COVID-19 crisis reflected favourably on TPR, but their overall attitudes towards the regulator remained the same. Stakeholders continued to feel that TPR is headed in the right direction on core pension sector priorities, such as driving up standards of trusteeship and protecting savers from pension scams, and that it has performed well in navigating its perceived challenging remit.

"I'm very favourably disposed to TPR. I think they're doing a good job... I think that TPR is in an unenviable position. It has huge amounts of things to do as a regulator... I think they're trying very hard and by and large succeeding in finding the balance between being a serious regulator whilst being sensitive people to deal with. It's not an easy job."

"[I feel] favourably [because] this isn't normal circumstances; people are affected in different ways and the fact that TPR have acknowledged that and tried to provide the right guidance to clients and to the industry as a whole. That voice and those recommendations can give a bit of comfort to people who are trying to continue servicing clients at this time."

Assessment of COVID-19 response:

- All stakeholders interviewed were at least somewhat familiar with the TPR's response to COVID-19, with many very familiar with the details of its activities. The vast majority praised the decisiveness, fairness and timeliness of TPR's COVID-19-related activity.
- Those working in the industry or advising it were likely to recall specific COVID-19 easements and guidance which TPR put in place. Those less involved in managing or advising pensions day-to-day were also aware of TPR's activities in relation to COVID-19, but were less likely to spontaneously recall them.
- Most believed TPR has taken a pragmatic and proactive approach to managing COVID-19, and that it effectively communicated its approach to stakeholders. However, a handful mentioned that TPR would sometimes update its guidance without clearly signalling when and where revisions had been made.

“When you consider that they've had to obviously switch to working from home, in isolation as we all have, I think they've coped with that extremely well. Their communication system has been very, very good, very clear. So, yes. I can't find fault. I think they've worked really well as a team, the leadership team, and delivered as they should.”

“We found it very difficult to keep track of the updates to that guidance... TPR would generally publish all the guidance online, which I think is great. It's accessible, it's immediate, absolute tick in the box. But TPR then update those webpages and that guidance without any traceability and without necessarily any great promotion or communication of those changes... it left us thinking, 'What did it say yesterday? What does it say today? What do we need to acknowledge as the change?'. ”

“Clearer, quicker, tougher”

- Familiarity with the phrase ‘clearer, quicker, tougher’ remained high and many believed that TPR has been delivering on this approach since the COVID-19 crisis. Stakeholders described how TPR acted transparently and swiftly in response to the pandemic. They suggested that the easement measures taken by TPR in relation to COVID-19 mean that it is less likely to be seen as ‘tough’, which is broadly understood as a sensible approach given the current pressures on the wider pensions industry.
- Stakeholders felt that communication around TPR’s ‘toughness’ will need to be navigated carefully as the pandemic continues to impact the wider industry. Some felt that TPR needs to go further to evidence how it is ‘quicker’, while some were concerned that a ‘tougher’ stance could penalise smaller, less professional schemes that are otherwise successful.

“COVID has created a particular set of circumstances in which tougher is wholly inappropriate at the moment. I think they have been clear, and they have responded pretty quickly. So, I think they are still on that same journey, and from what I hear, their reputation is increasing rather than decreasing.”

TPR’s priorities

- Stakeholders broadly agreed that the six priorities outlined in its Annual Corporate Plan¹ 2020-21 should be where the regulator focuses its activities. Stakeholders felt that COVID-19 has made already existing issues within the sector more challenging rather than led to a new set of issues, acting thereby as an accelerator for these issues rather than as a disruptor to them. Indeed, many felt that COVID-19 has served to reinforce the importance of some of TPR’s corporate priorities. Stakeholders most often drew attention to the pandemic and the importance of the following areas in the coming months:
 - The aim to protect savers from pension scams was seen to be a key priority by a significant proportion of stakeholders, as they expected the incidence of scams to

¹ <https://www.thepensionsregulator.gov.uk/en/document-library/corporate-information/corporate-plans/corporate-plan-2020-21#6c6d451c731c462880ce4ed29175b03a>

increase during times of economic distress. A continuation of TPR’s joint work with the FCA on pension scams was widely welcomed as a result.

- Many stakeholders also cited the importance of TPR intervening where appropriate with DB schemes so that such schemes achieve their long-term funding strategy and deliver on their promises. Stakeholders anticipate a very challenging economic environment over the coming months and years and suggest that TPR will play a pivotal role in managing the risks associated with this when it comes to ensuring the viability of pensions schemes.
- Stakeholders urged TPR to not to lose sight of its long-term, strategic aims during this turbulent period. There was a sense that, while COVID-19 may persist as an important issue in the short to medium term, additional crucial areas of focus remain for TPR in the longer term, including governance and administration, DC and automatic enrolment, as well as building a regulator capable of meeting future challenges.
- Some stakeholders mentioned the upcoming Pensions Bill, and how it will impact TPR’s remit and capabilities. Indeed, many acknowledged that the TPR’s various priorities could not be judged separately, with many of them interlinking. This reinforced respondents’ views that TPR has the right areas of focus.
- Stakeholders often felt that TPR, being a relatively small organisation compared to its responsibilities, needs to collaborate with other regulators or government departments, just as it has on scams with the FCA. This is viewed as particularly important in the context of TPR’s expanded COVID-19 related activities.

“They're doing a good job [on scams]. Particularly post-COVID, the risk of scams has gone up. ... They just need to keep people alert that this is a risk, so people don't get complacent. And I think that's working well.”

“[TPR’s corporate priorities are] obviously all very, very important. The one around auto-enrolment, and looking to make sure people, workers, members have a DC alternative. That would be very important. But they're all important.”

“For me, there's supporting pension schemes during a global pandemic. That sits over everything else they should be doing. [But] I wouldn't like TPR to lose focus on the wider issues, and how they prepare and structure themselves to meet the changes that are coming. So, unfortunately, they're all important.”

“Capacity [is a priority] and making sure that not only have they got sufficient funding, but they've got sufficient people with the appropriate skills to meet their responsibilities under any new sort of legislation or regulation that comes down the line.”

“[Collaboration] has become more important [in light of COVID]. We need to make sure that we're going out with the same sort of messages, we need to make sure that we're working together to deliver the ends. It's very hard for one particular organisation to deliver without the other ones working together with it.”

TPR's response to key conclusions from this research

In this section, TPR responds to three key conclusions drawn from this research, summarising how stakeholder perceptions have helped to inform its future approaches. These conclusions relate to the COVID-19 pandemic, TPR's strategic direction, and partnership working.

Stakeholders believe that TPR has responded well to the COVID-19 pandemic. However, DB funding and pensions scams are expected to present increased, ongoing challenges.

- Protecting savers' money and working with industry and employers to navigate the COVID-19 crisis remains our principal focus. We will continue to show the adaptability, speed and clarity that savers and the marketplace need from us.
- Our new Corporate Plan prioritises the security of scheme funding and, where it is needed, we will flex our resources to work with a greater number of distressed employers.
- Our Corporate Plan also confirms that we will continue to prioritise disrupting pension scams, bringing scammers to justice, and working to recover assets.

Stakeholders supported the priorities in last year's Corporate Plan, urging TPR not to lose sight of its strategic aims, although some cautioned that COVID-19 may accelerate marketplace trends and issues.

- We are maintaining our long-term strategic focus and have set this out in our new 15 year Strategy. This puts savers at the heart of everything we do and sets an ambitious vision for the future.
- Our analysis of the potential impact of COVID-19 supports stakeholders' views that the pandemic will accelerate change in the landscape – and we have reflected this in our Strategy. Our strategic priorities highlight where we can best respond to and help shape these changes in order to protect and enhance savers' outcomes.

Stakeholders cite the importance of TPR collaborating with its partners, recognising both limitations on resource and its broadening, challenging remit.

- Our new Strategy reflects stakeholders' views, committing to work closely with our partners and industry as a key part of a coherent regulatory system.
- We are committed to working with our partners to align regulation and minimise burden, adopting a principles-based approach where this is appropriate.
- Our new Corporate Plan prioritises partnership working on pension scams, establishing cross-industry standards on value for money, market innovations, pensions dashboards, and embedding DWP's new framework for small schemes., including encouraging scheme consolidation.

TPR's Corporate Plan 2021-22 and Corporate Strategy can be found at [Corporate Strategy Plan | The Pensions Regulator](#)