

## MEMBER BACKING PENSIONS AND LIFETIME SAVINGS ASSOCIATION

# WHAT PLSA MEMBERS WANT FROM US

In the summer of 2019 we asked ICM to carry out research with our members on the PLSA's strengths and weaknesses, our role and the challenges we can help our members overcome.

Here's what they told us and how our help means 94% of our members would renew their membership.

## A VISION FOR THE FUTURE OF THE PLSA

Our members' feedback sets out a journey for the PLSA in which we increase our core value as a member organisation, promote our role as the captain of the pensions industry and add a pioneering outlook for the future.

Members value the detailed knowledge and expertise of the PLSA, but macro-level representation, co-ordinating and leadership is their real need as they face a wide range of challenges at industry and societal level.

### 1. Maintaining and strengthening our membership offering

Our core strengths – our impartiality and professionalism, events that attract high profile figures and effective face-to-face communications – make us the natural home for pension schemes.

But our members say engagement drives value: engagement with the PLSA's role and objectives and engagement among our membership as a community. We need to keep finding new channels for bringing members together to share insight and expertise and to be clear about the support we provide directly to members and through our strength as an association.

### 2. Promoting our captaincy role

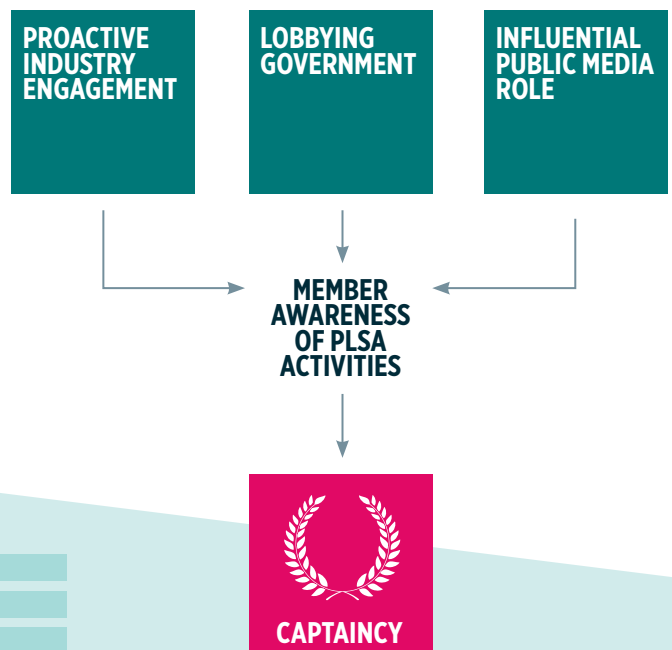
We deliver high quality and relevant policy work and we're an effective representative in Whitehall and Westminster, but members want more. To keep demonstrating our value, they need to see more of us bringing the industry together and implement change, putting our influence to use in Government and adding our voice to debate in the media.

Members want to see more from the PLSA about the proactive role we're playing in GMP equalisation, ESG, patient capital and pensions dashboards – and understand how we lobby on these and how that drives positive change.

### 3. Developing a pioneering outlook

We need to push boundaries and define the future of the pensions sector, mapping out the new approaches, opportunities and fringe issues that will be essential in the future – such as helping our members harness the opportunities of fintech.

The PLSA needs to build this capability on the platform created by pioneering projects such as the Retirement Living Standards (RLS), which empower people to better understand what kind of lifestyle they can seek for their retirement, and the Cost Transparency Initiative, which brings clarity to your investment costs.



**OUR MEMBERS THINK WE  
UNDERSTAND (71%),  
RESPOND TO (72%)  
AND REPRESENT (74%)  
THEIR NEEDS.**



*“Informative’, ‘thought-leading’, ‘authoritative’, ‘high-quality’. When it comes to their fortnightly newsletters, then I think it’s very much current, up-to-the-minute.”*

(Pension Scheme Trustee)

PolicyWatch puts the latest news and analysis from pensions policy and public affairs in your inbox every fortnight.

## YOUR CHALLENGES, OUR AGENDA

As well as setting out how we can improve as a representative body, our members told us about the challenges they’re dealing with.

In our **captaincy** role, these are the areas where we’ll demonstrate the value of the PLSA and the collective strength of our membership over the next three years.

### We need to build trust in pensions.

*“One of my frustrations with the pensions industry in general is that the vast majority of people, their gut reaction is negative... We’ve got well governed schemes making good decisions in the interests of members with trustees who know what they’re doing – but no-one would know it.”*

(Large fund member)

Trust in the pensions and lifetime savings system is vital to fulfil our mission to help everyone achieve a better income in retirement. If people trust pensions they will save more (or not opt out of saving) and make better decisions.

### Members need salient information that cuts through the noise

*“A key challenge from a trustee perspective: the rate of regulatory change, and our ability to stay current”*

(Fund member)

Constant change is hard to keep up with. While Brexit may have slowed down legislation, new regulations are increasing demands on trustees’ skills and time. They need the right information from the PLSA and the right support in continuously improving capability and governance.

87% of our members say the PLSA keeps them informed about pensions issues

### Defined benefit is changing, but will be here for a long time

*“Our key challenge, our collective challenge, is moving the pension scheme towards a completely de-risked status.”*

(Trustee)

The DB market continues to change. Schemes are grappling with complex investment needs and the continuing demands of longevity. And as some prepare for the endgame, they’re de-risking, looking at buyout, preparing for negative cash flow or considering consolidation.

Meanwhile, there is a role for the PLSA to play in promoting best practice in employer engagement, risk management and governance for private sector DB and the LGPS.

### Freedom needs a framework

*“Making sure we understand what people are likely to do, and giving them the choices, and helping them to understand how to exercise those choices [...] is really, really important.”*

(Trustee)

Since 2015, DC savers have had more responsibility, more complex choices to make and more risk to manage. Together we have focus on improving outcomes for savers as they convert their pension pots into income: helping them understand their objectives, make difficult choices, find guidance and access the right products.

### DC member engagement is crucial – for the PLSA and its members

*“It’s DC that we’re really focusing our member engagement on. That’s where the member really should take some part to play in the management of their benefits.”*

(Fund member)

DC is the future. But growing DC membership and savings means we face an ever-bigger task to make sure savers appreciate its value and their options.

Our members are clear that the PLSA has a captaincy role to play in promoting best practice in DC innovation, master trusts and at-retirement solutions.

### The LGPS is unique and faces specific challenges.

*“Challenges relate to arrangements for pooling of investments. Changes to the regulations, the LGPS regulations, or potential changes to the LGPS regulations. The valuation, trade evaluation, and the multiplicity of employers that we have in the fund.”*

Pooling of Local Authority funds has brought new challenges, new risks and new governance needs. And while the structure of investments is changing, so is the nature and structure of the LGPS.

## YOUR FEEDBACK IN NUMBERS

“I think increasingly it’s adding value, there are working groups, they’ve got teach-ins, they offer courses, they have their conferences and they do issue a large number of simplified documents to help pension schemes of all sizes. So yes, I think it does add value.”  
(Fund member)

**We asked our members to rate our performance. Here’s what they said.**

- ▶ 87% of our members would recommend joining the PLSA
  - ▶ 94% of our members would renew their membership
  - ▶ Our members think we understand (71%), respond (72%) and represent (74%) their needs
- ▶ 84% of PLSA members think attending our world-class events is the best way to engage with the PLSA in the future

### Using our influence:

- ▶ 88% of our members agree the PLSA is a respected player in the pensions industry
- ▶ Our members say we’re most influential with:
  - ▶ Regulators – 84%
  - ▶ Government – 78%
  - ▶ Pension schemes and employers – 78%

### Driving policy change:

- ▶ 80% say the PLSA’s priorities are relevant to the future needs of the industry

MOST RELEVANT AND HIGH-PROFILE POLICY WORK	KEY AREAS OF RELEVANCE FOR PLSA TO CONTINUE TO RAISE AWARENESS
CTI	RLS – awareness and industry adoption
DB funding regime	Adequate contributions
Investment and stewardship	Pensions tax relief
Governance	
Pensions dashboard	

## Performance

We asked “To what extent do you agree or disagree with the following statements?”

NET: Agree

The PLSA offers a range of conferences and events



The PLSA represents the voice of pension schemes to government and regulators



The PLSA helps to keep me informed about the pensions industry



The PLSA offers a range of networking opportunities to meet other members of the pensions industry



The PLSA offers a range of relevant training



■ Total  
■ Fund members  
■ Business members

## YOUR FEEDBACK IN NUMBERS (continued)

### Top 5 Fund member benefits:

- ▶ Our pension fund members value these benefits of PLSA membership the most:
- ▶ Staying up to date with industry news and regulatory development
  - ▶ Our lobbying and policy work on Government policy such as GMPs and pensions tax relief
  - ▶ The PLSA working to raise the bar on standards across the pensions industry
  - ▶ Free and discounted access to events that educate and inspire
  - ▶ Network building with leaders, influencers and market makers at the pensions industry's biggest events.

### Top 5 Business member benefits:

- ▶ Our business members value these benefits of PLSA membership the most:
- ▶ Network building with leaders, influencers and market makers at the pensions industry's biggest events
- ▶ Staying up to date with industry news and regulatory development
- ▶ Our lobbying and policy work on long-term pensions strategy
- ▶ The PLSA working to raise the bar on standards across the pensions industry
- ▶ Free and discounted access to events that educate and inspire.

## DELIVERING IMPACT FOR MEMBERS: THE FUTURE FACING PLSA

“It’s important to me that we make our agenda clear – and keep making it clear – and to make our work and the successes we achieve on your behalf as visible as possible. I want our members, our partners and the people we go out to influence to know who we are, and what we stand for.”

Julian Mund, CEO

We represent your interests where it matters. We drive policy that raises the bar on contributions, brings you clarity on engagement, raises governance standards and creates value at every scale. We back members with updates, insight and analysis, bringing you practical knowledge and keeping you informed, up to date and ready to act.

Our thought leadership takes on the challenges of the future to shape an environment where our members can thrive, save money and be more efficient. World-class events help build your network and profile and add inspiration and ideas to your CPD hours.

