Evaluation of the Pensions Education Fund

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A report of research carried out by IFF Research Ltd on behalf of the Department for Work and Pensions
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The Authors

Lorna Adams and Karen Bunt headed up the team responsible for conducting this study at IFF. They were supported by Katie Carter, Senior Project Manager and Arwenna Davis, Research Executive.
Summary

Introduction

The Pension Education Fund (PEF) began in January 2006 (and was originally scheduled to run until March 2008) with the purpose of assessing the effectiveness of the delivery of pensions information by trusted third parties, mainly via the workplace (rather than directly by Department for Work and Pensions (DWP) or other agencies). The Fund has since been extended for a further year, to March 2009, although this evaluation focuses exclusively on the 2006/08 period. PEF provides funding for not-for-profit organisations to engage innovatively with employees and self-employed people to increase financial awareness and help them make appropriate provision for their retirement. A total of 26 organisations received funding. The PEF schemes aim to target in particular those groups in the workforce that are regarded as most at risk of under-provision for retirement, such as women, young people and ethnic minority groups.

PEF providers aim to build on existing and establish new relationships between employees or self-employed people and ‘trusted third parties’ in the provision of pension information. Organisations awarded contracts included trade unions, employer groups, community groups and other charities.

This report outlines the findings of interviews with 14 of the 26 providers and samples of employers and individuals with whom they engaged. The research was carried out at a relatively early stage in the operation of the schemes in order to provide findings in time to inform ongoing policy development in this area. This evaluation, although extensive, cannot, therefore, provide a comprehensive picture of the operation of PEF over the whole two-year programme period and across all providers. Account is also being taken of information and data collected from other sources, including the management information supplied by providers; providers’ reports to DWP on their experiences over the two-year period; and their own ‘self-evaluation’ reports but these sources are not discussed in this report.

Thus, PEF schemes have evolved (and have continued to evolve) over the period of their operation and this should be borne in mind when interpreting these results.
The two main objectives of the evaluation of PEF were to:

- provide evidence of the added value that a trusted third party can bring to the process of delivering pensions information; and
- explore providers’ and employers’ experiences of setting up and running initiatives.

The evaluation also aimed to collect information on the impact of initiatives funded through PEF on individuals’ knowledge and attitudes towards planning and saving for retirement and on their post-participation retirement planning actions. It was recognised at the outset, however, that a robust, objective assessment of impact would be outside the scope of the evaluation, given the scale and inherent difficulties of conducting such an assessment. The aim was, therefore, to gather individuals’ and employers’ perceptions of the impact of PEF, together with information on individuals’ retirement planning actions (ranging from seeking further advice to increasing their pension contributions or savings) since taking part in PEF. The latter were compared with other sources of information on actions taken by individuals in order to gauge the relative prevalence and extent of PEF evaluation respondents’ post-participation actions.

It is important to note at the outset that the ‘opt-in’ methodology used in the research, whereby individuals had to actively volunteer to take part in the research, means the findings relating to evaluation respondents may not be representative of all participating individuals. Those willing to be interviewed were more likely to have a pension, constituted less than five per cent of all individuals receiving information in 2006 from those PEF providers that took part in the evaluation and, having volunteered to take part in the evaluation, were thought more likely to be engaged with pensions issues.

With employers, the methodology was closer to an ‘opt-out’ approach (whereby employers had to actively make it clear they did not wish to take part) but the fact that these employers were among the first engaged with PEF, combined with the relatively small number taking part in the evaluation, means that the experiences described may be specific to those participating employers.

Despite these methodological limitations, the evaluation provides valuable insights and lessons around delivering pensions information, through trusted third parties, mainly via the workplace.

This summary provides a short key findings section first, followed by longer sections on the research methodology and the experiences of providers, employers and individual participants.
Key findings

- The PEF providers surveyed were positive about their involvement with PEF (see Sections 2 to 5). Most involved were already either providers of information, education or advice in some capacity, or were involved with the ‘target groups’ identified as at most risk of under-providing for retirement (e.g. women, ethnic minorities), so involvement with the initiative was regarded as a welcome addition to their range of activities.

- However, many found the process of engaging employers much harder and more resource-intensive than expected (Chapter 3). This often led to providers revising their approaches to dealing with employers – usually involving simply working harder and more flexibly to engage employers and sometimes targeting ‘more accessible’ employers (usually larger and/or with HR functions). Providers were able to absorb this additional work largely because the numbers of employers engaged were lower (and engaged more intensively) than they had planned for.

- The evaluation identified numerous instances of effective engagement with employers and individuals (Chapters 3 and 4). Many of these were practical and transferable, such as the need to personalise and target marketing when dealing with employers.

- Albeit based on the limited methodology, the research found positive views from the employers and individuals surveyed (such as on the role of the third parties in their attending PEF events, see Chapter 9) suggesting the approach of delivering pensions information through third parties via the workplace is a potentially viable approach.

- Members of target group participants attended PEF events (Chapters 7 and 8). More effective targeting of such groups in the workplace seems difficult as employers were reluctant (on grounds of fairness, accessibility and the administrative burden) to stage PEF events specifically for such groups. Nevertheless, those who were willing to be interviewed in the target groups were more likely to perceive having improved their pensions knowledge as a result of PEF relative to other participants interviewed.

- Schemes that involved training individuals to disseminate information to others, i.e. indirect PEF schemes, do not appear to have led to a great deal of structured delivery at the time of the research (Chapter 11). It may well be that this reflects the timing of the research (relatively early within the overall PEF timeframe) and that this situation changed over the latter part of the PEF programme.

- Those employers who participated in the evaluation (55 in all, mainly SMEs) were generally positive about taking part in PEF (Chapter 6). The fact that the schemes were mainly delivered by trusted third parties appeared to have had a considerable influence on their willingness to take part. They found that participation involved not much work on their part. There was a widespread view amongst employers that involvement with PEF had had some impact on the retirement planning behaviour of their employees.
The evaluation involved conducting research across a sample of providers that received PEF funding. In all, 14 providers, out of the 26 receiving funding, were selected for the research, 12 that were providing information directly to individuals and two that trained people (e.g. trade union or staff representatives) to, in turn, provide information to individuals. The providers were selected to include a qualitatively broad mix of provider-types, coverage of different types of approach and different types of employers and groups of individuals. For each provider, research was conducted with the provider itself, employers (where appropriate or applicable) and individuals. A mixed methodology was used and adapted to meet the specific circumstances of the schemes. This comprised:

- short and in-depth interviews with providers at different junctures during the course of the PEF scheme;
- short interviews with employers (over 50 in all) around 9-12 months after the start of PEF; and
- a mix of short initial and follow-up interviews with individuals (with over 900 at 6-8 weeks after they had received PEF information and then again with over 600 after 12-16 weeks), supplemented by a small number of in-depth interviews with individuals who said that PEF had had some influence on their retirement planning and saving behaviour. The number of interviews allows quantitative analysis of survey returns.

As noted above the research with individuals was conducted using an ‘opt-in’ approach i.e. whereby individuals were only contacted to take part once they had actively expressed an interest in doing so. Employers and individuals, even

1 95 per cent reported they were satisfied overall with the information they received.
after agreeing to be included in the research, could also decide they did not wish to participate when contacted, adding another potential layer of bias. What this means for the findings is that those employers and individuals taking part were not randomly selected from all participants. Thus, they are unlikely to be representative of all participants or of employers and individuals more generally.

Provider experiences

Many providers selected for evaluation underestimated the amount of set-up time required to get their projects off the ground (most had opted for a three-month set-up period but many found this to be inadequate). This was especially the case with providers new to such projects and/or the delivery of pension information and advice services. Recruitment of suitable staff and the need to compile and adapt pensions information were raised as particular issues causing delays in the set-up period by many providers.

A number of providers worked with partners to deliver their schemes. However, there was considerable variation in the success of these relationships. While some without existing links with employers used partners most effectively as a route into employers’ workplaces, others found that these leads were not forthcoming. Some who used partner organisations to develop the content for their dissemination sessions often found that the material produced was too technical for them to use. Where such issues with working with partners were raised, this was usually ascribed to ineffective communications between the provider and the partner.

Many providers found employers were considerably less interested in taking part than they had anticipated and were suspicious of the motivations of providers for speaking to their staff (with concerns often voiced about the extent to which presenters would look to sell products or to criticise the company’s benefits provision). Very few employers were recruited through the advertising and direct mail approaches that some providers had initially planned to use. Hence, many providers relied on ‘cold-calling’ approaches to recruit employers. Some used external agencies to assist with this.

Many also found that they have needed at least one (and often several) face-to-face visits to persuade employers to participate, as well as a willingness to accommodate their requirements, e.g. in dealing with staff on different shifts. Engagement with employers, thus, required flexibility and perseverance on the part of providers. This additional call on resources generally had little additional impact on providers’ total costs largely because their (later) estimates of the numbers of employers they would recruit throughout the life of the scheme were considerably lower than they initially planned.

Some weighting to correct for differences in achieved individual interviews’ sample sizes across different providers was carried out but it was not possible to adjust for differences in the characteristics of respondents and non-respondents overall.
As a result of difficulties in engaging employers, some providers refocused their efforts on those employers that were most likely to respond positively such as those with around 100-250 staff, who have dedicated Human Resources staff and/or make considerable investment in developing the skills or knowledge of their staff (as evidenced, for example, by a commitment to the Investors in People standard). In some cases, this involved skewing the profile of participating employers away from those sectors and employees it was hoped that PEF would engage with.

Providers identified several approaches and practices that were most effective in engaging employers:

• introducing their scheme as being focused on ‘retirement planning’ rather than pensions;
• offering to conduct a number of presentations to a small number of staff on each occasion (rather than one large presentation, which is what many providers initially hoped to provide)\(^3\);
• providing detailed information on the content of the presentation ‘up-front’;
• limiting presentations to an hour in length (several providers initially hoped to deliver longer presentations);
• mentioning that the DWP is sponsoring the programme (to help dispel concerns about using events to sell products); and
• providing ‘endorsements’ from other employers who have participated.

Approaches that providers used successfully to secure attendance of employees included:

• offering incentives such as a buffet meal (lunch or breakfast) or prize draws;
• sending a series of reminders in the run-up to the event; and
• controlling the communication sent out to staff by employers as far as possible

Some providers modified their method of delivery over time. The most common modification was a greater concentration on presentations rather than on one-to-one sessions, mailings and CD ROMs, generally because providers found that presentations were a format that was easier to persuade employers to host. Difficulties delivering one-to-one sessions were also encountered because those participants who requested them tended to require very specific information (and often advice that providers were not qualified to deliver)\(^4\). Some were still offering

\(^3\) While the fact that employers expressed a preference for a series of presentations to smaller numbers of staff had resource implications, it also allowed providers to build stronger relationships with these employers. This makes it more likely that they will continue to be involved with the scheme going forward.

\(^4\) This may well of course reflect the characteristics of the individuals requesting one-to-one sessions.
one-to-one follow-ups after a presentation but found that take-up of these had been relatively low.

Providers felt that engagement with events was enhanced through:

- making sessions interactive by asking questions of the audience throughout or making use of games that encouraged individuals to think about their retirement;
- avoiding the use of jargon;
- using ‘shock’ tactics;
- incorporating as much information about the benefits offered by the employer as possible to make sessions seem relevant.

One of the groups PEF was keen to target was the self-employed. Although none of the providers surveyed had the self-employed as its main or primary focus, they were sometimes mentioned as being amongst providers’ target audience. However, it proved difficult to interest many of these individuals. There was a common view that many of the self-employed have their own financial advisers and are not interested in receiving generic information from a third party.

Providers generally found the experience of working with the DWP to be a very positive one and were appreciative of the degree of flexibility they were given to make modifications to their scheme. Many would have liked more opportunities to network with other providers and share experiences and hoped that the DWP would facilitate this to a greater extent.

**Employer experiences**

As many providers reported difficulties engaging employers from the outset, it is likely that the employers surveyed were amongst those more engaged with PEF and this, together with the small sample size, may mean that their views are specific to these employers.

Nevertheless, those employers who took part in the evaluation (over 50 out of nearly 150 whose contact details were provided) were generally positive about their experience of participation in the PEF schemes. Many of the employers stated that they knew ‘a lot’ about the provider before they decided to become involved.

For the most part, employers who took part in the evaluation did not feel that participation with the PEF schemes involved much of a burden on their part and many said that they would be ‘very likely’ to recommend involvement with PEF to other employers. Of particular interest in terms of the implications for the sustainability of schemes, many employers stated that they would be at least ‘fairly likely’ to participate with the scheme on an annual basis.
There was a widespread view amongst employers that the information delivered impacted positively on their staff, with some stating they had noticed an increase in the number of employees who requested information and advice about pensions since they had been involved with the PEF scheme.

However, as noted above, it is not possible to say to what extent the views of employers surveyed were representative of all participating employers.

**Individual participant experiences**

Individuals’ views recorded here are based solely on those who opted to take part in the research and who responded positively when approached. These constituted less than five per cent of all individuals receiving information in 2006 from those PEF providers that took part in the evaluation. It seems more likely that those who engaged more with PEF and/or pensions more generally more likely to opt in than those who were less engaged.

Those individuals interviewed (over 900 in all) were generally satisfied with their participation (59 per cent were ‘very satisfied’). The satisfaction ratings given for one-to-one sessions were slightly higher than for other approaches, while the ratings given by those who received only written information were slightly lower.

The value of delivering information through a ‘trusted third party’ was also evident from the research among individuals. Over two-thirds stated that the provider delivering the information played some role in their decision to attend (with a third stating that it played a ‘key role’), while almost 60 per cent stated that they placed ‘a lot’ of trust in the provider and a further 37 per cent ‘some’ trust.

There was also evidence to suggest the potential viability of the approach of delivering information through the workplace. Nearly two-thirds of participants (63 per cent) stated that they would not have attended if the session had been held outside the workplace and a further quarter stated that they might have attended anyway but having the session at work made it easier to attend.

When asked what impact PEF had had on their understanding of a range of separate retirement planning issues, at least half of all participants interviewed perceived a ‘lot of’ improvement.

When interviewed for the second time some 12-16 weeks after participation, nearly all respondents (95 per cent), equivalent to two-thirds of all those interviewed at the initial stage (but less than three per cent of those receiving information in 2006 from the PEF providers taking part in the evaluation), had taken some form of action to address their planning for retirement. More than half (53 per cent, equivalent to 37 per cent of all those interviewed) had taken some form of ‘concrete planning’ action such as taking out a new pension or starting/changing some other form of savings for retirement.
As the research did not incorporate any sort of control or comparison group, it is difficult to estimate how much of this action would have taken place anyway. Comparison with data collected from other survey samples on pensions suggests somewhat higher levels of ‘concrete planning’ actions amongst the PEF sample but it is not possible to factor in here differences in characteristics and attitudes between the samples (including levels of pension provision) and the bearing that having an ‘opt-in’ sample might have had. It seems more likely that those who take positive retirement planning actions are more likely to ‘opt-in’.

The two schemes covered by the evaluation that were involved in the training of employer representatives to learn and disseminate pensions and retirement planning information to individual’s had had limited impact (in terms of numbers of individuals engaged with pensions information) at the time of the evaluation. Thus, while all those who attended these courses were positive about the training they received, it is clear that not all had strong intentions to disseminate the information themselves and indeed, after a period of three months, only a few had actually communicated retirement planning information to others. However, it may well be that this situation changed over the course of these PEF schemes.

Main recommendations

Particular issues of relevance for any PEF-type activity, whether funded by government or by external organisations, include:

• ensuring that providers are fully aware of the difficulties that can be involved in persuading employers to host events in the workplace and have plans in place to tackle these issues;

• carefully evaluating schemes that plan only to train ‘champions’ and not to deliver directly to individuals. The findings from this evaluation indicate that ‘champions’ may take a long time to transfer on pensions information but the timing of the project meant that it was only possible to speak to those trained very early on in these schemes;

• facilitating greater co-operation between providers and encouraging transferable ‘good practice’;

• providing providers with a basic pack of information on pensions and retirement planning from The Pension Service and other relevant public sector bodies that they could then adapt or tailor.

Data on pension provision is captured within the annual Family Resources Survey (FRS) as well as other recent surveys, such as on attitudes to pensions and on automatic State Pension forecasts (see Chapter 7 and 8), with the latter also collecting data on retirement planning actions over a similar period to the current survey (i.e. 3-4 months after receipt of information).
1 Introduction and methodology

1.1 Background

The Pensions Education Fund (PEF) began in January 2006 (and was scheduled to run until March 2008) with the purpose of assessing the effectiveness of the delivery of pensions information by ‘trusted third parties’ via the workplace (rather than directly by the Department for Work and Pensions (DWP) or other agencies). The Fund has since been extended for a further year, to March 2009, although this evaluation focuses exclusively on the 2006/08 period. The aim was to provide funding for not-for-profit (NFP) organisations to engage innovatively with employees and the self-employed to encourage and help them to make appropriate provision for their retirement, particularly amongst groups in the workforce who are most likely to have under-provision for retirement (such as women, the self-employed, young people and ethnic minority groups).

PEF aims to capitalise on relationships between employees or the self-employed and trusted third parties in the provision of information on retirement planning. Organisations that have been awarded contracts include trade unions, employer groups, community groups and other charities.

Information has been delivered using a variety of methods, including workshops and presentations, one-to-one information sessions, written information packs, websites, CDs and DVDs. Most of the schemes are being facilitated through employers, with providers meeting people in the workplace where possible. However, some providers have made contact with some of their target groups directly through existing networks or databases.

PEF projects have varied in length, the earliest start date being January 2006, and were scheduled to run to March 2008, with an expected allocation of £5.2 million across 26 funded organisations. A decision to extend the programme for a further 12 months, to March 2009, was made in March 2008.
The research on which this evaluation is based was carried out at a relatively early stage in the operation of the schemes, involving 14 of the 26 providers, in order to provide findings in time to inform ongoing policy development in this area. This evaluation, although extensive, cannot, therefore, provide a comprehensive picture of the operation of PEF over the whole two-year programme period and across all providers. Account is also being taken of information and data collected from other sources, including the management information supplied by providers; providers’ reports to DWP on their experiences over the two-year period; and their own ‘self-evaluation’ reports, but these sources are not discussed in this report.

1.2 Aims and objectives

The overarching aim of this evaluation was to assess the effectiveness of the delivery of pensions information by trusted third parties via the workplace, thus contributing to broader understanding of how best to inform and encourage people about making provision for retirement.

More specifically, the main objectives of the evaluation of the PEF were to:

• provide evidence of the added value that a trusted third party can bring to the process of delivering pensions information; and

• explore providers’ and employers’ experiences of setting up and running initiatives.

Additionally, it was also an objective to collect information on the impact of initiatives funded through PEF on individuals’ knowledge and attitudes towards planning and saving for retirement and on their post-participation retirement planning actions. It was recognised at the outset, however, that a robust, objective assessment of impact would be outside the scope of the evaluation, given the scale and inherent difficulties of conducting such an assessment. The aim was, therefore, to gather individuals’ and employers’ perceptions of the impact of PEF, together with information on individuals’ retirement planning actions since taking part in PEF. The latter were compared with other sources of information on actions taken by individuals in order to gauge the relative prevalence and extent of PEF evaluation respondents’ post-participation actions.

1.3 Methodology

Management information has been collected and submitted by all providers on the employers and individuals engaged and providers have submitted end-of-scheme reports on their experiences to the DWP. Some have conducted or commissioned their own research and evaluation. However, this report presents the findings from the DWP-commissioned evaluation only.

The structure of the research was determined prior to the awarding of contracts to the providers who were successful in securing funds and at that stage it was
difficult to predict how the proposed schemes would work in practice. Indeed, it became clear that several schemes changed considerably over time from the approach laid out in their application to PEF. This, combined with the requirement to minimise the administrative burden that the evaluation placed on providers, means the approach taken had to be flexible and pragmatic.

The evaluation involved conducting research amongst a sample of 14 of the 26 providers that received PEF funding. A mixed methods approach was used and adapted to the particular circumstances of each project. Typically, this involved a series of qualitative initial and follow-up interviews with providers, participating employers and individuals alongside a quantitative survey of individuals. Access to employers and individuals was facilitated by the providers themselves.

The sample of employers was obtained from providers passing on employers’ contact details after asking them whether they were willing to take part in the research. It was intended to interview a relatively small number of employers, evenly spread across the providers taking part in the evaluation. This is, therefore, more of an ‘opt-out’ approach than was the case with individual participants, who had to actively ‘opt in’ to the research by completing and returning an ‘opt-in’ card.

These factors mean the samples of employers and individuals may not be representative of all PEF participants or of employers and individuals more generally. This should be borne in mind when reading the findings. Nevertheless, despite these methodological limitations, the evaluation provides valuable insights and lessons around delivering pensions information, through trusted third parties, mainly via the workplace.

The providers were selected to take part in the research in order to include a broad mix of types of provider, ensuring that there was coverage of the following:

- **different types of approach**: providers were selected to cover those proposing to use a range of different methods, or combination of methods, to providing information to individuals covering: one-to-one sessions, workshops and provision of information packs, websites, CDs or DVDs as well as schemes involving training intermediaries to deliver information on retirement planning;

- **different types of organisation**: to examine the relative strengths of the different types of third parties in delivering information to individuals. The third parties were grouped into four categories: trade unions, employer organisations, advice bodies (organisations providing advice and information such as advice and educational charities) and charities/NFP organisations (with a broader remit for providing services, such as housing associations, credit unions and community groups);

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6 Participants could, of course, opt not to take part in the research at a later stage, when contacted by IFF.
different target groups of individuals: to examine how different groups of individuals respond. The providers were classified according to the focus they had for targeting particular types of individual; a sector approach (e.g. retail manufacturing or voluntary), a focus on a particular client group (e.g. ethnic minorities or young people) or a more general approach.

Another important aspect of the selection of providers to take part in the research which needs to be borne in mind was that in order to effectively evaluate the provision within the required timescale, it was necessary that selected providers had to have plans to deliver information to a significant number of individuals by December 2006 (or in the case of schemes to train intermediaries, by March 2007). The research, therefore, could not cover providers whose bid indicated that they would require a significantly longer time to set up their schemes.

It should also be noted that the evaluation was designed to assess the effectiveness of PEF generally and the differing approaches employed. Results are reported by the type of provider and nature of provision and target groups only.

In all, 14 providers were selected to take part in the evaluation. Most of these selected providers were providing information directly to individuals. However, two schemes selected were providing information indirectly to individuals by providing training for intermediaries who were expected to pass on this learning to individuals. Throughout the rest of this report, these schemes are referred to as ‘training schemes’. Further details about the 14 providers surveyed are given in the Appendix.

For each type of provider, research amongst the following groups was undertaken:

• for the 12 providers providing information directly to individuals, the research involved interviews with:
  – providers themselves;
  – employers who ‘hosted’ the provision of information;
  – individuals who received information;

• for the two training schemes, the research involved interviews with:
  – providers themselves;
  – individuals who received training (trainees).

Details of the research conducted amongst each group is provided in the following sections.

1.3.1 Research among providers

Research was conducted among providers at three points in the contract. Initial interviews were conducted between March and April 2006, i.e. soon after the start of PEF. These were semi-structured telephone interviews lasting 20 to 30 minutes.
The main purpose of these interviews was to gain feedback on providers’ early experiences of setting up their initiative and the support they received during this process from the DWP. In addition it provided an opportunity to ensure that the providers were fully aware of the purpose and requirements of the evaluation.

The second wave of research was conducted in October and November 2006 and consisted of open-ended, face-to-face interviews, with visits lasting two to three hours and often including multiple interviews with the different people involved in the delivery of the initiative. The interviews covered views on how the project was running, what worked better or worse than anticipated, changes that were made, success in working with employers and reaching the target groups and providers’ views of the impact on individuals.

The final interviews with providers were conducted in June and July 2007. These were again conducted face-to-face and covered similar ground to the second wave of research, focusing on any modifications made to delivery or approach.

1.3.2 Research among employers

Research among employers was conducted with those providers offering information directly to individuals only.

The purpose of the research among employers was to examine their motivations for participating in PEF and their experiences of doing so. The interviews also covered details of the employers’ pension provision, attitudes to pension and retirement planning for their employees, perceptions and views of the impact the initiative has had on their employees.

The research among employers involved semi-structured telephone interviews lasting about 25 minutes and was conducted between September 2006 and February 2007. In total, 55 employers were interviewed.

It was envisaged that five to ten employer interviews would be conducted per PEF scheme that used employers to host the provision of information to their employees on retirement planning. Eleven of the 12 providers providing information to individuals were doing so, at least in part, via the workplace.

The number of contacts received from each provider and the willingness of employers to actually take part in the research when approached, varied widely between providers. In total, 146 employer contacts were provided, of which 108 were used, and 55 interviews were achieved, resulting in a final response rate of 51 per cent of the used contacts Table 1.1 shows full details of the sample of employers obtained.
Table 1.1  Employer sample profile and contact breakdown

<table>
<thead>
<tr>
<th>Provider*</th>
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* One employer organisation’s approach did not involve employers directly. One trade union did not provide any contacts

** In a few cases it was not necessary to use all the contacts provided to achieve the required number of interviews.

1.3.3 Research among individuals

Research was carried out at two points in time amongst individuals who had received information from their PEF provider, initially six to eight weeks after the information was obtained and a follow-up interview another six to eight weeks later (i.e. 12-16 weeks after they first received the information).

In total, 917 initial interviews were conducted by telephone, each lasting approximately 20 minutes. They were carried out in four waves between June and December 2006. The initial interviews covered the following:

- individuals’ general attitudes to pensions and planning for retirement before involvement with PEF;
- how individuals heard about the initiative and reasons for involvement;
- views of the information provided;
- what, if any, further knowledge and understanding of pensions and saving for retirement has been obtained as a result;
• whether they have made, or intend to make, any changes in their savings behaviour;

• whether the involvement of a third party had any perceived impact on their likelihood of seeking the information and taking action.

A total of 637 follow-up interviews were conducted by telephone, each lasting five to ten minutes. They were carried out in four waves between August 2006 and February 2007. The aim of the follow-up interviews was to determine if individuals had taken any (further) action since the initial interview and the nature of any actions taken.

The overall sample profile of individuals interviewed is outlined in the Appendix.

As already noted, an important consideration when interpreting the findings is that the sample was obtained using an ‘opt-in’ approach\(^7\). We cannot, therefore, be confident about how representative the sample is of all individuals who received information through PEF and results need to be interpreted in this light. It is likely that the sample is more representative of those individuals who actively ‘engaged’ with pensions and the initiative (for example, by reading, thinking or acting on any of the information provided) rather than all those who received information. An additional potential source of bias arises from not knowing the relative characteristics and attitudes of those interviewed vis-à-vis those not interviewed\(^8\).

Finally, more in-depth face-to-face interviews were conducted with a small sub-sample of individuals (two to three per provider). These were conducted between November 2006 and February 2007 and each interview lasted 45-60 minutes. These individuals were selected because they had taken at least one

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\(^7\) In the design of the study, it was recognised that providers might be unwilling or unable to obtain and pass on details of individuals provided with information through PEF for a variety of reasons (including the administrative burden of actually recording the contact details of respondents, concerns over the Data Protection Act, re: implications of passing details on or fear that not securing active consent to be contacted might cause participants to hold negative views of the project as a whole and/or in the case of employers, might affect their willingness to participate). Instead, all individuals receiving information via PEF were provided with a card, briefly explaining about the research and asking them if they were willing to take part to provide their name and contact details.

\(^8\) Some weighting to correct for differences in achieved individual interviews’ sample sizes across different providers was carried out but it was not possible to adjust for differences in the characteristics of respondents and non-respondents overall.
type of ‘concrete planning’ action following their first interview. This enabled more detailed exploration of the impact of PEF on their actions and views of the information received more generally.

1.3.4 Research among trainees

For each of the two providers with training schemes, five initial and five follow-up face-to-face depth interviews were conducted with individuals receiving training. The initial interviews took place in April and May 2007 and covered views of the training received and how attendees intended to impart this information to others. The follow-up interviews were initially planned for June and July 2007 but initial exploration at this time showed that most individuals had not started to disseminate information at this point. As a result, follow-up interviews were delayed until September and October 2007.

The follow-up interviews examined how effective attendees had been in delivering information and their views of the effectiveness of the training in the light of their experiences. Even with the delay in the fieldwork period, three of the initial respondents had not disseminated any information to others by autumn 2007 and hence, replacement interviews were conducted with others who had attended the same course. These replacement interviews combined both the initial and follow-up interviews in a single discussion.

An opt-out approach was used to select trainees for these interviews.

1.3.5 Timeline

Figure 1.1 outlines the approximate timeline for the research process and how this related to the overall timescales for PEF. It serves to demonstrate, as discussed earlier, that the bulk of the research was undertaken at a relatively early stage in the initiative. It should be noted that although there was no limit placed on the start-up period (it was for the contractor to determine their own), those taking part in the research had all opted for early delivery and significant numbers reached by December 2006. The timeline shown in Figure 1.1 is, therefore, shown as an exemplar relating to those taking part in the research only.

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9 The four types of ‘concrete planning’ action were: starting a new pension or changing contributions to an existing pension, opting back in or out of the State Second Pension or starting or changing some other form of saving for retirement.
1.4 Report structure

This report draws together the findings from the research with providers, employers and individuals. It is divided into three main sections, one for each of the stakeholder groups covered.

- Chapters 2 to 5 look at the experiences of providers in terms of setting up and running their schemes. These chapters provide an introduction to the range of activities providers were involved with and the challenges they faced. They also set the context for the sections on employers and individuals, while placing the most robust and representative findings (from providers) upfront;

- Chapter 6 looks at the experiences of employers in hosting events and their view on the success of these;

- Chapters 7 to 11 look at the experiences of individuals. These chapters look at the demographic profile of participants, their satisfaction with events and the action(s) they have taken on the back of receiving information through PEF. Chapter 10 includes detail on some of the ‘success stories’ of PEF and Chapter 11 looks at the experiences of those attending ‘training schemes’.

The final chapter discusses the main conclusions to be drawn from the research. The Appendix provides further details about the methodology and employer and individuals’ samples.
2 Providers’ experience of setting up initiatives

Chapters 2-5 of this report cover the findings from interviews with providers. Interviews were conducted in three waves. This chapter covers the findings from the initial interviews which were conducted in March and April 2006 at the end of the set-up phase, to gain feedback on providers’ early experiences of setting up their initiative and the support they received from the Department for Work and Pensions (DWP) during this process.

Chapters 3-5 cover the findings from the second and third interviews with providers; the second interviews were conducted between October and November 2006 and the third interviews between June and July 2007. Both waves of interviews explored provider experiences of running the initiative and their views on its impact on individuals.

2.1 Reasons for involvement

The Pensions Education Fund (PEF) contracts were awarded to providers specifically to develop new initiatives and services and not to replace or supplement services that were already being provided. Although the PEF initiatives were new, all the providers taking part in the evaluation had decided to become involved either because they already offered services that provide information, education or advice (in a few cases in the area of financial guidance) or because they had existing services focused on one or more of the PEF target groups. Those in the latter group tended to feel that involvement with PEF represented a new departure for them as they did not have experience of similar projects.

2.2 Difficulties with the length of the set-up period

Several of the providers taking part in the evaluation believed that the application documentation suggested a three-month set-up period. Although this timeframe was not compulsory and schemes could indicate in their bid whether they wanted a longer or shorter period, most of those participating in the evaluation made
their application on the basis of a three-month period. A number of successful applicants opted for a longer set-up period (although few of these were included in the evaluation, because of the time constraints on the research).

In the event, most of those providers who opted for a three-month set-up period had found it too short. This led to subsequent delays in getting the projects started and ultimately delivering and meeting targets. This was especially the case for those providers who had not previously been involved with similar projects.

For some providers their underestimation of the time required for setting up the initiative was compounded by the fact that contracts were awarded in December 2005. Many providers felt they were unable to properly commence work on PEF until early to mid January 2006 and hence, their ‘effective’ set-up time was reduced.

Even though the length of the set-up period available to providers was not fixed, some were unaware that they could have opted for a longer period. These providers suggested that a variable set-up period (of between three and six months depending upon the particular needs of the providers) should have been suggested explicitly in the bid documentation.

As mentioned earlier, those providers with shorter set-up times were specifically targeted for the evaluation. Those providers included in the research who opted for a set-up period of longer than three months, generally did not encounter as many difficulties. It is also worth noting that, even among those who planned a three month set-up period, those providers with experience of delivering similar projects were less likely to encounter problems meeting their set-up timetable.

2.3 Sources of delay in setting up projects

The two main sources of delay in setting up projects were difficulties with recruiting staff and difficulties with agreeing written material to be used in the delivery of projects.

Some providers experienced delays in recruitment of staff as a result of underestimating the time needed for agreeing job specifications or for the assessment and selection of candidates. Others had neglected to factor in the notice period that successful candidates needed to work before being able to start. A small number of providers stated that they incurred delays because they had to re-advertise posts due to an initial low response (which they attributed to underestimating the salary they needed to offer in order to attract the required calibre of applicants).

Providers had most difficulty recruiting staff for the role of project manager or coordinator. Without this individual in post it was difficult for providers to take forward other aspects of the set-up of their projects. Those providers using existing staff to manage the project, even if using newly recruited staff for delivery, tended to be more likely to remain within their envisaged set-up period.
Another common source of delay was the compiling of written information for use in the delivery of projects. The development of written material is covered in more detail in Section 2.4.

2.4 Development of delivery materials

Only a few of the providers interviewed were able to produce all the material they required without extensive research. Some compiled the information on pensions and retirement planning themselves whilst others used another organisation or partner.

Many of the providers used the same sources of information to produce their material. This led some providers to state that they felt there was unnecessary duplication of effort – ‘reinventing the wheel’ – across the schemes receiving funding from PEF.

Some of the key sources of information used by providers were websites and leaflets from The Pension Service, the Pension Advisory Service (TPAS) and the Financial Services Authority (FSA). Other sources used less frequently were the BBC, Her Majesty’s Revenue and Customs (HMRC) and the Pension Ombudsman websites. Because many of the providers were unfamiliar with information on retirement planning, they mostly chose to use publicly-available information they felt they could trust.

‘We pulled down information mainly from websites like the DWP and Pensions Ombudsman so we didn’t need to check it too much (...) we only used recognised sites from independent advisory bodies so we knew it would be accurate.’

(General charity/NFP body)

Some providers mentioned that they felt there was a surfeit of information available and that they had difficulty distilling it.

‘The main problem has not been gathering enough information but making it as concise as possible.’

(Trade union)

Some had anticipated they would receive more help and guidance from the DWP in this area. These providers had envisaged receiving detail of the key messages the DWP felt should be conveyed through PEF activity which they would then amend to make them appropriate for their particular target audience.¹⁰

‘It has to come from them [DWP] because we have no knowledge ourselves. We need to know how this information is going to be given to us.’

(General charity/NFP body (comment made in initial interview))

¹⁰ To some extent this reveals some misunderstanding surrounding the intentions of PEF. The DWP was not contracting for a service and was not seeking to put out key messages.
Some providers had used partner organisations to help them develop the content of their material. This had for the most part not been particularly successful. These providers had used financial advisors and had found that the material produced was too complex for the target audience and sometimes also for the mode of delivery (largely short workplace presentations).

‘The presentation put together by the IFA was much too complicated (...) it was overly technical and pensions are such a dry subject anyway – we needed to take a softer approach – in the end only about ten per cent of the original content remained.’

(Advice body)

‘Our partner put together the first draft of the information, but it was not suitable for our target audience, a lot of whom have only basic skills, no higher than level 1 or 2 and we were very conscious that the materials had to be accessible to everyone. There was a lot of passing the information backwards and forwards and it wasn’t actually ready till June which put us back in terms of the delivery.’

(Trade union)

2.5 Relationship with DWP during set-up

Contract managers at the DWP were appointed to give providers a single point of contact. Some of the key roles of contract managers were to:

• draw up formal contracts for signature by contractors and DWP;
• collect and interpret management information;
• ensure that the business and policy requirements were met by the contractor;
• act as a point of contact for all formal and legal correspondence relating to the contract;
• maintain a monitoring log;
• monitor contract performance and report at delivery milestones;
• determine and take remedial actions by agreement with the contractor;
• negotiate remedies with the contractor;
• escalate contract problems as necessary;
• ensure deliverables continue to comply with PEF aims and objectives.

Providers were generally positive about their working relationship with DWP during the initial set-up phase. The general view was that the DWP had taken a relatively ‘hands off’ and flexible approach, although there were mixed reactions to this.

Those providers with experience of similar projects appeared to be very comfortable receiving little guidance. They welcomed the approach of the DWP and felt the
lack of bureaucracy allowed providers to channel their efforts into setting up their projects. Indeed, some providers contrasted their experience of PEF favourably with their previous experiences of working with Government departments.

‘The fact that they [DWP] have not been too prescriptive about how we go about doing it, I think its going to provide substantial benefits for them because it allows each organisation to draw on their strengths.’

(General charity/NFP body)

However, some of the providers who did not have experience of this sort of initiative felt a little ‘lost’. They expected to have more guidance and structure about the initiative from the DWP in relation to both the information they should convey (as mentioned above) and the way in which they should run their project.

‘I think we probably expected the people who are running the fund to have a clearer idea of where it is all going. I was possibly expecting some more guidance.’

(General charity/NFP body)

Many of the providers spoke highly of the DWP launch event, appreciating the opportunity to meet and talk with both the DWP and other providers.

Overall, providers were positive about their relationship with the DWP during the set-up period and reported feeling comfortable approaching them with problems and questions.

2.6 Summary

• Many of those providers who had planned a three-month set-up period tended to find that they had allowed insufficient time, which led to delays getting the PEF schemes underway. These were generally providers with little or no previous experience of such initiatives. The main causes of delays were the recruitment of staff and development of material.

• Some providers had envisaged more guidance from the DWP in the development of material. Some felt that all providers were consulting the same information sources to develop their material and that this represented considerable duplication of effort that could have been avoided if some advice on content had been provided by the DWP.

• Providers were generally positive about their working relationship with DWP during the initial set-up phase. DWP were seen as supportive and flexible but generally ‘hands off’.

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11 The DWP had made it clear in the application materials and subsequent documentation that it would not be able to provide information and guidance for providers, in order to allow providers to operate with independence and encourage innovation.
3 Providers’ experience of engaging with employers

This section examines providers’ experiences of engaging with employers. As information on retirement planning was delivered mainly through the workplace, engaging employers was a crucial element to the success of the Pensions Education Fund (PEF). The section discusses the problems providers experienced in encouraging employers to participate in their initiatives and the strategies they employed to overcome these difficulties. It also presents some of the advice given by employers themselves on ‘best practice’ when seeking to engage with them about retirement planning.

3.1 Interesting employers in Pensions Education Fund initiatives

Across all providers, engaging with employers was recognised as the most challenging aspect of their initiative. For many, difficulties in persuading employers to take part were identified as a risk to reaching the numbers of individuals anticipated at the time of submitting initial bids.

While some providers had always anticipated that it would be difficult to persuade employers to participate, others had assumed that because their scheme was flexible and free-of-charge they would not encounter any such difficulties.

‘When I first started, I thought that employers would just say “yes” straightaway. I didn’t understand why they wouldn’t do that, the opposite was true.’

(General charity/NFP body)

This assumption was built into the design of the strategies to engage employers that some providers outlined in their initial application documents. Indeed, some had intended to rely on ‘opt-in’ approaches to attract employers, for example, by using adverts displaying a telephone number that employers could ring if they were interested in hosting a PEF event. All those who had intended to rely on this
type of approach had to modify their initiative in ways discussed in more detail later in this chapter.

All providers who had attempted to recruit employers through contacting them directly stated that they had encountered suspicion and hostility when making their initial approach.

In some cases providers felt this was based largely on an assumption that providers were selling a financial or pension-related product. The first challenge many providers faced was ensuring employers would listen to their message for long enough to allow them to explain that they were not selling financial products.

‘As soon as they hear the word ‘pension’ some employers will not listen to you because they are so used to people trying to sell pensions (...) we purposely did not include the word ‘pension’ in any of our literature from the start, because it just makes you think of a salesman. We talk about financial planning, not pensions.’

(Advice body)

In addition, providers felt that some employers were suspicious about the type of information that would be provided to their workforce. Providers believed employers were concerned the information given through PEF would imply that the company's current pension provision was inadequate or would criticise their pension policy.

Other reasons providers were given by employers for a lack of interest in the PEF included beliefs the employer was too small to provide pensions or the company was satisfied with its current pension provision and did not want to be put under pressure by its staff to change.

Many of the reasons employers gave were based on a misunderstanding of the nature of the information that would be provided to their workforce and providers faced significant challenges in countering these misconceptions. Some providers reported difficulties in maintaining the morale of staff in the face of this unexpected difficulty in interesting employers.

3.2 Approaches taken to recruiting employers

Those providers who had pre-existing relationships with employers experienced fewest difficulties. Trade unions and employer organisations were most likely to have existing strong connections with employers and where they were involved, either as a provider or a partner, engaging with employers was comparatively successful.

‘It has been straightforward for us because we are a union so we go through the union so it’s not cold calling as such.’

(Trade union)
‘The key to our success is that we are relying on the personal contacts we have. We know the individuals we are calling. If it was a case of sending a letter out of the blue, things would be different.”

(General charity/NFP body)

When providers did not have existing contacts with employers, most relied initially on untargeted mailings to generate contacts. However, this method was much less successful than providers had anticipated. Some providers had little experience of such techniques and as a result greatly over-estimated the level of response they would receive.

‘(…) as an organisation we weren’t familiar with this sort of marketing really, and we didn’t appreciate that marketing has a very low return anyway. In reality we were doing alright, we had been unrealistic about the levels (…) We thought direct mailings would bring better results.’

(Advice body)

In response to the low success rates of mass mailings and cold calling (rates of zero or just one or two per cent in some cases) providers developed more personalised approaches to their contact with employers.

In several cases this involved an element of ‘experimentation’ to find the most effective approach. Providers trialled formal and informal letters, sending out letters to different departments within employers and attempting to measure the impact of sending letters out to named contacts (rather than simply addressing them to a job title). Generally, providers found the extra time spent obtaining named contacts proved worthwhile and that targeting Human Resources managers/directors specifically was most productive.

In addition to the use of named contacts, some providers developed a process of making repeated contacts with the same person using a variety of channels. Typically, this involved sending out ‘warm-up’ information about PEF in the post, then contacting the person by telephone and finally sending a follow-up e-mail directly to the person.

A number of providers made use of relationships with partner organisations to provide ‘warm leads’.

In some cases the partnerships mentioned in initial application documents had not been successful in this regard. Some providers had hoped that partners would provide introductions to employers who might be willing to participate but in some cases they had simply been given a list of employers to ‘cold-call’. Providers who had planned this type of relationship were often disappointed with the number of leads partner organisations were able to generate (particularly given the relatively low ‘conversion rate’ that most experienced).
Some of the members have been fine. They have given us their data and introduced us to members, but some have done nothing at all (...) we are supposed to be the hub of the activity, but they were supposed to provide us with the contacts, including their own staff. A few of them haven’t even introduced us to their own staff.’

(General charity/NFP body)

That said, a number of providers had developed partnerships with organisations that had links with employers during the operation of their initiative and had found these to work well. It is perhaps the case that having attempted to engage employers themselves, providers had a clearer idea of the service required from partners and hence, were able to form more appropriate partnerships.

3.3 Types of employers approached

Some providers identified particular groups of employers they planned to target in their initial application. For some this meant focusing on particular sectors; others envisaged targeting small and medium-sized companies.

Many of these providers modified their approach over the evaluation period to focus on types of employers they had found to be most ‘productive’. Most providers interviewed were of the opinion that the number of employers engaged was more important to the success of the initiative than the nature of employers engaged.

Providers generally found that focusing on employers with at least 100 staff was more successful than trying to engage with smaller employers. The main reasons for this were because this was above the threshold at which employers tended to have dedicated Human Resources staff (which, as mentioned above, providers had found to be the most interested group of managers) and because a workforce of this size made it possible to accommodate 10-20 of their staff being away from their workstations at one time (to attend a presentation).

Also mindful of a perceived need to get as close to their target number of engaged individuals as possible, providers felt they could reach more individuals for the same effort by concentrating on larger employers than smaller ones. That said, one provider had tackled this issue by focusing on business parks with a high concentration of small employers. They had invited all employers on the park to promote a single presentation for all their staff, thus enabling them to fill a reasonably large session while also engaging small employers.

Providers also found they were most successful in engaging employers who had made a demonstrable commitment to investing in the welfare of their staff. Identifiers providers used to find these employers were those who had achieved the Investors in People standard, those who had some form of pension provision beyond the statutory minimum or those who had Union Learning Representatives. One provider found it more successful to target what they considered to be ‘caring’ employers such as schools and charities.
'We moved away from our initial approach (...) we discovered it didn’t work, and we now know that there is an ideal employer to contact: one with 100-250 employees; probably ‘Investors in People’; with an HR function, and perhaps with a trade union learning rep. They have proven to be the most successful (...) at first our approach was just scatter gun. We are now more focused.’

(General charity/NFP body)

Some providers raised concerns that by modifying their approach in these ways, they were concentrating on employers who were easiest to engage. They felt that by continuing to engage with the most receptive employers, they were likely to exclude key groups of individuals.

‘That is a concern, because those smaller companies should be the ones we are trying to reach.’

(General charity/NFP body)

### 3.4 Arranging PEF events

Even once initial interest was expressed by an employer, providers found that a considerable amount of work was required in order to actually book a workplace event. Most providers found that this almost always required a face-to-face visit (which some had not anticipated or budgeted for).

Providers described the process of arranging a PEF event as an extended period of discussion and negotiation with employers which included: explanations of the purpose of the scheme, overcoming barriers and misconceptions and the practicalities of organising presentations or workshops. This process often took several months (when many providers had anticipated a matter of a couple of weeks). By the time of the final interviews, providers were concerned that a number of the employers they had engaged with would end up wanting events after the period of PEF funding had expired.

Providers found that most employers wanted sight of the materials that would be used in the event before committing to taking part. They also found that many employers wanted to revise the information and tailor it to the particular circumstances of their company. Ultimately, most providers felt that this helped to improve the relevance of the material for employees but some had not anticipated this degree of ‘personalisation’ of materials.

In some cases, providers had found that agreeing content had taken several meetings with employers involving a number of individuals performing different functions within the organisation.

Since many providers experienced lower levels of initial interest than they had anticipated, they were able to accommodate this additional work in converting interest into action without too many difficulties.
‘Because we had fewer employers to contact than we thought, we had to make each contact count, which meant maybe making seven calls to each until we got the right person. We are now booking presentations with people initially contacted three months ago.’

(Advice body)

In addition to modifying content, providers also found they often needed to modify their overall approach in order to meet the requests of employers.

For some providers, this involved switching from an approach focusing on one-to-one information sessions (that would have required assistance from the employer to identify suitable individuals) to a presentation-based approach.

In addition, even those initially intending to offer presentations found they had to adapt the format of these to persuade employers to participate. A common way providers modified their approach was delivering a greater number of sessions but each to fewer individuals than originally intended. This was often necessary because employers were reluctant, or unable, to release large numbers of staff to attend one large presentation session (particularly in manufacturing or retail environments).

‘Now initially we thought we would be going into the workplace and doing one workshop per day, but most employers have said we can’t let our whole workforce out for an hour, can you divide it to two or three or even four sessions.’

(Employer organisation)

‘When we started we thought we would probably be doing one employer workshop per month for 25 people and 25 one-to-ones, but we are more likely to get seven [people] per workshop but be doing seven to eight a month.’

(Advice body)

Some providers viewed this as a positive change as they found delivering to smaller numbers of individuals led to a more interactive session.

‘I think that has proven better because when the workshop is smaller, people tend to participate more, so we prefer it.’

(Advice body)

Other providers found that they had had to shorten their presentations/workshops because employers were unwilling to host events of the length they had initially envisaged.

‘In some cases where employers won’t give up a full day or half a day we go in for an hour and give a talk (...) It’s better than nothing. There is a big variation in the size and volume of work, some are one hour sessions and some can mean going in seven or eight times.’

(Trade union)
Providers had found that the format the greatest number of employers were happy with was a 45-minute presentation conducted on-site. A large number of employers preferred this to take place during a lunch-hour (and often preferred the presentation to last under an hour to allow time for employees to return to workstations afterwards within an hour slot).

Despite problems interesting employers in PEF and in the effort required to book events, providers stated that the feedback they had received once employers had come on board was very positive.

3.5 Good practice in engaging employers

Figure 3.1 provides a summary of the key factors providers identified as improving their ability to engage with employers and gain their involvement with PEF.

Figure 3.1 Good practice in engaging employers
Several of these recommendations aim to explicitly counter the negative reaction that providers found many employers to have towards the initiative. Providers stated that it was important to emphasise that the service was free and the information provided was independent and impartial.

Due to the concerns employers often voiced about whether PEF events would criticise their company pension provision, providers found it better to avoid mentioning ‘pensions information’ and to use terms such as ‘retirement planning’.

Despite the desire to ‘brand’ PEF as an initiative offered by trusted third parties rather than the DWP, some providers found that mentioning that the initiative was funded by the DWP in their initial contact with employers gave them credibility and emphasised their objectivity.

‘I also think it’s good to almost put together a script when you contact people, because you need to learn what works. When you are engaging with an employer, what works is mentioning key words like “free”; “training”; “independent”; “DWP”. If you can get all those words into your first sentence, you are more likely to get somewhere.’

(General charity/NFP body)

Many providers found that it was most effective to approach employers with whom they already had some knowledge or relationship. Those that did not have their own established links with employers found it helpful to elicit the help of partner organisations in this area (but there is a need for roles to be clearly defined to make a success of partnership working).

Providers also noted the benefit of word-of-mouth testimonials and felt it was useful to use references from other employers in their marketing material. One provider who had successfully engaged with a large and respected employer in the area was then able to use this to demonstrate to other employers that they were a credible and trustworthy source of information. Another had included quotes from employers who had used their services in a feature in the local newspaper.

Finally, many providers also talked about the need for perseverance among their staff when trying to engage with employers. They noted the danger that staff could become demoralised by the lack of success, particularly at the start of the process and felt it was important to maintain the morale of staff who were contacting the employers.

‘I was concerned at the outset because I did see it as a hard slog. I was worried that the team could become demoralised by having to make so much contact without results (...) we realised that this takes time.’

(Advice body)
3.6 Summary

- Providers generally found engaging employers was the most challenging aspect of the PEF schemes, due to a lack of interest and some suspicion and misconceptions about PEF among employers. Providers with existing relationships with employers experienced fewest difficulties.

- In order to overcome these difficulties providers moved away from ‘mass marketing’ towards more targeted methods.

- The following were identified by providers as good practice for improving their ability to engage with employers:
  - emphasise the service is free;
  - emphasise the independence and impartiality of information;
  - reassure that the information will not affect employers;
  - mention DWP (as source of funding and to reinforce credibility);
  - form or develop existing partnerships to get employer leads;
  - approach named contacts within an employer;
  - use word-of-mouth testimonials and references from other employers;
  - be flexible;
  - be prepared to tailor approach to the needs of different employers.

- Providers often had to persevere and to modify their approach in order to encourage employers to take part. The two most common modifications were: a greater focus on group sessions and less on one-to-one sessions and a larger number of sessions delivered to smaller groups of employees. Providers felt presentations and workshops were the most flexible and effective delivery method.
4 Providers’ experiences of working with individuals

4.1 Engaging individuals

This chapter examines providers’ experiences of engaging with individuals. The chapter looks at the methods providers have used to engage with individuals and difficulties they have experienced reaching target groups. It also looks at the delivery of information, including how providers have modified their approaches.

4.1.1 Encouraging individuals to attend

Once providers had secured the commitment of employers, they then had to work to maximise the number of attendees at events.

Providers stated that attendance at events was reliant on effective communication by employers to their staff in terms of both the number of reminders and also the messages given out about the purpose of events. Generally speaking, providers found that once employers had ‘signed-up’ to the provision of the Pensions Education Fund (PEF) events they were committed to ensuring they were a success.

A few reported some initial problems with some groups of employees assuming that sessions would not be relevant to them. In some cases, individuals who had opted out of the company pension scheme thought that the sessions were aimed at pension scheme members; in others, those who were members of the pension scheme thought that sessions were not aimed at them because they assumed them to be ‘marketing’ for the company pension scheme.

In order to counter these types of misconceptions, providers emphasised the importance of maintaining as much control as possible over the way in which employers conveyed information about PEF events internally. Some achieved this through supplying participating employers with leaflets and posters to advertise the event. Others drafted e-mails or intranet content to be sent around to staff to let them know about the event. In all these communications, providers avoided the use of the word ‘pensions’.
Some providers had found that attendance at their events was improved if they offered refreshments (for example, so that employees could combine getting their lunch or breakfast with attendance at the event).

Others had introduced prizes for attendance. For example, one provider offered a prize to the team or section within a company who sent the most employees to the presentation (they found this worked particularly well in environments such as call centres that are target driven).

A few had made site-visits in advance of presentations to promote the event. For example, one provider found that having staff at information stands at the workplace was a useful option for encouraging attendance.

4.1.2 Experiences of reaching target groups

PEF was particularly keen to target those groups that may have little or no provision for retirement. These include young people (aged under 30), older people (aged over 50), women, ethnic minorities and the self-employed. In their bids providers specified the overall target for the number of engagements with individuals and the key target groups they expected to be working with. Some providers also provided target numbers for engagements with particular key groups, although this was not compulsory.

Those providers who had intended to focus on particular groups through workplace activity felt they had limited success in this regard. Initially, some had made attempts to focus on sectors within which some of these target groups were concentrated but, as mentioned in the previous chapter, this initial focus had often been changed to concentrate on those employers found to be most likely to be interested in hosting PEF events.

Some providers had attempted to ask employers to target invitations to attend workplace events at particular groups of individuals (such as those without pension provision or aged under 30) but had found employers unwilling to do this. In part this was because to take this approach involved an administrative burden for employers but more commonly it was simply because employers did not feel that it was ‘fair’ to offer the initiative only to some of their staff. There were some exceptions to this (generally where employers were keen to use the initiative to boost pension membership through focusing on non-members).

‘We went to a company and their head of HR only selected younger people because they were the ones who hadn’t signed up to the company scheme yet.’

(Advice body)

Where invitations to attend were sent out to all staff, providers often found that young people were particularly unlikely to attend. Providers felt that this was a result of having lower disposable incomes and a lack of interest in retirement planning.

Providers had also experienced difficulties in engaging the self-employed (although none of the providers taking part in the evaluation had identified the self-employed as a primary target group for their initiative). Those who had attempted to engage the self-employed found that there was an unwillingness to give up time to the initiative (unlike most of those attending sessions in the workplace, they were not paid while attending PEF events) as well as a general lack of interest in retirement planning. Some providers also found that those self-employed people who were interested in retirement planning already had financial professionals to advise them.

‘We have had little success with them [self-employed] (…) some will have their own accountant and their own provision because they are self-employed, and the others just can’t make time to see us.’

(General charity/NFP body)

Some providers also admitted that they felt that their time was more productively spent in attempting to engage larger employers than the self-employed because of the greater number of individuals they could reach for the same amount of effort through this approach.

4.2 Delivery of information

The key reason for a focus on the delivery of information through presentations and workshops (rather than one-to-one sessions) was the preferences expressed by employers. However providers found that this format worked well for staff.

Providers were able to make use of group dynamics to conduct interactive sessions they felt were successful at ‘drawing in’ many of those who were not initially very interested. They also felt that this format was flexible and relatively easily-tailored to the employer or the demographics of the audience.

The need to continually develop, refine, update or tailor their information was a consistent message across all providers. One of the most common changes providers made was to make the information shorter and simpler. In some cases this was to fit with employer requirements but in others it was because providers felt this was a better approach. Some providers had moved towards a greater focus on ‘games’ which involved participants leaving their seats or question and answer sessions and one developed a workbook to be completed. Another provider developed activities (for example, asking individuals to write down one thing they will do after the session) aimed at promoting individuals to take actions after the session.

‘Make it enjoyable and interactive and avoid any in-depth statistics (…) the attendants need to actually participate in the session because they will then buy into it more (…) ask people to think about, and talk about the things they want to do when they are retired. That makes retirement a tangible thing.’

(Advice body)
In addition, the information was frequently changed over time to ensure it accurately reflected changes in legislation.

‘Things are changing in the pensions field so you do need to keep updating it (...) also people can raise questions during the presentation and you then realise that this is something you need to include.’

(General charity/NFP body)

4.3 Good practice in the development of material

Figure 4.1 summarises the points of good practice in relation to the development of information raised by providers.

Figure 4.1 Good practice in the development of information
A key message, which was raised repeatedly, was to avoid the use of the word ‘pensions’ within the information. Providers found individuals were more likely to engage with information provided and participate in the presentations and workshops if phrases and concepts such as ‘retirement planning’ were used, rather than ‘pensions’.

Many providers also emphasised the importance of avoiding the use of any jargon within the information provided.

Some found the use of ‘shock tactics’ effective in encouraging attendees to take action. A commonly used ‘shock tactic’ was to ask attendees to describe the types of activities that they would like to undertake in retirement and then to compare the cost of these against the value of State benefits available to pensioners.

### 4.4 Supporting material and follow-up sessions

Several providers had produced versions of their material in other formats such as information packs, leaflets, websites and DVDs. While they generally felt that these were less effective than face-to-face sessions (because it is more difficult to tailor these formats to particular target groups or sectors), providers still believed these methods played a useful role, either as material to give to presentation attendees to take away or to distribute to those unable to attend presentations.

Providers had developed a range of supporting materials. Some had developed budget planners and pension calculators to be included in information packs and used in one-to-one interviews; another had developed a workbook to be completed during workshops but taken away afterwards. Others had produced information such as a list of key contacts, a jargon buster and a list of useful questions to ask an Independent Financial Adviser (IFA) which individuals could take away and use at a later stage.

Many of the providers also offered follow-up support in the form of one-to-one sessions for those who attended presentations. Others offered alternative forms of follow-up such as telephone helplines or website forums.

On the whole, providers found that the take-up of follow-up information had been considerably lower than they anticipated. Some felt that this was simply a function of the momentum of their initiative taking longer to build up than they initially envisaged. They felt that individuals were most likely to need follow-up information several months after attending presentations when they started to apply the information given (and even at the third wave of interviewing, some providers had only conducted the bulk of their presentations in the last two to three months, so that they had had little take-up of follow-up sessions).

Some of those who had conducted follow-up one-to-one sessions had not found these to be as successful as they had hoped. They found that those individuals who had taken up the option of further information tended to be those from older age groups and the information they requested tended to be very specific, relating
to their individual circumstances. The individuals responsible for conducting these follow-up sessions often found they were unable to answer the questions voiced and were concerned about straying into the arena of financial advice. In some cases staff needed additional training in order to provide them with the skills and knowledge to confidently manage the follow-up requests.

‘The one-to-ones have been very involved and some of us have been very surprised by the depth of knowledge you need to answer some of the queries (...) it’s more than we thought because some of us don’t have experience in the financial sector.’

(General charity/NFP body)

Even when providers were able to provide some of the additional information requested in follow-up sessions, they found that they required a considerable amount of resource. For this reason, some providers were grateful for a lower level of take-up of one-to-one sessions.

‘It’s a minimum of two appointments per person, up to five. It has turned out to be more labour intensive than we thought.’

(General charity/NFP body)

‘A lot of people have recontacted us because we have helped them get a pensions forecast but they don’t understand them so that’s another visit (...) it means we are not just seeing them for an hour but sometime two more times for another hour each and some of them might be two hours’ drive away.’

(General charity/NFP body)

Some providers who were targeting younger people believed that the presentations were providing sufficient information and follow-up information was not necessary.

‘For the younger person the generic presentation answers most of their questions.’

(Advice body)

4.5 Summary

• Providers found engaging with individuals less problematic than getting employers ‘on board’.

• They found that they obtained the highest attendance at their events if they were able to control the way in which employers promoted them. They achieved this through drafting leaflets, posters, e-mails and intranet content.

• Employers were generally unwilling to target invitations to events at particular groups of employees and hence, events were made available to all staff.
The two target groups providers found hardest to engage were the self-employed and younger people.

Most providers focused their delivery around presentations or workshops lasting around 45 minutes to an hour. In addition, some offered CDs and written material to distribute to those attending presentations but also to make available to those unable to attend their events.

Several providers offered individual follow-up sessions but most had found at this stage in their delivery, the take-up of these to be very low. Those who were interested sometimes had very specific questions that required considerable financial knowledge to answer.
5 Providers’ experience of the management of schemes

This section examines providers’ experiences of running the projects on a day-to-day basis. It also discusses the extent to which providers used partners and their experiences of doing so and their experiences of working with the Department for Work and Pensions (DWP) on the Pensions Education Fund (PEF). It also explores providers’ general impressions of the DWP, looks at what has gone well, identifies areas for improvement and then looks to the future of PEF.

5.1 Working with partners

Some of the providers used partner organisations to bring in external expertise. Partners were primarily used to engage employers, help with the development of information and assist with the delivery of the information.

A range of partners was used. Financial and educational experts were involved with the development of information and, to a lesser extent, the delivery of information. Local community and voluntary organisations, trade union, and employer organisations were also used (largely to assist with engaging employers).

Involvement with partners for the development of information tended to be for a well-defined function over a finite time period, whereas when partners were involved with engaging employers and providing leads, the involvement tended to be longer term and less well-defined.

Some providers had an existing relationship with the partner organisation they were using – these partnerships tended to be more successful in the context of PEF.

The most common use of partners was to provide introductions to employers who might be willing to host PEF events. As mentioned earlier, in some cases partners did not provide the level of contact with employers that was originally expected.
This was a criticism more commonly made of partners written into application bids than of those providers who had entered into relationships further down the line (when they had a clearer idea on the operation of their initiatives).

As discussed in Chapter 2, some providers used a partner organisation to help them compile the pensions and retirement planning information but this does not appear to have been particularly successful. The information developed by partners tended to be too complex or technical, too detailed and insufficiently interactive and engaging. Where partners had been used, this often led to additional work for the provider in terms of simplifying and tailoring the information and making it more appropriate to their intended audience. This often led to extra and unanticipated work and therefore, delayed the finalisation of materials.

Problems most commonly stemmed from a lack of understanding of the target audience among the partner organisations, in part, because partners tended to be financial or educational specialists. In some instances providers admitted they did not make their expectations sufficiently clear at the start of the process.

5.2 Working with the DWP

Providers were generally very positive about their working relationship with the DWP. Though most providers had little contact with the DWP (compared to either their expectations or previous experience of working with Government departments) they were all positive about the contact they had had.

Providers were positive about how quickly DWP responded to phone calls and e-mails. Providers described the DWP as being approachable, responsive, supportive and encouraging.

‘If we have a query they tend to come back to us within 48 hours – they always come back to us with guidance or have told us to do what feels right and best for us (...) they haven’t been too involved in the sense that they are hounding us, which is good – but are there if we need them.’

(Advice body)

That said, several providers found difficulties with reporting requirements. For some this was initially the complexity of the management information required while others were unsure about the definitions of some of the terms contained within the report. The perceived focus on the numbers contained within the reports led some providers to be concerned that they were judged on the amount of contact or engagement rather than the quality of that engagement.

Others expressed concern that they were being ‘marked’ against their initial proposal rather than the scheme they eventually ended up delivering. Those who had been unsuccessful in engaging with specific target groups they had identified in their initial bid, were also worried about how they would be judged by DWP. Generally, providers felt they had not been given clear information on the ways the management information was used.
'We put the initial bid together based on another service we offer. This is a brand new service and we have evolved a lot and refocused on presentations/workshops rather than one-to-ones. We feel that the DWP are just measuring us based on the original bid and think this benchmarking is somewhat unhelpful.'

(General charity/NFP body)

The most frequent criticism of the DWP was that it had not facilitated networking and the sharing of learning between the PEF providers. Most of the providers would have welcomed an opportunity to find out more about the way in which other providers were operating and what they had found successful or unsuccessful. They thought there would have been considerable value in sharing their experiences, particularly as this type of project was new to many of the providers.13

‘We want to find out how others are doing and share information. The sharing of ideas is important and it gives you a bit of a lift because you have no idea how well you are doing unless you discuss it with others. I think DWP should actually organise an event every six months.’

(Advice body)

‘We want to meet other schemes because why should each of twenty-five schemes have to go through their own learning when we could learn together? We have had to get together ourselves with [other providers], and we both got so much out of meeting up and discussing things.’

(General charity/NFP body)

5.3 The future

Some providers expressed concerns about the future of PEF. Although they recognised that PEF was an initiative that had a finite timescale, they were concerned that much of the effort they had put into schemes would be wasted if funding was not continued. Some of those who had experienced difficulties and delays in setting up their schemes felt they had only just started to ‘build momentum’ in the second year of the Fund.

‘The momentum is really kicking in now and it seems a shame that the projects are not longer; its taken a year to really get into gear – a year of learning and establishing best practice and all that knowledge might be closed down and lost before it has the chance to reach as many people as it could.’

(Advice body)

13 The DWP established a networking template early in the contract period and subsequent network meetings did take place once contractors had bedded their initiatives. DWP felt that it was possible that early networking may have influenced providers to change their bids.
Some providers were already considering how they will handle queries and requests for follow-ups after the end of the project life in March 2008. These providers felt they should not just ‘cut people off’ after providing support and information for two years and were planning for how they could continue to provide some support and information within existing resources.

One provider had been asked about plans after March 2008 by an employer (in the context of discussions around incorporating presentations into their induction process for new staff). In response to this they have developed a toolkit which is an hour-long training course, including the presentation slides and some interactive exercises, for use by employers in the future.

5.4 Summary

- The success of working with partners was variable and greatly dependent upon good communication between providers and partners. Work with partners was most effective when there was an existing relationship between the provider and partners. It was least successful when partners were used to help with the development of information.

- Providers were generally positive about their experiences of working with the DWP and welcomed their pragmatic approach.

- Providers raised some concerns about the reporting requirements from DWP, primarily around the definitions of some of the terms used and how the information was used to judge their performance. The most frequent criticism of the DWP was that it had not facilitated networking and greater shared learning between different providers.

- Some providers also expressed concerns about the future of PEF. Some felt the benefits gained to date would be lost if the initiative did not continue, others were concerned that if funding does continue they will be informed too late to ensure they do not ‘lose momentum’.
6  Experiences of employers

This section presents the findings from the survey with employers who had been involved with Pensions Education Fund (PEF). It outlines the profile of the sample of employers, including their current pension provision. It then goes on to look at employers’ experiences of PEF in terms of their decisions to participate, the level of work involved and their views of the information provided. Finally it examines the perceived impact the provision of information had had, employers’ overall levels of satisfaction with PEF and willingness to host further information provision sessions in future.

In total, 55 interviews were carried out with employers, with a maximum of 11 employers from any one provider. Interviews were carried out at just one point in time (around 9-12 months after the start of PEF) so represent just a ‘snap-shot’ of employers’ views and experiences of PEF. These covered employers involved with ten out of the 12 providers providing information directly to individuals. The overall sample size is small and so no attempt is made to quantify or extrapolate the findings.

As discussed in Chapter 2, the survey methodology, based on providers providing contact details, together with the small sample size, does mean the findings are likely to be specific to those employers taking part in the evaluation. Moreover, we do not know the overall proportion of employers who agreed to participate in the evaluation and even among those contacts supplied, the response varied considerably between different participating providers.

In addition, all those provided as contacts for this phase of the research had hosted events before the end of 2006 and as such represent ‘early adopters’ of PEF initiatives. As many providers reported difficulties engaging employers from the outset, it is likely that the employers surveyed were amongst those more engaged with PEF and again, this may mean that their views are not typical of those hosting events across the life of PEF.
6.1 Profile of employers

The sample of 55 employers was primarily comprised of Small and Medium Sized Enterprises (SMEs)\textsuperscript{14} and was evenly split between those that had more and fewer than 50 employees. As discussed earlier, many providers focused more on larger employers (which they considered to be those with 100 or more employees) as their scheme progressed because they felt they were easier to engage. Hence, it seems likely that this balance of employers with more or fewer than 50 staff would have shifted over the life of PEF initiatives.

Employers were asked about the proportion of their workforce that fell into any of the key target groups for the PEF. These are groups of the workforce who are more likely to have little or no pension provision or engage in retirement planning. Many of the employers surveyed had a considerable proportion of staff from at least one of the key groups: women; older people (over 50); younger people (under 30) and ethnic minorities (although these are not mutually exclusive categories).

As discussed earlier (in Chapter 4) providers could not always be prescriptive about who attended PEF sessions or received information. However, the relatively high proportion of the workforce falling into the target groups among the employers surveyed suggests that even with sessions open to all staff, PEF events should have been successful in reaching these groups.

6.2 Current pension provision

Many employers taking part in the evaluation offered pension schemes that attracted an employer contribution (at least for some staff). This indicates that these employers had a relatively good standard of pension provision as employer contributions are relatively unusual among organisations with fewer than 50 staff\textsuperscript{15}.

6.3 Previous contact with providers

Many employers surveyed had heard of the provider before their involvement with PEF. The level of knowledge employers had about the provider varied considerably, although many said they knew either ‘a lot’ or ‘something’ about the organisation. For some employers, existing knowledge about the provider played a key role in their decision to take part.

\textsuperscript{14} Generally defined as having fewer than 250 employees.

\textsuperscript{15} The 2005 Employers Pension Provision Survey reports that 26 per cent of private sector employers with fewer than 50 staff make an employer contribution to staff pensions.
'They had been suggested to us by one of the editors here because we had been discussing how to get younger members of staff to take up the company pension, which is now a money purchase scheme, not final salary. We had heard of them, and knew that they were an independent organisation which was important, because not everyone necessarily trusts information from their own company – you tend to be slightly sceptical.'

(Employer organisation)

However, detailed knowledge of the provider did not appear to be a necessary prerequisite for participation since, in some cases, employers’ prior knowledge of the provider was minimal.

Many employers had heard of the provider and some had actually worked with the provider or collaborated with them prior to their involvement with PEF. Thus, varying degrees of knowledge of providers among employers were demonstrated in the interviews. It would seem that awareness of the provider was key to employer participation but a close relationship was not necessary.

6.4 Previous retirement planning information

There was not a strong history of providing retirement planning information to their employees among the employers surveyed.

Some had provided some form of retirement planning information through the use of internal staff. This was more common in organisations employing more than 250 staff. The use of external organisations to provide employees with retirement planning information or education was much more limited and this was most prevalent amongst companies employing more than 50 employees.

6.5 Decisions to participate

Employers surveyed said they were enthusiastic about becoming involved when they were initially approached by their PEF provider. Many described themselves as being ‘very keen’ and the remainder ‘keen’ to participate. This suggests that the sample of employers surveyed appeared to mainly comprise those that providers found easier to engage. This may well be a function of the fact that the research among employers was conducted among those engaged early in the schemes’ operation.

Employers demonstrated a range of views of the role the provider organisation played in their decision to participate: Firstly, those for whom the provider played a key role – these employers would not have been interested in taking part if the initiative had been offered by anyone else. Secondly, those for whom the provider played an important, but not crucial role, in their decision to participate – these employers were more keen to participate because of the involvement of the provider. Finally, those employers who said the provider played no role in their decision to participate and they would have been interested in the information provided whichever reputable source it came from.
Albeit based on this limited sample, these views would seem to suggest that for the many employers there is value in offering the initiative through a trusted third party.

6.6 Level of employer involvement

Employers did not tend to think that involvement with PEF involved a significant amount of work for them. Many reported that distributing the information involved ‘hardly any’ or ‘no’ work for them or their organisation, although some felt it involved ‘some’ work.

Employers also thought the amount of work involved in organising and administering PEF initiatives compared favourably to previous experiences of distributing retirement planning information. Many felt their involvement with PEF involved either the same or less effort for them.

Among the surveyed employers, the retirement planning sessions they hosted almost universally took place during work hours. For some employers the delivery of workshops or presentations within work hours and at the workplace appeared to be a key factor in the success of the initiative, mirroring the views of providers.

“That was hugely important. We had back-to-back hour long sessions, held over two days, because the staff are often off site so we needed that flexibility (…) I think take-up would have been less if they hadn’t have come here because it was convenient.’

(Employer organisation)

The number of staff taking part or attending sessions run by providers, varied widely. Typically, fewer than 20 staff were involved in total, although some employers had sessions with more than 50 staff overall. This almost certainly reflected the size profile of surveyed employers.

Many employers reported that a cross-section of staff attended the sessions, although some reported that where particular groups of employees were more likely to be involved, this tended to be older staff.

6.7 Views of the information provided

Among those employers who had hosted sessions, many had attended the retirement planning sessions themselves (perhaps to check the appropriateness of the material presented). In addition, among those who had been involved with schemes providing written information, many had read at least some of the information. Therefore, respondents were well placed to provide their views on the information provided to staff.

Generally, employers’ views of the information provided by PEF providers were positive. The information was rated highly in terms of how relevant it was to the employees at the particular company. Many considered it to be ‘very relevant’. It
therefore appears that providers had been successful in tailoring their presentations to particular employers.

Employers generally considered the information to be ‘easy’ to understand, with many rating it as ‘very easy’. Some who had previously hosted sessions on retirement planning felt the information delivered by PEF schemes was easier to understand than that which had been used previously.

As reported previously, many providers talked about having to revise the original presentations to ensure they were easy to understand and the employers’ responses suggest this had been successful.

Many employers thought the information provided was ‘very useful’ for their employees, although some thought the information was not very useful. Indeed, some who had provided or hosted previous sessions on retirement planning (either internally or externally) considered the information provided by PEF to be more useful. In addition, many thought their employees had been ‘interested’ or ‘very interested’ in the information provided.

Overall, many thought their employees were ‘very’ satisfied with the information provided through PEF. None of the employers interviewed felt their employees were dissatisfied with the information provided.

6.8 Impact of the information

An important consideration in measuring the success of PEF was whether the sessions had an impact on the behaviour of individuals. Whilst this was asked directly of the individuals themselves (reported later, in Chapter 8), employers were also asked whether they had noticed any change in the behaviour of their employees.

Many employers felt the information provided had impacted positively upon the behaviour of their employees. Some had noticed an increase in the number of employees who had requested information and advice about pensions since being provided with information through PEF. This was particularly noticeable among large employers with over 250 employees.

In addition some, typically larger, employers had noticed an increase in the number of employees who had requested information about retirement planning more generally.

Some employers reported an increase in the number of employees taking out a new pension through the company. Among those employers with a pension scheme, some noticed employees increasing their contribution to these schemes.

Many employers who had noticed a change in employees’ behaviour since receiving the retirement planning information viewed these changes positively.
While it is obviously impossible to determine whether these changes in behaviour perceived by employers were as a direct result of PEF schemes, the fact that employers believed that such changes had taken place can only have a positive impact on their likelihood to continue to participate and to recommend the scheme to others.

6.9 Employer satisfaction

Employers were generally satisfied with their involvement with PEF. Indeed, many reported being ‘very satisfied’ overall. This very high level of satisfaction reflects the positive findings reported earlier in this section.

Those employers who had noted an increase in employees requesting pension information or other changes in behaviour since being provided information through PEF, were most likely to be ‘very’ satisfied.

Many said they would be ‘very likely’ to recommend involvement with PEF to other employers. In addition, a widespread view amongst employers interviewed was that if PEF offered to provide similar information on an annual basis they would be at least ‘fairly’ likely to be involved.

These findings were in line with providers’ views, which indicated that they were increasingly able to use testimonials in marketing to other employers. It also suggests there is potential for ongoing relationships between employers and providers (which could compensate for the greater than anticipated effort that providers had to put into converting each employer).

6.10 Summary

• The findings for employers should be treated as indicative only. This is due to the small sample size (55 employers overall) and lack of confidence in how representative the sample is, partly because of the fact that the participating employers were ‘early adopters’ of PEF and were, thus, more likely to be engaged with it. Even among those contacts supplied, the response varied considerably between different participating providers.

• Awareness of the provider appears to be key to engagement, as many employers had heard of the provider before their involvement with PEF, although the level of knowledge about the provider and the level of previous involvement with the provider varied considerably.

• Many employers did not think that involvement with PEF involved a significant amount of work on their behalf.

• Typically, less than 20 staff per employer attended each of the sessions run by providers and these mainly took place during work hours.
• Employers’ views of the information provided by PEF were very positive. Many thought the information was relevant, easy to understand and useful; they also thought their employees were interested in, and satisfied with, the information provided. Indeed, employers were generally satisfied with their involvement with PEF and many would recommend involvement to others and would be interested in future annual involvement.

• Many employers felt the information provided had impacted upon the behaviour of their employees and had noticed an increase in the number of employees requesting information and advice about pensions or retirement planning more generally (although, within the limits of the research methodology, we are unable to conclude that this is necessarily as a direct result of PEF activity).
7 Participant experiences: engaging with the Pensions Education Fund

7.1 Introduction

Chapters 7 to 9 examine the views of individuals who received information on retirement planning through the Pensions Education Fund (PEF). This chapter looks at the extent to which the providers engaged with the PEF target groups. It also covers how individuals became involved with PEF, their reasons for taking part and the ways in which they received information, individuals’ views on the information they were given and how useful, relevant and easy it was to understand. Chapter 8 looks at the impact of the information on individuals’ knowledge of retirement issues and retirement planning and savings behaviour, while Chapter 9 examines individuals’ views on the value of the ‘trusted third party’ and workplace channel in the delivery of retirement planning information.

It is worth reiterating at the outset that, as discussed in Chapter 2, individuals who had received information from PEF were invited to take part in the research on an ‘opt-in’ basis. Details of how this was managed are supplied in the Appendix. ‘Opt-in’ rates across providers varied from two per cent to 74 per cent. Although some weighting was possible to adjust for these differences, an additional potential source of bias (besides those arising from the self-selection of those opting in) arises from not knowing the relative characteristics and attitudes of all those actually interviewed overall, vis-à-vis those not interviewed.

These factors need to be borne in mind when reading the findings in Chapters 7 to 9: the individuals surveyed may not be representative of all individual PEF participants or employees more generally. They are thought likely to be more engaged with retirement planning issues and pensions more generally.
Respondents were interviewed twice, initially six to eight weeks after receiving the information from PEF and again a further six to eight weeks later. The aim was to focus on experiences of their engagement in the first interview and on the impact on attitudes and behaviour in the second interview. A total of 917 individuals took part in the first interviews, with 637 followed up in second interviews. These constitute less than five per cent and three per cent, respectively, of the total number of individuals receiving information in 2006 from the providers taking part in the evaluation.

In addition, a small number of individuals (two to three per provider) who appeared to have derived significant benefit from the PEF information were also interviewed in more depth to obtain a more detailed understanding of their experiences and views. These individuals were selected on the grounds of having taken ‘concrete action’ towards saving for their retirement\(^\text{16}\) at the time of their first interview. They had also named both the provider and the information they received as having played some role in taking this action and said they had been encouraged by the fact the information came from a third-party provider to attend the session or read the information\(^\text{17}\).

### 7.2 Engaging target groups

One of the aims of the PEF was to engage with employees and the self-employed, particularly in sectors of the economy and workforce where there is likely to be significant under-provision of pension saving or lack of planning for retirement. These include particular groups such as women, younger people (under 30 years of age), older people (aged over 50), ethnic minorities, the self-employed and certain industrial sectors. This section examines the extent to which PEF engaged these key target groups.

### 7.3 Target group profile

Comparison of the characteristics of PEF survey respondents with those from larger, more general surveys of people of working age\(^\text{18}\) shows higher proportions of women (62 per cent compared to 48 per cent in the 2005/06 FRS) and ethnic minorities (14 per cent compared to ten per cent in the FRS) in the former. The proportion of PEF respondents who did not have private pension provision i.e. any provision besides or in addition to the state pension, is significantly lower than in the working-age population as a whole (23 per cent compared to 58 per cent

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\(^{16}\) Four types of action were defined as ‘concrete action’, as follows: starting a new pension, changing contributions to an existing pension, opting back in or out of the State Second Pension or starting or making changes to some other form of saving for retirement.

\(^{17}\) These criteria were determined during the initial individuals interview.

\(^{18}\) Data for working age population are taken from the 2005/06 Family Resources Survey (FRS) and from the 2006 Attitudes to Pensions Survey (ATPS).
not currently contributing in the FRS and 33 per cent never having contributed in the ATPS), while the proportion in employment is significantly higher (87 per cent compared to 67 per cent in the FRS).

Reflecting the difficulties mentioned by providers in reaching those running their own businesses, the self-employed constituted a lower than average proportion of the PEF survey sample (five per cent compared to nine per cent in the FRS). It is worth noting that none of those taking part in the evaluation were specifically targeting this group.

Although over 50s and younger people were specific groups of interest, the individuals taking part in the survey had an age profile broadly in line with that of the population as a whole.

**Table 7.1 Profile of key target groups amongst PEF survey respondents compared to more general working age population**

<table>
<thead>
<tr>
<th></th>
<th>PEF survey %</th>
<th>Working age population %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>37</td>
<td>52</td>
</tr>
<tr>
<td>Female</td>
<td>62</td>
<td>48</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 30</td>
<td>27</td>
<td>26</td>
</tr>
<tr>
<td>30-50</td>
<td>50</td>
<td>48</td>
</tr>
<tr>
<td>50+</td>
<td>22</td>
<td>25</td>
</tr>
<tr>
<td><strong>Ethnicity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>86</td>
<td>90</td>
</tr>
<tr>
<td>Non-white</td>
<td>14</td>
<td>10</td>
</tr>
<tr>
<td><strong>Employment status</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employed</td>
<td>87</td>
<td>67</td>
</tr>
<tr>
<td>Self-employed</td>
<td>5</td>
<td>9</td>
</tr>
<tr>
<td>Not working</td>
<td>9</td>
<td>24</td>
</tr>
<tr>
<td><strong>Pension provision</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Currently contributing to a private pension or have done so in the past</td>
<td>77</td>
<td>67</td>
</tr>
<tr>
<td>No private pension provision</td>
<td>23</td>
<td>33</td>
</tr>
</tbody>
</table>

Base: All 917 35,510,000

1 2005/06 FRS, UK.
2 Figure for those in working age population currently contributing or contributed in the past to pensions, from the 2006 ATPS. Additionally, the FRS 2005/06 shows that nearly 60 per cent of all people have no current private provision, while the 2006 ATPS shows that a third of people surveyed currently do not and have never contributed to a private pension.
7.4 Nature of, and reasons for, involvement

This part of the section looks at the experiences of and attitudes towards PEF of those who participated in the research survey (and not all PEF participants).

7.4.1 Ways in which information was received

By far the most common method by which the individuals taking part in the research survey said they had received information was attending a presentation (68 per cent). A fifth stated that they had attended a workshop (22 per cent) although evidence from the face-to-face interviews indicates that respondents used these two terms interchangeably. A fifth had seen written information (22 per cent) and 15 per cent had attended one-to-one sessions. Only three per cent of respondents mentioned that they had used a website.

![Figure 7.1 Ways PEF survey respondents received information](image)

Some individuals had received information through more than one channel and they were asked to state which one they considered to be the main way they had received information. Three-quarters stated that a presentation or workshop was the main channel through which they received information (75 per cent), whereas only one in six stated that a one-to-one session was their main source of information (17 per cent). Written information packs were usually considered to be supplementary to other forms of delivery and formed the main source of information for only eight per cent of those taking part in the evaluation.
7.4.2 How heard about PEF schemes

Most respondents who had attended a session or used a website (rather than receiving an information pack) heard about the session via their employer (62 per cent).

There were a number of other ways in which people found out about the initiative. Some received e-mails directly from the provider (nine per cent), others heard via their trade union (seven per cent overall and 41 per cent of those involved with schemes run by trade unions).

General publicity or advertising and word of mouth through friends and relatives were less common ways of hearing about PEF initiatives (six per cent and five per cent respectively). However, those attending one-to-one sessions were more likely to refer to advertising (11 per cent having heard of them via this method).

Figure 7.2 How heard about PEF schemes

<table>
<thead>
<tr>
<th>Method</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer</td>
<td>62%</td>
</tr>
<tr>
<td>Email</td>
<td>9%</td>
</tr>
<tr>
<td>Trade union</td>
<td>7%</td>
</tr>
<tr>
<td>Publicity/advertising</td>
<td>6%</td>
</tr>
<tr>
<td>Friend/relative</td>
<td>5%</td>
</tr>
<tr>
<td>Training provider</td>
<td>4%</td>
</tr>
<tr>
<td>Voluntary/community group</td>
<td>3%</td>
</tr>
<tr>
<td>Employer organisation</td>
<td>2%</td>
</tr>
<tr>
<td>Letter</td>
<td>1%</td>
</tr>
<tr>
<td>Colleague</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>7%</td>
</tr>
</tbody>
</table>

Base: All attending a session/using a website (788).
Note: Multiple responses.

7.4.3 Key reasons for attending

Individuals’ own interests in finding out more about pensions and/or retirement issues formed the key motivation in their decision to attend events but employers also played a key role. The desire to improve knowledge on general retirement planning was the key motivator for attending sessions (37 per cent) and although employer encouragement was a factor for some (18 per cent), few felt they were forced to attend (three per cent).
Other reasons given for attending were to do with personal interest or gaining information about specific aspects of planning – these included:

- they thought it was relevant (16 per cent);
- they thought it was interesting (13 per cent);
- they wanted information on the best options or pensions available (ten per cent);
- they wanted information on starting a pension (eight per cent);
- someone other than the employer told them to (two per cent).

7.5 Views of information

Individuals were asked about their views on the information received and on the various channels by which they said they had received information.

7.5.1 Overall satisfaction

Almost all individuals surveyed were satisfied overall with the information they received (95 per cent), no matter what method this reached them through. Almost no one said they were dissatisfied (one per cent) and over half (59 per cent) were ‘very’ satisfied.

Reflecting the high levels of overall satisfaction, 95 per cent of all individuals surveyed said that they would recommend PEF to others.

Table 7.2 shows overall satisfaction with the different ways in which the information was delivered. All channels attracted high levels of satisfaction and there were no major differences between the methods of delivery. There were very few instances of dissatisfaction.

Table 7.2 Overall satisfaction with information received – by delivery method

<table>
<thead>
<tr>
<th></th>
<th>Presentation %</th>
<th>Workshop %</th>
<th>One-to-one session %</th>
<th>Written information pack %</th>
<th>Website %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Very satisfied</strong></td>
<td>60</td>
<td>52</td>
<td>66</td>
<td>55</td>
<td>*</td>
</tr>
<tr>
<td><strong>Fairly satisfied</strong></td>
<td>35</td>
<td>43</td>
<td>29</td>
<td>37</td>
<td>*</td>
</tr>
<tr>
<td>Neither satisfied nor dissatisfied</td>
<td>2</td>
<td>2</td>
<td>-</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Very/fairly dissatisfied</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Don’t know</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>-</td>
</tr>
</tbody>
</table>

Base: All 613 164 106 216 21

1 Indicates low base size.
7.5.2 Understanding of the information received

Reflecting the high levels of overall satisfaction, almost all of the individuals surveyed found the information easy to understand and most felt the information was ‘very’ easy to understand. Those attending a presentation or workshop were most likely to feel the information was very easy to understand (67 per cent and 63 per cent respectively). Those who attended a one-to-one session were slightly less likely to say that the information they received was ‘very’ easy to understand (53 per cent), while those that had received a written information pack were least likely to feel the information was ‘very’ easy to understand (38 per cent).

Table 7.3 Understanding of information received – by delivery method

<table>
<thead>
<tr>
<th></th>
<th>Presentation %</th>
<th>Workshop %</th>
<th>One-to-one session %</th>
<th>Written information pack %</th>
<th>Website %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very easy</td>
<td>67</td>
<td>63</td>
<td>53</td>
<td>38</td>
<td>*</td>
</tr>
<tr>
<td>Fairly easy</td>
<td>30</td>
<td>36</td>
<td>45</td>
<td>53</td>
<td>*</td>
</tr>
<tr>
<td>Not/Not at all easy</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Very/fairly dissatisfied</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Don’t know</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>5</td>
<td>*</td>
</tr>
</tbody>
</table>

* Indicates low base size.

7.5.3 Relevance of the information received

Those who attended a one-to-one session were most likely to find the information ‘very’ relevant (as perhaps would be expected given that this channel has the greatest potential for tailoring to an individual’s circumstances).

However, presentations and workshops also maintained a good degree of relevance, reflecting the efforts of providers to tailor these to their audiences. Again, the written information pack received the lowest rating in terms of relevance; just a third saying the information was ‘very’ relevant.
Table 7.4  Relevance of information received via each delivery method

<table>
<thead>
<tr>
<th></th>
<th>Presentation %</th>
<th>Workshop %</th>
<th>One-to-one session %</th>
<th>Written information pack %</th>
<th>Website %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very relevant</td>
<td>50</td>
<td>41</td>
<td>58</td>
<td>31</td>
<td>*</td>
</tr>
<tr>
<td>Fairly relevant</td>
<td>41</td>
<td>50</td>
<td>35</td>
<td>53</td>
<td>*</td>
</tr>
<tr>
<td>Not/Not at all relevant</td>
<td>8</td>
<td>9</td>
<td>7</td>
<td>12</td>
<td>-</td>
</tr>
<tr>
<td>Very/fairly dissatisfied</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Don’t know</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>*</td>
</tr>
</tbody>
</table>

Base: All 613 164 106 216 21!

1 Indicates low base size.

7.5.4 Usefulness of the information received

The rating of the usefulness of the information provided was highest among those attending a workshop (95 per cent rating it either ‘very’ or ‘fairly’ useful) or one-to-one session (93 per cent rating it either ‘very’ or ‘fairly’ useful) and lowest among those receiving a written information pack (75 per cent rating it either ‘very’ or ‘fairly’ useful).

Those attending a one-to-one session particularly praised the usefulness of the information they received, with 71 per cent saying they found the information ‘very’ useful in helping them to decide whether to do anything more about planning for retirement. The fact that individuals were more likely to find one-to-one sessions very useful but less likely to find them easy to understand indicates that these sessions were more likely to be used to transfer complicated but more personalised and therefore relevant information.

Table 7.5  Usefulness of information received via each delivery method

<table>
<thead>
<tr>
<th></th>
<th>Presentation %</th>
<th>Workshop %</th>
<th>One-to-one session %</th>
<th>Written information pack %</th>
<th>Website %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very useful</td>
<td>54</td>
<td>42</td>
<td>71</td>
<td>31</td>
<td>*</td>
</tr>
<tr>
<td>Fairly useful</td>
<td>34</td>
<td>52</td>
<td>22</td>
<td>43</td>
<td>*</td>
</tr>
<tr>
<td>Not/Not at all useful</td>
<td>11</td>
<td>6</td>
<td>7</td>
<td>19</td>
<td>-</td>
</tr>
<tr>
<td>Don’t know</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>6</td>
<td>*</td>
</tr>
</tbody>
</table>

Base: All 613 164 106 216 21!

1 Indicates low base size.
Overall, respondents were very satisfied with the information they received. The different methods of providing information were all rated highly, although one-to-one sessions had the benefit of being a little more specific. Workshops and presentations, however, were considered slightly easier to understand. Written information was rated slightly less well due to its more generic nature (most providers made attempts to tailor presentations or workshops to the circumstances of their audience particularly with relation to the benefits offered by their employer).

The next section looks at the extent to which the PEF information might have improved participants’ knowledge of retirement issues or encourage them to do anything to improve their circumstances in retirement (if this was felt to be appropriate).

7.6 Summary

- Individual participants surveyed had all ‘opted in’ to the research, with opt-in rates varying significantly between providers. The findings, on satisfaction, usefulness, etc., may not, therefore, be representative of all participants.

- Most individuals interviewed had heard about the PEF information session through their employer (62 per cent) although there was a wide range of other sources cited, including e-mail contact, trade unions, adverts and publicity, word of mouth, etc.

- The overall level of satisfaction with information delivered was very high, 95 per cent were satisfied with the information they received and the same proportion said they would recommend it to others. The method in which respondents said the information was delivered made little difference to overall satisfaction ratings.

- Opinions of the information’s relevance, usefulness and ease of understanding were also high, almost across the board. However, it is worth noting that respondents gave some of the lowest ratings on all three measures when referring to written information packs alone.
This section examines whether and the extent to which the information provided to Pensions Education Fund (PEF) survey respondents led to perceptions of improved understanding of retirement issues. It also examines survey respondents’ post-participation retirement planning behaviour: First, it looks at respondents’ own rating of the improvement in their understanding of the various aspects of retirement planning. It then explores the actions respondents took or intended to take, as assessed six to eight weeks after receiving the information and then again 12-16 weeks after they received the information, as well as any further actions they still intended to take for the future.

Due to the limitations of the research methodology (lack of a control group, with respondents ‘opting in’ to the survey), we can only report the findings from the participants’ interviews and can say little about the impact of PEF on individuals or employers more generally. Moreover, as noted previously, the sample of individuals constituted less than five per cent of all those receiving information in 2006 from the PEF providers taking part in the evaluation.

8.1 Understanding of key retirement planning issues

Respondents were asked whether the information they received had improved their understanding of various aspects of retirement planning, including: where to go for further information on pensions; options available for saving for retirement; how to start a pension; the options available for working longer; where to go for
information on other options for planning for retirement and their own financial situation when they retire.

Generally, respondents felt the information had improved their understanding, at least a little, in most of the key areas. Between half and two-thirds of individuals surveyed felt it had improved their understanding in each of the areas more substantially.

As shown in Table 8.1, around nine in ten said that there had been a perceived impact on their knowledge of where to go for information on pensions (89 per cent), the options available for saving for retirement (88 per cent) and their financial situation when they retired (87 per cent).

Table 8.1  Extent of understanding of key retirement planning issues

<table>
<thead>
<tr>
<th>Issue</th>
<th>Yes %</th>
<th>A lot %</th>
<th>A little %</th>
<th>No %</th>
<th>Don’t know %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Where to go for further information on pensions</td>
<td>89</td>
<td>66</td>
<td>23</td>
<td>10</td>
<td>1</td>
</tr>
<tr>
<td>Options available for saving for retirement</td>
<td>88</td>
<td>64</td>
<td>24</td>
<td>11</td>
<td>1</td>
</tr>
<tr>
<td>Financial situation when retire</td>
<td>87</td>
<td>67</td>
<td>20</td>
<td>12</td>
<td>1</td>
</tr>
<tr>
<td>Options available for working longer</td>
<td>82</td>
<td>56</td>
<td>26</td>
<td>15</td>
<td>3</td>
</tr>
<tr>
<td>Where to go for information on other options</td>
<td>76</td>
<td>50</td>
<td>24</td>
<td>20</td>
<td>3</td>
</tr>
<tr>
<td>How to start a pension</td>
<td>70</td>
<td>49</td>
<td>21</td>
<td>28</td>
<td>1</td>
</tr>
</tbody>
</table>

Base: All (917)

The areas where respondents were less likely to feel that their knowledge had increased were regarding where to go for information on other options for planning for retirement (76 per cent) and understanding how to start a pension (70 per cent).

As shown in Table 8.2, where one-to-one sessions were the main method of providing information, there seemed to be a greater perceived improvement in understanding. More respondents receiving one-to-one sessions said they were able to understand their financial situation when they retired better as a result of involvement with the PEF (74 per cent said their knowledge in this area had improved ‘a lot). This may well reflect that some of the providers offering one-to-one sessions were specifically encouraging individuals to get a pension forecast.
and also that some were offering a series of sessions rather than just a one-off event. The proportion stating that the information provided had increased their knowledge of the options for working longer (67 per cent), where to go for information on other options (64 per cent) and how to start a pension (68 per cent) were also higher than for other channels.

Table 8.2 Proportion of respondents stating their understanding of key retirement planning issues had improved ‘a lot’ – by main approach

<table>
<thead>
<tr>
<th>Issue</th>
<th>One-to-one session</th>
<th>Workshop/presentation</th>
<th>Written information pack</th>
</tr>
</thead>
<tbody>
<tr>
<td>Where to go for further information on pensions</td>
<td>71</td>
<td>65</td>
<td>60</td>
</tr>
<tr>
<td>Options available for saving for retirement</td>
<td>72</td>
<td>64</td>
<td>52</td>
</tr>
<tr>
<td>Financial situation when retire</td>
<td>74</td>
<td>66</td>
<td>55</td>
</tr>
<tr>
<td>Options available for working longer</td>
<td>67</td>
<td>54</td>
<td>48</td>
</tr>
<tr>
<td>Where to go for information on other options</td>
<td>64</td>
<td>48</td>
<td>46</td>
</tr>
<tr>
<td>How to start a pension</td>
<td>68</td>
<td>46</td>
<td>40</td>
</tr>
</tbody>
</table>

*Base: All 917 107 659 151*

8.2 Impact of information on knowledge of target groups

Although the low sample sizes mean the results are not as robust as for the sample as a whole, it would certainly appear that those survey respondents from target groups, i.e. younger people, ethnic minorities, those on low income (less than £10,000) and those with no pension provision tended to report a perceived greater impact of PEF on knowledge. Over 50s and those with some pension provision were most likely to report a lower impact, reflecting, at least in part, their greater interest in, and knowledge of, pension issues prior to participating in PEF, see Tables 8.3 to 8.8.

19 Note: The main way in which respondents received information has been inferred from the approach outlined by providers in their original bid rather than from the respondents themselves.
### Table 8.3 Improvement target groups knowledge of key issues – potential financial situation when you retire

<table>
<thead>
<tr>
<th>Group</th>
<th>Yes – a lot</th>
<th>Yes – a little</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>67</td>
<td>20</td>
<td>12</td>
</tr>
<tr>
<td>Women (Base: 560)</td>
<td>69</td>
<td>19</td>
<td>12</td>
</tr>
<tr>
<td>Ethnic minorities (Base: 137)</td>
<td>76</td>
<td>14</td>
<td>8</td>
</tr>
<tr>
<td>Younger people (Base: 284)</td>
<td>80</td>
<td>17</td>
<td>3</td>
</tr>
<tr>
<td>Over 50s (Base: 214)</td>
<td>58</td>
<td>24</td>
<td>18</td>
</tr>
<tr>
<td>Low earners (Base: 110)</td>
<td>73</td>
<td>17</td>
<td>10</td>
</tr>
<tr>
<td>No pension provision (Base: 262)</td>
<td>82</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>Self-employed (Base: 30)*</td>
<td>62</td>
<td>24</td>
<td>14</td>
</tr>
</tbody>
</table>

* Caution low base size.

### Table 8.4 Improvement target groups knowledge of key issues – the options available for saving for retirement

<table>
<thead>
<tr>
<th>Group</th>
<th>Yes – a lot</th>
<th>Yes – a little</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>64</td>
<td>24</td>
<td>11</td>
</tr>
<tr>
<td>Women (Base: 560)</td>
<td>65</td>
<td>26</td>
<td>9</td>
</tr>
<tr>
<td>Ethnic minorities (Base: 137)</td>
<td>75</td>
<td>16</td>
<td>3</td>
</tr>
<tr>
<td>Younger people (Base: 284)</td>
<td>75</td>
<td>20</td>
<td>5</td>
</tr>
<tr>
<td>Over 50s (Base: 214)</td>
<td>55</td>
<td>27</td>
<td>17</td>
</tr>
<tr>
<td>Low earners (Base: 110)</td>
<td>72</td>
<td>24</td>
<td>4</td>
</tr>
<tr>
<td>No pension provision (Base: 262)</td>
<td>82</td>
<td>16</td>
<td>2</td>
</tr>
<tr>
<td>Self-employed (Base: 30)*</td>
<td>69</td>
<td>23</td>
<td>8</td>
</tr>
</tbody>
</table>

* Caution low base size.

### Table 8.5 Improvement target groups knowledge of key issues – the options available for working longer

<table>
<thead>
<tr>
<th>Group</th>
<th>Yes – a lot</th>
<th>Yes – a little</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>56</td>
<td>26</td>
<td>15</td>
</tr>
<tr>
<td>Women (Base: 560)</td>
<td>55</td>
<td>27</td>
<td>16</td>
</tr>
<tr>
<td>Ethnic minorities (Base: 137)</td>
<td>64</td>
<td>18</td>
<td>12</td>
</tr>
<tr>
<td>Younger people (Base: 284)</td>
<td>57</td>
<td>34</td>
<td>8</td>
</tr>
<tr>
<td>Over 50s (Base: 214)</td>
<td>56</td>
<td>26</td>
<td>13</td>
</tr>
<tr>
<td>Low earners (Base: 110)</td>
<td>60</td>
<td>20</td>
<td>19</td>
</tr>
<tr>
<td>No pension provision (Base: 262)</td>
<td>67</td>
<td>23</td>
<td>9</td>
</tr>
<tr>
<td>Self-employed (Base: 30)*</td>
<td>39</td>
<td>37</td>
<td>15</td>
</tr>
</tbody>
</table>

* Caution low base size.
### Table 8.6 Improvement target groups knowledge of key issues – where to go for further information on pensions

<table>
<thead>
<tr>
<th></th>
<th>Yes – a lot %</th>
<th>Yes – a little %</th>
<th>No %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overall</strong></td>
<td>66</td>
<td>23</td>
<td>10</td>
</tr>
<tr>
<td>Women (Base:560)</td>
<td>68</td>
<td>22</td>
<td>9</td>
</tr>
<tr>
<td>Ethnic minorities (Base:137)</td>
<td>67</td>
<td>20</td>
<td>10</td>
</tr>
<tr>
<td>Younger people (Base: 284)</td>
<td>70</td>
<td>21</td>
<td>7</td>
</tr>
<tr>
<td>Over 50s (Base: 214)</td>
<td>60</td>
<td>28</td>
<td>10</td>
</tr>
<tr>
<td>Low earners (Base: 110)</td>
<td>80</td>
<td>14</td>
<td>6</td>
</tr>
<tr>
<td>No pension provision (Base: 262)</td>
<td>75</td>
<td>17</td>
<td>6</td>
</tr>
<tr>
<td>Self-employed (Base: 30)*</td>
<td>49</td>
<td>31</td>
<td>20</td>
</tr>
</tbody>
</table>

* Caution low base size.

### Table 8.7 Improvement target groups knowledge of key issues – where to go for further information on other options for planning for retirement

<table>
<thead>
<tr>
<th></th>
<th>Yes – a lot %</th>
<th>Yes – a little %</th>
<th>No %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overall</strong></td>
<td>50</td>
<td>26</td>
<td>20</td>
</tr>
<tr>
<td>Women (Base:560)</td>
<td>53</td>
<td>25</td>
<td>20</td>
</tr>
<tr>
<td>Ethnic minorities (Base:137)</td>
<td>58</td>
<td>30</td>
<td>8</td>
</tr>
<tr>
<td>Younger people (Base: 284)</td>
<td>55</td>
<td>25</td>
<td>17</td>
</tr>
<tr>
<td>Over 50s (Base: 214)</td>
<td>47</td>
<td>30</td>
<td>19</td>
</tr>
<tr>
<td>Low earners (Base: 110)</td>
<td>61</td>
<td>20</td>
<td>15</td>
</tr>
<tr>
<td>No pension provision (Base: 262)</td>
<td>61</td>
<td>22</td>
<td>13</td>
</tr>
<tr>
<td>Self-employed (Base: 30)*</td>
<td>50</td>
<td>32</td>
<td>15</td>
</tr>
</tbody>
</table>

* Caution low base size.

### Table 8.8 Improvement target groups knowledge of key issues – how to start a pension

<table>
<thead>
<tr>
<th></th>
<th>Yes – a lot %</th>
<th>Yes – a little %</th>
<th>No %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overall</strong></td>
<td>49</td>
<td>21</td>
<td>28</td>
</tr>
<tr>
<td>Women (Base:560)</td>
<td>50</td>
<td>21</td>
<td>28</td>
</tr>
<tr>
<td>Ethnic minorities (Base:137)</td>
<td>75</td>
<td>17</td>
<td>8</td>
</tr>
<tr>
<td>Younger people (Base: 284)</td>
<td>63</td>
<td>21</td>
<td>16</td>
</tr>
<tr>
<td>Over 50s (Base: 214)</td>
<td>40</td>
<td>21</td>
<td>36</td>
</tr>
<tr>
<td>Low earners (Base: 110)</td>
<td>67</td>
<td>19</td>
<td>10</td>
</tr>
<tr>
<td>No pension provision (Base: 262)</td>
<td>74</td>
<td>19</td>
<td>7</td>
</tr>
<tr>
<td>Self-employed (Base: 30)*</td>
<td>43</td>
<td>17</td>
<td>41</td>
</tr>
</tbody>
</table>

* Caution low base size.
Ethnic minority respondents were more likely than average to have felt they benefited (defined as improving knowledge ‘a lot’) in terms of their knowledge on most issues: the options available for saving for retirement (75 per cent), their financial situation when they retire (76 per cent), the options available for working longer (64 per cent), where to go for information on other options for saving for retirement (58 per cent) and how to start a pension (75 per cent).

Under-30s were more likely to say the PEF information had improved their knowledge ‘a lot’ on: the options available for saving for retirement (75 per cent), their financial situation when they retire (80 per cent) and how to start a pension (63 per cent).

Those on a low income more often felt they learned ‘a lot’ about: where to go for information on pensions (80 per cent), where to go for information on other options for saving for retirement (61 per cent) and how to start a pension (67 per cent).

Those with no pension provision perceived having learned the most overall. This group reported learning more on all areas of knowledge than average.

Thus, albeit the analysis is confined to those opting in and being interviewed, target group participants tend to report greater perceived benefits from participation relative to other participants.

8.3 Actions taken

This section examines retirement planning actions taken and the perceived impact of the PEF information on the behaviour of those receiving it and who took part in the survey. At both interviews (6-8 weeks and 12-16 weeks after receiving PEF information, respectively) respondents were prompted with a list of 14 possible actions and asked whether they had taken them or if not, whether they intended to do so in the future. These actions are listed below in the order in which they were prompted in the questionnaire:

- think about how much need/want to live on in retirement;
- review current arrangements to see if they were adequate;
- request a State Pension forecast;
- use the Pension Tracing Service;
- check entitlement to spouse/partner’s pension;
- talk/seek information on pensions/saving for retirement;
- delay the age at which will retire (work longer);
- **take out a new pension**;
- enquire about taking out a new pension;
change contributions to an existing pension;
• enquire about changing contributions to an existing pension;
• contract back into or out of the State Second Pension;
• start/change some other form of savings for retirement;
• any other action.

The actions that appear in bold text above are those categorised as representing concrete planning towards retirement. The other actions listed involve information-gathering that may ultimately lead to more concrete planning in the future.

Most individuals surveyed had taken one of the actions listed after 6-8 weeks (89 per cent) while all the rest planned to take action even though they had not done so yet. Furthermore, the majority of respondents who had already taken some action still planned to take further action (85 per cent of all respondents). Given the high proportion that had already taken action, differences between subgroups were not marked.

Respondents were then followed up again a further 6-8 weeks later, (i.e. a total of 12-16 weeks after the initial information was given), to see if they had taken any (further) action now that they had had more time to put plans in place.

The activity towards retirement planning was even greater at this stage, with 95 per cent of respondents having taken some kind of action after 12-16 weeks. Again, almost all the remainder said they still intended to take action but had not done so yet (four per cent). Encouragingly, a large proportion still intended to do more, with 82 per cent planning further action. Those who were planning to take further action were slightly more likely to be those who received the information from an advice body or employer organisation (90 per cent and 94 per cent respectively).

8.4 Type of action taken: ‘concrete planning’ compared to ‘information gathering’

Clearly some of the actions asked about in the questionnaire are more significant than others: taking out a new pension, changing contributions to an existing pension, contracting back into, or out of, a State Second Pension or making changes to other forms of savings for retirement. These involve more substantive changes in behaviour and have been termed ‘concrete planning’.

The chart below shows the proportion of individuals interviewed that made any concrete plans, as opposed to just ‘information-gathering’ action, 6-8 weeks after receiving the information from PEF and after 12-16 weeks. After 6-8 weeks just over a third of individuals (37 per cent) had made some form of concrete planning, but this proportion rose to 53 per cent after 12-16 weeks, suggesting that some
of the information-gathering actions taken initially had led to individuals making concrete plans further down the line.

Figure 8.1  Actions taken, 6-8 weeks and 12-16 weeks after PEF

<table>
<thead>
<tr>
<th></th>
<th>Information gathering only</th>
<th>Concrete planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>After 6-8 weeks</td>
<td>52%</td>
<td>37%</td>
</tr>
<tr>
<td>After 12-16 weeks</td>
<td>42%</td>
<td>53%</td>
</tr>
</tbody>
</table>

Ideally, to fully understand whether this level of activity, in terms of retirement planning, is above that which would have taken place without the information delivered by PEF schemes, we would compare these findings with a comparable sample of individuals who had not had access to PEF schemes. Individuals may undertake some form of retirement planning action in any event, without PEF. While we do not have data from a control sample collected at the same time as this evaluation of PEF, the same questions on retirement planning actions were used in a recent evaluation of Automatic State Pension forecasts (APF)\(^{20}\) and we

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\(^{20}\) See ‘Evaluation of Automatic State Pension Forecasts’, DWP Research Report No. 447 Bunt, K., et al. (2007). This reported the proportion of 12,000 people of working age who had taken any action in relation to retirement planning 13-17 weeks after receiving an automatic State Pension forecast. The study included a control group who had not been sent a forecast. The study concluded that receipt of the forecast had had no discernable impact on retirement planning. The results presented are based on the total sample (i.e. those who received the forecast and the control group) and thus provide an estimate of the general level of retirement planning activity within the working-age population as a whole.
can use these data to give an indication of whether the levels of activity of the PEF respondents are relatively high or not. Table 8.3 compares the actions taken by the PEF individuals surveyed with the indications of activity in the general population indicated by the APF evaluation.

Table 8.9 Proportion of respondents taking retirement planning actions – PEF survey compared to APF survey

<table>
<thead>
<tr>
<th>Action</th>
<th>PEF (6-8 weeks) %</th>
<th>PEF overall (12-16 weeks) 1 %</th>
<th>APF %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any action taken</td>
<td>89</td>
<td>95</td>
<td>72</td>
</tr>
<tr>
<td>Any concrete planning actions taken</td>
<td>37</td>
<td>53</td>
<td>34</td>
</tr>
<tr>
<td>Started or made changes to other saving for retirement</td>
<td>27</td>
<td>45</td>
<td>22</td>
</tr>
<tr>
<td>Changed contributions to current pension</td>
<td>7</td>
<td>13</td>
<td>8</td>
</tr>
<tr>
<td>Taken out a (new) pension</td>
<td>5</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>Contracting back into or out of State Second Pension</td>
<td>7</td>
<td>9</td>
<td>7</td>
</tr>
<tr>
<td>Other concrete planning actions taken</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Any information-gathering actions taken</td>
<td>35</td>
<td>52</td>
<td>38</td>
</tr>
</tbody>
</table>

Base: All 917 637 11,690

Note: Any action and any ‘concrete planning’ action or any ‘information-gathering’ action rows are not mutually exclusive, therefore columns do not add to 100 per cent.

1 Not everyone from the first wave of interviews (6–8 weeks after receiving information) took part in the second wave of interviews (12-16 weeks after receiving information), so the overall figure of actions taken is based on those taking part in both interviews.

Almost all the individuals interviewed 12-16 weeks after receiving the information through PEF said that they had taken some form of action towards planning for retirement (95 per cent) – the indications are that this is higher than the retirement planning activity in the general working-age population, as measured by the APF survey (72 per cent). After 12-16 weeks, 53 per cent of the individuals surveyed had taken one or more of the specific ‘concrete planning’ actions. (i.e. taken out a new pension, changed contributions to an existing pension, contracted back into, or out of, a State Second Pension or started or made changes to other forms of savings for retirement). Again, this proportion is significantly higher than the APF survey indicates would normally be expected in a sample of the general population (34 per cent).

These findings are positive but cannot be taken as applicable to all PEF participants or to employees more generally. The differences in some of the key characteristics between the two samples described in Section 7.3 may well have led to differences
in actions taken. The PEF interviewees were more likely to be employed and to have some form of private pension provision. Previous research (for example, see the evaluation of APFs previously referred to) showed that both these factors are associated with better pensions knowledge and engagement with pensions, and this would be reflected in turn in higher levels of retirement planning activity. Moreover, by having volunteered to take part in the evaluation, it is thought those individuals taking part were more likely to have been engaged with PEF and the research process, and with their retirement planning more generally.

It is interesting to note, though, that many of those considered to have taken ‘concrete planning’ action had put monies into forms of saving for retirement other than a pension (32 per cent had only taken this form of ‘concrete planning’ action). However, 12-16 weeks after the receiving the information, seven per cent of individuals interviewed had taken out a pension and 13 per cent had changed (mainly increased) their contribution rate to an existing pension, whilst nine per cent had opted in to or out of, the State Second Pension. This pattern of behaviour is not dissimilar to that found in the APF research.

8.5 Detailed breakdown of actions taken

Figure 8.2 provides a more detailed breakdown of all actions taken by individuals 12-16 weeks after they had received information from PEF.

The most common types of action were ‘information-gathering’ steps that may come at the start of planning for retirement: thinking about how much is needed to retire on (74 per cent); reviewing current arrangements (66 per cent); and talking to someone or seeking information about retirement (52 per cent).
As seen earlier in this chapter (Table 8.4), starting or making some form of saving for retirement (other than a pension) was the most common ‘concrete planning’ action; nearly half of all respondents had done this (45 per cent).

Of those who had changed or started some other form of saving for retirement, around half (49 per cent) had started a new form of investment, a third (36 per cent) had increased contributions to existing investments and 12 per cent had taken other related actions, for example changing the type of saving or investment vehicle.
Of the 13 per cent who had changed their contributions to an existing pension, the majority had increased their contributions. Only one per cent had decreased their contributions.

The majority of respondents said they had spoken to someone or sought further information on pensions after receiving the information from PEF. Around a third (35 per cent) said they had done so 6-8 weeks after the initial information was received and further half (52 per cent) of those followed up 12-16 weeks later had done so. Most had spoken to their employer, an IFA or a bank or building society.

Those respondents who had spoken to someone soon after they received the information (after 6-8 weeks) were more likely to include more ‘informal’ sources such as friends, family or work colleagues as well as more ‘formal’ sources such as their employer, Independent Financial Adviser (IFA), bank or building society (see Table 8.10). However, those who had made contact with someone between being interviewed at 6-8 weeks and again after 12-16 weeks, had predominantly contacted more ‘formal’ sources.

Five per cent of individuals surveyed said they had contacted The Pension Service (TPS) after 6-8 weeks (with a further two per cent by 12-16 weeks) to seek information on retirement or pension issues. However, these are at odds with the numbers shown in Figure 8.2, with considerably higher proportions saying they had made use of services supplied by TPS, such as requesting a State Pension forecast (40 per cent) and the Pension Tracing Service (11 per cent). This apparent anomaly might be the result of individuals being unaware that these services are provided by TPS.

Those who received a written information pack were more likely to have used the Pension Tracing Service (19 per cent compared to 11 per cent overall). Respondents attending a one-to-one session were more likely to have checked their entitlement to their partner or spouse’s pension (55 per cent and 51 per cent respectively).
Table 8.10  Individuals/ organisations PEF respondents talked to or sought information from 6-8 weeks after receiving information and after 12-16 weeks

<table>
<thead>
<tr>
<th></th>
<th>6-8 weeks</th>
<th>12-16 weeks¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer</td>
<td>23</td>
<td>41</td>
</tr>
<tr>
<td>IFA</td>
<td>18</td>
<td>16</td>
</tr>
<tr>
<td>Bank/building society</td>
<td>9</td>
<td>13</td>
</tr>
<tr>
<td>Trade union</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>Friend/relative</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>Other consumer bodies, e.g. CAB</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Colleague</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>The Pension Service (Govt. or DWP)</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Insurance company</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Spouse/partner</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Company pension provider</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>FSA</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Newspapers/media</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>Don’t know</td>
<td>12</td>
<td>1</td>
</tr>
</tbody>
</table>

Base: All 319 91

Note: Multiple responses.

¹ Note: those who had talked to someone or sought information 6-8 weeks after receiving the information are not included in the figures of those talking to someone or seeking information 12-16 weeks after.

As discussed earlier, 82 per cent were still planning to take further actions towards saving for retirement 12-16 weeks after receiving the information from PEF. However, it may well be that the chances of these intentions all turning into action are low: while most of those still intending to take action felt it was ‘very’ or at least ‘fairly’ likely that they would do so (97 per cent), only just over half said it was ‘very’ likely (55 per cent).

8.6  Role of information in actions taken

Having asked what actions respondents had taken, or were intending to take, respondents were then asked what influence they perceived the PEF information to have had on their behaviour.

Just under a third said that the information they received played a key role in the actions they had taken (30 per cent) and most (59 per cent) said that it had played at least some role. Only 11 per cent said that the information had no role at all in what they had done.
Amongst those that had taken any ‘concrete planning’ action 6-8 weeks after receiving the information, a similar proportion felt the information had played a key role (35 per cent).

8.7 Actions taken by target groups

Despite some of the target group respondents appearing to have benefited more in terms of increased knowledge relative to other groups (see Section 8.2), the target groups were no more likely than others to have taken action or to have planned to take action, than respondents as a whole. However, given that these were arguably the hardest groups to engage on pension issues, this might be interpreted as a positive result. Younger people and those with no pension provision were slightly more likely to have not taken any action 6-8 weeks after receiving the information (16 per cent of under 30s and 19 per cent without pensions provision planned action but had not taken any compared to 11 per cent overall). However, by 12-16 weeks they were just as likely as any other group to have taken action, including any ‘concrete planning ‘action.

However, women and those on low income were less likely to have taken any ‘concrete planning’ action in terms of saving for their retirement after 12-16 weeks (45 per cent and 39 per cent respectively compared to 53 per cent overall).

8.8 Summary

• Due to the relatively low sample size in relation to all those reached by PEF, potential bias arising from the ‘opt-in’ sample recruitment and differences in characteristics and attitudes of respondents vis-à-vis the general population, the findings on the impact of PEF on pensions knowledge and retirement planning actions cannot be considered as representative of all PEF participants and individuals generally.

• The majority of individuals interviewed felt that the information they received had improved their understanding, at least a little, of six different aspects of retirement planning. Around nine out of ten said they had improved understanding of where to go for further information on pensions, the options available for saving for retirement and their own financial situation when they retired.

• Nearly all respondents (95 per cent) said that they had taken some form of action 12 to 16 weeks after receiving the information.

• A little over half (53 per cent) of respondents had taken some sort of ‘concrete planning’ action, i.e. taking out a new pension, changing contributions to an existing pension, contracting back into or out of the State Second Pension or starting or changing to some other form of saving, in the 12-16 week period after receiving PEF information.
• The most common of the ‘concrete planning’ actions taken by the individuals surveyed was to start, or make changes to, some form of saving for retirement other than a pension (43 per cent). This means these funds are not necessarily ‘ring-fenced’ towards future retirement provision. That said, 13 per cent had changed contributions to a current pension and seven per cent had taken out a new pension.

• The retirement planning activity of the individuals interviewed was compared to that of a sample from a far larger evaluation. This showed that PEF interviewees had undertaken more retirement planning, including higher levels of ‘concrete planning’ action, (i.e. to their saving or pension contributions). However, the PEF interviewees were more likely to be employed and to have some form of private pension provision. Both these factors are associated with better pensions knowledge and engagement with pensions, and this would be reflected in turn in higher levels of retirement planning activity. Moreover, by having volunteered to take part in the evaluation, it is thought those individuals taking part were more likely to have been engaged with PEF and the research process, and with their retirement planning more generally.

• Respondents’ own perceptions of the role the information from PEF played in any action they had taken were also positive. Just under a third stated that the information played a ‘key’ role in their actions (30 per cent), with 59 per cent saying it had played at least ‘some’ role but, as with the comparison of retirement planning actions, one needs to take account of the relatively low sample size in relation to all those reached by PEF, potential bias arising from the ‘opt-in’ sample recruitment and differences in characteristics and attitudes of respondents vis-à-vis the general population.

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9 Participant experiences: importance of provider and workplace channel

This chapter examines the views of those individuals interviewed in the evaluation on the value of Pensions Education Fund (PEF) being delivered by ‘trusted third parties’ in the workplace. More specifically it discusses what individuals thought the role of the third party brought to the process, whether they had an existing relationship with the provider and the degree of trust they placed in them. It also looks at the use of the workplace as a setting for delivery of information on planning and saving for retirement.

9.1 Prior dealings with and trust in providers

Just over a third of respondents (37 per cent) had had some form of contact or prior dealing with their provider. A similar proportion (35 per cent) had heard of their provider but over a quarter (28 per cent) said they had no knowledge of the provider at all.

Advice bodies had the highest recognition, with over half of those attending a session from an advice body (54 per cent) having heard of them, although relatively few had had any previous contact (17 per cent). Charities were also well recognised: only 23 per cent of respondents involved with schemes run by charities had not heard of their provider.
Table 9.1  Prior dealings with provider

<table>
<thead>
<tr>
<th></th>
<th>Yes – prior dealings</th>
<th>No – but heard of them</th>
<th>No – not heard of them</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>37</td>
<td>35</td>
<td>28</td>
</tr>
<tr>
<td>Type of organisation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charity (Base: 357)</td>
<td>46</td>
<td>31</td>
<td>23</td>
</tr>
<tr>
<td>Trade union (Base: 71)!</td>
<td>44</td>
<td>29</td>
<td>27</td>
</tr>
<tr>
<td>Employer (Base: 89)!</td>
<td>41</td>
<td>23</td>
<td>37</td>
</tr>
<tr>
<td>Advice body (Base: 400)</td>
<td>17</td>
<td>54</td>
<td>30</td>
</tr>
</tbody>
</table>

! indicates low base size results should be treated as indicative only.

Generally, those in the key target groups were less likely to have heard of their provider prior to attending the session or receiving the information than respondents as a whole. The notable exception was older people (and possibly the self-employed, although this finding need to be interpreted with caution because of the small number of self-employed people surveyed).

Table 9.2  Target groups’ prior dealings with third party

<table>
<thead>
<tr>
<th></th>
<th>Yes – prior dealings</th>
<th>No – but heard of them</th>
<th>No – not heard of them</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>37</td>
<td>35</td>
<td>28</td>
</tr>
<tr>
<td>Women (Base:560)</td>
<td>30</td>
<td>39</td>
<td>30</td>
</tr>
<tr>
<td>Ethnic minorities (Base:137)</td>
<td>16</td>
<td>48</td>
<td>36</td>
</tr>
<tr>
<td>Younger people (Base: 284)</td>
<td>22</td>
<td>41</td>
<td>37</td>
</tr>
<tr>
<td>Over 50s (Base: 214)</td>
<td>54</td>
<td>26</td>
<td>19</td>
</tr>
<tr>
<td>Low earners (Base: 110)</td>
<td>51</td>
<td>6</td>
<td>43</td>
</tr>
<tr>
<td>No pension provision (Base: 212)</td>
<td>14</td>
<td>43</td>
<td>42</td>
</tr>
<tr>
<td>Self-employed (Base: 30)*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
</tbody>
</table>

* Caution low base size.

Although most individuals surveyed had had no prior dealings with their provider and a notable proportion had not heard of them before, almost all trusted the provider to give reliable information on pensions. Nearly all individuals surveyed (95 per cent) felt they could place at least ‘some’ trust in their provider to provide information on pensions; 58 per cent placing ‘a lot’ of trust in them and 37 per cent ‘some’ trust. Only two per cent felt they would not trust them that much.

The level of trust was highest for advice bodies, with 64 per cent putting ‘a lot’ of trust in these types of provider, notwithstanding that 30 per cent had not heard of them before.
The trust placed in the provider to deliver information on pensions was also at a similar level for the target groups and others. One exception was ethnic minorities who were less likely to place ‘a lot’ of trust (38 per cent compared to 58 per cent overall).

9.2 Advantages and disadvantages of a third party

As well as being trusted to deliver information on pensions, there were other perceived advantages in receiving information from third party providers. Individuals were most likely to mention providers’ expert knowledge about pensions as an advantage, which was a positive finding given that many providers had not provided this type of information before. The fact that respondents felt providers had a better knowledge of people’s personal circumstances was also a frequently-mentioned benefit.

Figure 9.1 Advantages of information being provided by third party

<table>
<thead>
<tr>
<th>Advantage</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>They have expert knowledge about pensions</td>
<td>30%</td>
</tr>
<tr>
<td>They know about issues faced by individuals about personal situation</td>
<td>19%</td>
</tr>
<tr>
<td>Impartial advice</td>
<td>14%</td>
</tr>
<tr>
<td>It’s an organisation I trust</td>
<td>13%</td>
</tr>
<tr>
<td>It’s an organisation I know</td>
<td>11%</td>
</tr>
<tr>
<td>Raises awareness about pensions</td>
<td>8%</td>
</tr>
<tr>
<td>Personal/easy to speak to</td>
<td>7%</td>
</tr>
<tr>
<td>A good service</td>
<td>7%</td>
</tr>
<tr>
<td>Accessibility</td>
<td>5%</td>
</tr>
<tr>
<td>No benefits</td>
<td>3%</td>
</tr>
<tr>
<td>It’s free</td>
<td>2%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>12%</td>
</tr>
</tbody>
</table>

Base: All respondents (917).
Note: Multiple responses.
There were few marked differences in the perceived benefits of one type of organisation over another, with the exception of employer organisations. Employer organisations were more often thought of as impartial, with a quarter (24 per cent) of respondents who received information from this type of provider giving this as an advantage compared to 14 per cent overall. However, they were less likely to be mentioned as being a trusted source (five per cent compared to 13 per cent overall). This may be due, in part, to this type of organisation being less well-recognised in general or a perceived difference in the nature of their interests or loyalty.

Very few respondents could think of any disadvantages of information on pensions being delivered through their provider. Over half (59 per cent) of respondents felt that there were no disadvantages to the information being provided by the provider, and most of the remainder could not think of what disadvantages there might be (29 per cent ‘don’t know’).

Only three per cent raised the issue of the provider giving insufficient or irrelevant information or queried the knowledge or experience of the presenter. Other criticisms (mentioned by a small number) were also made regarding the fact that only information, not advice, could be given and the fact that the presenters were not experts. Further, when asked directly whether they would have preferred to have received this information from another source, the majority (86 per cent) of respondents said ‘no’ (only nine per cent said ‘yes’).

9.3 Role of the third party in attendance and actions

Over two-thirds (69 per cent) of individuals surveyed felt that the nature of their provider played at least some role in encouraging them to attend the information session or read the information provided; for a third (33 per cent) it played a key role.

A higher proportion (79 per cent) felt it played at least some role in encouraging them to take, or plan to take, action based on the information provided after six to eight weeks, although the proportion for whom it played a key role was lower (26 per cent).22

Again, there were relatively few differences between the different types of providers’ perceived levels of influence. Charity branding seemed to have had a slightly greater impact on attendance, since two-fifths (40 per cent) felt the fact that it was the particular charity providing information that played a key role.

Although seen as somewhat more knowledgeable on pension issues, advice bodies were the least likely to attract attendance because of their name (43 per cent of

22 Note: The retrospective way in which the role of the provider was attributed may have led to spurious results, therefore, these findings should be treated with caution.
those receiving information from an advice body said that this had no bearing on their decision to attend).

Perceived differences between types of provider, in terms of influencing actions, were not marked, reflecting the largely positive manner in which the information from PEF was received by all individuals, regardless of who they were or how they were approached.

### Table 9.3  Role of the third party in attendance

<table>
<thead>
<tr>
<th>Key role</th>
<th>Some role</th>
<th>Any role</th>
<th>No role</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>33%</td>
<td>36%</td>
<td>69%</td>
<td>29%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type of organisation</th>
<th>Key role</th>
<th>Some role</th>
<th>Any role</th>
<th>No role</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer (Base: 89)</td>
<td>31%</td>
<td>38%</td>
<td>69%</td>
<td>29%</td>
<td>1%</td>
</tr>
<tr>
<td>Charity (Base: 357)</td>
<td>40%</td>
<td>34%</td>
<td>74%</td>
<td>23%</td>
<td>1%</td>
</tr>
<tr>
<td>Advice body (Base: 400)</td>
<td>26%</td>
<td>29%</td>
<td>55%</td>
<td>43%</td>
<td>1%</td>
</tr>
<tr>
<td>Trade union (Base: 71)</td>
<td>26%</td>
<td>46%</td>
<td>72%</td>
<td>25%</td>
<td>2%</td>
</tr>
</tbody>
</table>

* indicates low base size results should be treated as indicative only.

### Table 9.4  Role of the third party in action taken after 6-8 weeks

<table>
<thead>
<tr>
<th>Key role</th>
<th>Some role</th>
<th>Any role (key or some)</th>
<th>No role</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>26%</td>
<td>53%</td>
<td>79%</td>
<td>20%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type of organisation</th>
<th>Key role</th>
<th>Some role</th>
<th>Any role (key or some)</th>
<th>No role</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer (Base: 89)</td>
<td>19%</td>
<td>53%</td>
<td>72%</td>
<td>28%</td>
<td>-</td>
</tr>
<tr>
<td>Charity (Base: 357)</td>
<td>29%</td>
<td>51%</td>
<td>80%</td>
<td>19%</td>
<td>-</td>
</tr>
<tr>
<td>Advice body (Base: 400)</td>
<td>26%</td>
<td>55%</td>
<td>81%</td>
<td>19%</td>
<td>-</td>
</tr>
<tr>
<td>Trade union (Base: 71)</td>
<td>24%</td>
<td>56%</td>
<td>80%</td>
<td>19%</td>
<td>1%</td>
</tr>
</tbody>
</table>

* indicates low base size results should be treated as indicative only.

When asked during the follow-up interview about the role played by the nature of the provider in their decision to take action after 12-16 weeks the proportion of those who felt the provider had played at least some role had gone up to 94 per cent. This may be due to follow-up contact between individuals and providers allowing more in-depth information and support.

Although some target groups had less knowledge of providers before the session, the involvement of the third party had a similar influence on attendance and action as for the non-target groups.

The contact with providers did not necessarily end after the initial delivery of information. A fifth (21 per cent) of respondents who completed the second telephone interview had made further contact with their provider between the
first and second interviews. This could have been in the form of formal follow-
up one-to-one sessions or simply returning with follow-up queries. The majority
found this contact ‘useful’ (93 per cent).

Those who felt their actions after 12-16 weeks were in some way due to the
provider (playing a ‘key’ or ‘some’ role) were asked what in particular about the
provider made this so. The key reasons given were: that they were impressed by
their (expert) knowledge on pensions (24 per cent); the informative and unbiased
presentation of the information (17 per cent); and other literature and information
provided (13 per cent). However, almost one in five (18 per cent) also said that the
‘shock tactics’ used by providers were an ‘eye-opener’ and made them realise they
needed to take action sooner rather than later. In addition, smaller proportions also
commented again on the fact that the provider understood the particular issues
they faced and could be trusted (six per cent and five per cent respectively).

9.4 Location of the session

Most of the individuals surveyed attended a presentation or one-to-one session
in the workplace (71 per cent). Both these respondents and those that attended
a session outside the workplace were followed up to gauge the importance of
location in their decision to attend.

Table 9.5 Role of the location in decision to attend

<table>
<thead>
<tr>
<th></th>
<th>Session held in workplace</th>
<th>Session not held in workplace</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Key role</td>
<td>63</td>
<td>12</td>
</tr>
<tr>
<td>Some role</td>
<td>26</td>
<td>13</td>
</tr>
<tr>
<td>No role</td>
<td>11</td>
<td>74</td>
</tr>
<tr>
<td><strong>Base</strong></td>
<td><strong>562</strong></td>
<td><strong>182</strong></td>
</tr>
</tbody>
</table>

Two-thirds of respondents said they would not have attended if the session had
been outside the workplace (63 per cent) and a further quarter (26 per cent) felt
that although they might have gone anyway, having the session at work made
it easier to attend. This compares to only 12 per cent of those who attended a
session outside the workplace who would not have attended if it had been at
work. The majority of those attending a session outside the workplace (74 per
cent) would have attended regardless of where it was.
9.5 Summary

- For the most part, respondents did have some prior knowledge of the provider before receiving the information on retirement planning. Only 28 per cent had never heard of the provider before. Almost two-fifths (37 per cent) had had prior dealings with the organisation who provided them with information on retirement planning through PEF.

- Even though the majority of individuals surveyed had no prior dealings with their provider, almost all trusted them to give information on pensions. Nearly six in ten (58 per cent) placed ‘a lot’ of trust and over a third (37 per cent) placed ‘some’ trust in them.

- The provider also played a part in individuals’ decisions to attend the session or read the information provided – 33 per cent felt the fact that the information was from their particular provider played a key role (i.e. was the only reason they attended or read the information) and a further 36 per cent felt that the provider played some role in encouraging them.

- With regard to the actions taken six to eight weeks after receiving the information on retirement planning, 26 per cent of individuals felt their provider had played a ‘key’ role and 53 per cent felt their provider had played ‘some’ role in encouraging them to take action.

- When asked spontaneously what the advantages were of receiving information from their particular provider, respondents most often mentioned their expert knowledge (30 per cent) and their knowledge of the issues faced in an individual’s personal situation (19 per cent). Few could think of any disadvantages.

- Those receiving information in their workplace felt this location had influenced their decision to attend: two-thirds (63 per cent) said they would not have attended if the session had been elsewhere. This compares to the 12 per cent of individuals who attended non-workplace sessions who said they would not have attended the session if it had been in work. The majority of those attending a session outside the workplace (74 per cent) would have attended regardless of where it was.
10 Participant experiences: 
Pensions Education Fund success stories

A small proportion of individuals (two to three per provider) who appeared to have derived significant benefit from participant experiences: Pensions Education Fund (PEF) success stories were interviewed in more depth to obtain a more detailed understanding of their experiences and what it was about the information that had a particular impact on them. These individuals were selected on the basis of having taken at least one ‘concrete planning’ action to at the time of their first interview, named both the provider and the information they received as playing either a ‘key’ or ‘some’ role in taking this action, as well as saying that the fact that the information came from the third party provider encouraged them to attend the session or read the information. These interviews were conducted face-to-face.

10.1 Profile of individuals

Of the 21 individuals who were interviewed, approximately half were male, half female, with ages ranging from 21 to over 60.

All were employed and most were contributing to a pension. Around a quarter had previously contributed to a pension but were no longer doing so and a few had no pension provision at all. A few were also anticipating other sources of income in their retirement, such as property or partners’ pensions.

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23 There were four types of action defined as ‘concrete planning’ action, these were: starting a new pension, changing contributions to an existing pension, opting back in or out of the State Second Pension or starting or making changes to some other form of saving for retirement.

24 These criteria were determined during the initial individuals’ interviews.
10.2 Attitude to saving for retirement prior to receiving the information

Before looking at the impact of receiving the information it is important to look at these individuals’ actions, knowledge and attitudes towards planning for retirement.

The individuals we spoke to who felt they had derived particular benefit from the information they received had a wide range of attitudes towards planning for retirement prior to receiving the information. Some were very well-informed individuals who already had a good knowledge of pensions, savings and investments and placed great importance on the need to plan and save for their retirement. Others were at the opposite end of the spectrum, having little or no knowledge of what they needed to do to retire comfortably and little inclination to find out.

Among those with little or no knowledge of pensions and saving there were some who had previously thought that they would be comfortably provided for by the State Pension and were unaware that they might need to make other arrangements.

There were also those who knew they would need to make better plans but had not really thought about the issue yet. These tended to be younger people in their 20s and 30s.

Many of those interviewed were in fact already thinking about their need to plan for retirement but due to lack of motivation or focus, had not taken any steps towards finding out more, describing it as something that was ‘always at the back of their mind but never quite making it to the top of the list’. These individuals were generally older (40 plus).

Finally there were some individuals who said that pensions issues were very important to them, either because they were getting close to retiring age and needed to finalise their plans or because of a longstanding concern over the issue.

Regardless of their previous attitudes and knowledge, these individuals were all convinced of the importance of planning and saving for retirement after the information.

10.3 Previous retirement savings behaviour

Perhaps unsurprisingly, retirement planning behaviour differed greatly depending on the age of the individual. Younger people tended to have little or no pension provision and older people, 30 plus, were more likely to have some form of savings in place.

Those who already had provision were divided between those who knew they needed to do more and those who felt they would have enough resources to retire
comfortably. In some cases the information provided by PEF caused individuals to realise they were not as well off as they had thought.

Some respondents had previously sought information on pensions over the course of the last three years. This was either through reading about it in the media and press or speaking to a bank, building society or financial adviser. When comparing visits to a bank or building society with the information received through PEF, respondents seemed to prefer the PEF provider because they could trust the information they got as it was impartial.

‘...it’s not like a private business or bank who would probably try to sell you something – I knew they were just going to give an overall view. I did feel I could trust them because you know they are not there to make money out of you.’

(Female, 21-30)

Another respondent felt the financial adviser he had gone to was not a particularly knowledgeable source on pensions. Others who had been more satisfied with the input from advisers simply felt that the information from PEF added to the information they already had, keeping them up to date and informed with the latest changes and sometimes providing information from a different perspective.

Some who had simply been reading press information or leaflets felt confused and unclear. These individuals had particularly relished the opportunity to ask questions and get all the information they needed from one source at the session they attended with their PEF provider.

Of those who had not sought information in the last three years, many had simply not thought to. These were, typically, young people or those who felt they had adequate provision. Others had not known where to go for the particular advice they needed and some had not wanted to go to a pension provider.

‘I guess I could have gone to a financial advisor, but I was wary because they always tend to talk jargon and finances are just a turn off for me.’

(Female, 51-60)

Some respondents admitted to simply being too lazy to go for information before. These individuals particularly benefited from the convenience of having the sessions or information made so readily available.

Before talking about the information itself and the impact this had on individuals it is worth noting that some of those who attended a session or a one-to-one said that the location and timing of the session was very important to their decision to attend:

‘It was held during the day when we were there already, and that made it very convenient. I think you might consider twice if that wasn’t the case...for me, evenings would have made it difficult because I have several other jobs as well.’

(Male, 41-50)
‘I went because it was on and happening, so I thought I may as well go. If they hadn’t come in nothing would have happened.’

(Male, 41-50)

Many of those we spoke to felt that the organisation providing the information was an important part of their decision to attend. For some this was because of an existing relationship with their providers, whom they knew and trusted:

‘This was something very different for them, but because I know them I felt they could give good information because again it comes down to trust. I respect them as well.’

(Male, 41-50)

Not everyone had such close links with the organisation providing the information on planning for retirement. Others, although less familiar with the organisation nevertheless, felt the organisation was trustworthy, despite knowing them in name only. One reason for this was that these ‘third party’ organisations were seen as impartial with no agenda.

10.4 Success factors for the information

For many, one of the key advantages of the PEF information session was the opportunity to ask questions; this was engendered by the informal and relaxed style of many of the sessions. For some, the small numbers in group sessions was a factor in their feeling comfortable enough to speak up and ask questions.

Something else that individuals felt was particularly useful was the variety of information covered, ‘going through all the options’ and applying matters with different examples and case studies. This, along with the tools used to forecast and calculate individuals’ own situations in retirement, made people think seriously about their own futures and consider the actions they needed to take:

‘It was seeing the figures in black and white that made the impact…they said that if you start saving now you will get so much later on and at the time that really did seem like an incentive to start…it made you think about what sort of retirement you actually wanted because you don’t really think about that normally.’

(Female, 21 – 30)

Other things mentioned as having a positive impact were the use of visual aids and multi-media which aided understanding and made things easier to get to grips with. The presenters of the information themselves were also important: some stated they trusted them because they seemed so knowledgeable, while others found the information easier to understand because the presenter was of a similar background to them and therefore, could better understand their needs.
After the increased clarity of thought and motivational boost provided by the information from PEF providers, individuals tended to need to go away and decide what to do next. At this stage people found it useful to have written materials to take away and refer to. As one respondent said, they did not have to take everything in at once and write it down. As well as take-away materials, some respondents made use of follow-up sessions on a one-to-one basis, some have gone back over specific queries and others have taken their questions on to other sources signposted by the provider. This secondary support seemed important for many in terms of moving on to the next steps.

‘They gave out printed materials to take away. I found that good because I find it easier to read written information rather than relying on remembering everything at the session.’

(Female, 51-60)

There were generally few criticisms of the information. However, there were a few points raised by individuals on how the information could have been more useful. Some felt they had not had the opportunity to ask more detailed questions – these tended to be individuals who already had some form of pension and savings for retirement and who were slightly more knowledgeable about the issues in general. Similarly, others who were already contributing to a pension felt there was too much focus in this area: one view was that there was too much focus on the company pension scheme (something which some providers had tried to tailor their information around). However, for others without a pension it was precisely the information on the company pension scheme that they found useful.

10.5 Impact of the information

As discussed earlier, these respondents reported that they had all particularly benefited from the information they received through PEF and had taken specific actions due, at least in part, to this information. Many had only taken one ‘concrete planning’ action but there were those that had taken more. Some had taken out a new pension or changed their contributions to an existing pension, but for the most part respondents had made some other form of saving for retirement. These ‘other’ forms of savings could either be supplementary to an existing pension or the first step towards saving for retirement. The types of saving varied from paying a regular amount into an ISA or savings account, an option popular with younger people, or overpaying on a mortgage.

Many, the majority of whom were younger people, said they still intended to do more towards saving for retirement, suggesting they were aware of the need to monitor and progress their savings in order to retire comfortably.
10.6 Summary

- Respondents who reported that they particularly benefited from the PEF information were from a range of age-groups with different levels of prior knowledge and different attitudes towards the issue of planning for retirement.

- In the past three years many had been elsewhere for information on planning for retirement and found the information they received through PEF compared favourably, particularly in its ability to bring together information that may have come from various and separate sources otherwise.

- The specific things about the PEF information sessions respondents found useful were: the chance to ask questions, the wide coverage of options and examples and the ability to relate the information to themselves through calculating their own financial situation.

- Take-home information packs and follow-up sessions for detailed questions were welcomed.
11 Participant experiences: training schemes

This chapter looks at the experiences of those attending training schemes designed to educate retirement planning champions to provide information to others.

The approach used to obtain feedback on these schemes was largely constrained by the timetable available for the research. Depth interviews were conducted with some of the first ‘champions’ to be trained around six weeks after their attendance at the course. The original intention had been to then re-interview these individuals around three months later to discuss their experiences of disseminating information. However, when we attempted to contact individuals at this stage it was apparent that only a few had yet passed any of their learning on to others and so the follow-up research was delayed for a further six months. At this point some we spoke to initially stated that they had decided against passing information on to others and hence, we conducted interviews with two additional respondents using a discussion guide that combined the initial and follow-up topic guides.

11.1 Deciding to attend courses

Nearly all of those attending ‘training’ courses stated that they put themselves forward for the course because pensions were an area that they were personally interested in. Some of the Union Learning Representatives stated that they had decided to attend because pensions had been a particularly ‘hot topic’ in their workplace recently (for example, because of changes being made to the occupational pension scheme offered by their employer).

The amount of knowledge held by individuals prior to attending varied considerably. A couple stated that they knew very little and wanted information about the plans that they should make for their own retirement. At the other end of the scale, some of those attending were pension scheme trustees who had attended numerous courses on retirement planning issues.
11.2 Views on courses

When individuals participating in training schemes were interviewed at the first stage, they were positive about the experience. The two schemes involved courses of different lengths (one lasted five hours while the other extended over three days) but both were found to be informative and led by individuals who appeared knowledgeable in the area of retirement planning (although they were not financial experts).

Respondents who attended one of the courses stated that it had incorporated a great deal of information about disseminating information to others (and had included role play sessions to help with this). Those attending the other course stated that they had not been given a great deal of advice in this area.

Participants in the two schemes were asked specifically whether or not the course covered the differences between providing information and advice. All stated that this had been covered. A couple stated that the possibility of being accused of providing inappropriate advice still put them off disseminating information but the majority were comfortable with the distinction between advice and information.

‘They did state that. Of course we are not allowed to give advice, and they did state that this was only about information. They said that we were only to point out where individuals could go for advice. I realise that I’m not qualified, and I know that someone could come back and sue me if I gave the wrong advice. When the first person I gave information to came to me that was the first thing I said, that I was not qualified to give advice. Even the DWP will say that if you call them. They will only send you materials, and tell you to go to a financial advisor.’

All respondents felt that it would have been useful to have been offered a follow-up session after the initial course. Most also stated that they would have welcomed ongoing support and advice (possibly in the form of materials to distribute to others) to help them with the dissemination of the information they had learned. Some respondents had been given access to a website that contained tools that could be used in providing information to others and this was viewed positively.

11.3 Disseminating information

Most (but not all) respondents stated that they were aware that the purpose of the course was to train individuals so that they could then disseminate this information to others. That said, not all of those who attended intended to actively disseminate material.

Very few envisaged that they would host formal information events. Those that did plan presentations or workshops were intending to incorporate retirement planning into sessions that they were already running on other subjects. Some planned simply to make it known, through various channels (such as the company website or posters put up in the workplace) that they were able to provide information through one-to-one sessions on request.
'We just repeat the note in the newsletter every month, which basically says, if you have a query, I’m your man. I can’t push it too much because people might not necessarily have any problems.'

Others planned to incorporate information on retirement planning on to the company intranet or into a newsletter. One respondent stated that they had attended to find out if the course was worth sending others on: his view was that it would be easier to send staff interested in finding out more on retirement planning on the course rather than hosting any events himself.

When interviewed at the initial stage, some respondents were relatively ambitious about the number of individuals for whom they would provide retirement planning information. However, these estimates tended to be based on assumptions of large proportions of the workforce consulting written material (rather than attending presentations or similar). For example, one respondent estimated that they would provide information to around 3,000 staff over a 12-month period by including information in a staff newsletter.

When the follow-up interviews were conducted, around six-months after the individuals had been trained, the majority of respondents had delivered information to at least some other employees. However, a few initial respondents had not disseminated the information to others at all. Most of these respondents stated that provision of information to others was not a high priority and they had not got round to disseminating material. The reasons for this tended to be simply a lack of time because of other demands. A couple of trainers had experienced difficulties with their employer’s lack of support for the dissemination of information; one employer had expressed concern about the trainer accidentally providing advice and the company being held liable and another had found that their employer was only happy for group sessions to be held outside work hours.

The majority of those who had given retirement information to others had only spoken to a very small number of staff. (A couple estimated that they had given information to around 30 staff but these were in the minority.) All had provided information through one-to-one sessions. These had been arranged through staff responding to some form of advertising, rather than as a result of the ‘champion’ actively recruiting individuals.

Some stated that they had plans to conduct some group sessions but had not had time to do so yet. One individual was told that he would only be able to conduct group sessions outside normal working hours. A few stated that they did not feel equipped to conduct group sessions. One individual had been told that they were not allowed to conduct any further sessions because their employer was concerned about the ‘danger’ of the ‘champion’ accidentally providing advice rather than information that the employer would be liable for.

In most cases, the staff who had requested information were those approaching retirement age and hence, sessions tended to focus on issues such as pensions tracing or obtaining State Pension forecasts.
11.4 Summary

- Only a small number of those who had participated in training schemes had passed information on to more than one or two others. This may well reflect the timing of the research and the situation may have changed afterwards.

- Most dissemination of information had taken place in the form of one-to-one sessions delivered to those responding to an advert letting them know that the champion was available to provide retirement planning information.

- As a result of this approach, those who had received information tended to be those with the greatest interest in retirement planning, i.e. those approaching retirement.
12 Conclusions

12.1 General

This final chapter draws together the main conclusions from this research and puts forward a few recommendations and suggestions which the Department for Work and Pensions (DWP) may wish to consider around the delivery of retirement planning information through third parties, via the workplace. In drawing these conclusions, account has been taken of the following:

- the research has taken place at an early stage in the Pensions Education Fund’s (PEF’s) lifetime, whilst providers were continuing to develop their approaches;
- due to the need to use an ‘opt-in’ research methodology for the individuals’ survey, relatively small sample sizes, apparent differences in characteristics of PEF survey interviewees vis-à-vis the more general population and the wide variation in response rates achieved amongst individuals and employers surveyed in this research, the samples of employers and individuals achieved during the course of the research are unlikely to be representative of all individuals and employers participating in PEF or more generally.

Given these factors and the lack of a control or comparison group, it is impossible to say to what extent PEF has had a net impact on the knowledge/attitudes and retirement planning actions of PEF participants.

The individual PEF survey respondents claimed that PEF was successful in improving their knowledge of pensions and retirement planning. The majority thought the information had an impact on their knowledge of where to go for information on pensions and the options available for planning and saving for retirement. Over half of individuals in the survey reported having taken some form of concrete planning action, e.g. taking out a new pension, in the three to four-month period after participating on PEF. It is impossible to say to what extent this was due to PEF but these findings offer some encouragement.

The success of PEF appears to have been dependent upon the perseverance and flexibility of providers. It was necessary for providers to persist with employers and to make modifications to their original plans as set out in the bid documents and
to devote more time and effort than originally envisaged in order to make the initiative work in terms of engaging employers and individuals. However, although the initiative appears to have engaged with good numbers of employers and individuals, many providers had not reached the original target numbers set out in the bid documents at the time of the evaluation, although many were expecting to catch up in the remaining time.

12.2 Engaging employers

Providers found employers to be unexpectedly wary of schemes offering to deliver retirement planning information in the workplace. As a result, a large amount of effort was required firstly to establish interest and then to convert interest into definite delivery plans. Employers were keen to have input into the information provided to their staff. As a result, several face-to-face meetings with employers were often required for each event hosted.

Approaches made to those (usually larger) employers with dedicated Human Resources staff appear to have been most successful in initiating interest. Providers also found larger employers (those with at least 100 staff) easiest to engage because they were generally able to release a reasonable number to attend PEF events. This was particularly the case with employers who made a considerable ‘investment’ in their staff (as demonstrated by an occupational pension scheme or a commitment to Investors in People). With all providers independently establishing these as the most productive employers to approach, there is a perhaps a risk that, unless specifically targeted or catered for, those working for smaller firms could be excluded from initiatives of this type.

Providers with existing links to employers or who were using partner organisations to provide referrals, experienced least problems engaging with employers.

12.3 PEF participation and delivery

Providers found they needed to be flexible about the format, timing and content of information delivery and tailor their approaches accordingly to persuade employers to participate. Generally, the format of ‘event’ that employers seemed to be most comfortable with was a presentation or workshop session delivered to around 20 staff and lasting no more than an hour. This was a different format to those some providers envisaged using at the outset. That said, it is a format that those providers without experience of delivering financial information feel sits most comfortably with their abilities in the area. Some of those offering ‘one-to-one’ sessions found that individuals had very specific queries which they felt were better suited to qualified financial advisers.

Many providers worked with partners on their PEF initiative. Partnership working appears to have been most successful when there was an established relationship and where it was used to provide ‘a foot in the door’ to employers. It appears to have been least successful when partners were used for the development of
information, as they did not have sufficient knowledge of the target market to design information which was sufficiently engaging and clear.

Retaining control over the way in which employers market events to staff is seen as key in maximising attendance (in order to ensure that the purpose of the event is positioned in as interesting and inclusive way as possible). One way this can be achieved is through drafting e-mail reminders to be sent at various stages in the run-up to events as well as providing leaflets and posters.

The format, content and language of the information provided were key to engaging individuals. The most important messages in terms of developing information were:

- make the information short and simple to understand;
- avoid the use of jargon;
- ensure the information is relevant;
- make the information engaging – make presentations as interactive as possible and encourage participation from attendees;
- avoid talking about ‘pensions’ but instead use the phrase ‘retirement planning’;
- use ‘shock’ tactics;
- tailor the information to the employer/employees. For instance providing information about specific company pension schemes and enabling individuals to obtain information on the (current) financial situation in retirement.

With schemes that involve training ‘champions’ to disseminate information to others, it is very difficult to retain control over the number and type of individuals who ultimately receive information (and indeed whether they reach anyone else at all). The indications from this evaluation (albeit based on only two providers and on research conducted with very early participants in the scheme) is that it may take a long time for information to be ‘passed on’ to others.

12. 4 Views on, and impact of, PEF participation

Providers were generally positive about their experience of working with the Department for Work and Pensions (DWP); they found them approachable, responsive, supportive and flexible. The main concern with DWP was around not enabling networking between providers and facilitating the sharing of information and knowledge, which they felt would have been valuable.

Encouraging the interaction of providers to a greater extent may well have facilitated cross-learning and perhaps enabled some providers to start full-scale delivery earlier. There is a risk that this would have led to ‘standardisation of approaches’ (and therefore, acted to stifle innovation) but the evidence from the interviews with providers suggests that there has in any case been some general standardisation of approach.
Once engaged, the research evidence, based as it is on a small, possibly unrepresentative sample, suggests that employers were happy with their role in the scheme. Employers were satisfied with their involvement with PEF, which required relatively little effort on their part, and rated the information provided highly in terms of its relevance, how easy it was to understand and how useful it was to their employees. Reflecting their high satisfaction, many would be interested in continuing their involvement with PEF and would recommend it to others. This would help to make the (unexpected level of) effort involved in initially persuading employers to take part more worthwhile.

Individuals surveyed were generally satisfied with the information provided by PEF and felt it had an impact on both their knowledge and behaviour (although it is worth bearing in mind that some ‘post-rationalisation’ may have come into play here). At the follow-up interviews (three to four months after the receipt of information) around half of individuals surveyed had taken some form of ‘concrete planning’ action to improve their pension provision for retirement. It should be borne in mind though that those willing to be interviewed were more likely to have a pension, constituted less than five per cent of all individuals receiving information in 2006 from those PEF providers that took part in the evaluation and, having volunteered to take part in the evaluation, were thought more likely to be engaged with pensions issues.

Encouragingly, the proportions of those in target groups perceiving higher levels of impact of PEF on pensions knowledge were greater than the overall average. However, the proportions taking any ‘concrete planning’ action\textsuperscript{25} amongst some target groups were slightly lower, although, without a comparison group, it is difficult to say whether this is a negative finding or not.

There was no evidence either way to suggest that one delivery approach performed better than others in terms of the reported impact on individuals’ behaviour.

\subsection*{12.5 Issues for consideration}

Particular issues of relevance for any PEF-type activity, whether funded by government or by external organisations, include:

\begin{itemize}
  \item ensuring that providers are fully aware of the difficulties that can be involved in persuading employers to host events in the workplace and have plans in place to tackle these issues;
\end{itemize}

\textsuperscript{25} Taking out a pension, changing contribution levels to an existing pension, contracting into or out of the State Second Pension and starting/changing other forms of saving for retirement
• carefully evaluating schemes that plan only to train ‘champions’ and not to deliver to individuals. The findings from this evaluation indicate that the information transferred to ‘champions’ may take a long time to be transferred on but the timing of the project meant that it was only possible to speak to those trained very early on in these schemes;

• facilitating greater co-operation between providers and encouraging transferable ‘good practice’;

• providing providers with a basic pack of information on pensions and retirement planning from The Pension Service and other relevant public sector bodies that they could then adapt or tailor.
Appendix

This technical appendix provides further details of the methodology used in conducting the research. It first discusses the design of the study and some of the key methodological challenges posed. It then provides further details of the approach taken.

While providers have supplied management information on the numbers of employer and individuals being approached and provided with information, and self-conducted research has been undertaken amongst some of the projects, these have not formed part of the external evaluation and do not form part of this report.

Design of the evaluation and key methodological components

The evaluation involved conducting research amongst a sample of providers that have received Pensions Education Fund (PEF) funding.

The broad research approach was developed by IFF in discussion with the Department for Work and Pensions (DWP), having reviewed the experiences of other similar evaluations of the provision of information on retirement planning. This outline approach was then refined, following a review of the bids submitted by the organisations which at that stage were likely to be awarded contracts (subject to the successful conclusion of more detailed contract discussions).

A mixed methods approach was used and adapted to the particular circumstances of each project. The core approach involved a mix of face-to-face and telephone interviews with the providers, employers who hosted the provision of information and individuals who received the information.

It was recognised at the outset that the projects were likely to be quite disparate in nature. Whilst it was necessary to adopt an approach that facilitated comparison across schemes, the methodology needed to be flexible. We, thus, adopted a core approach to examine overall impacts of the Fund and provide cross-scheme comparisons, whilst enabling the methodology to be adapted as necessary to
reflect the specific nature of each project. Review of the bids indicated that the following key adaptations of the core approach would be required:

- a number of the schemes were involved solely with providing training for the people who will provide information on retirement planning to individuals, e.g. employers, trade union representatives or other staff/employee representatives. Whilst these schemes envisaged that a significant number of individuals will receive information on retirement planning as a result of their work, they would have no direct control over this. This was being left for those receiving the training to organise as they saw fit. Henceforth, these schemes are referred to as ‘training schemes’. It was recognised that in these circumstances it would be particularly difficult to secure a sample of individuals attending any information sessions that are delivered, not least because there could not realistically be any contractual obligation for those receiving training to assist with the research. However, there were several of these schemes among those who were likely to be successful in achieving funding and hence, it was suggested and agreed with DWP that a small number (two) of these training schemes were included in the evaluation to reflect the full range of initiatives being funded. In the case of these ‘training schemes’ there were no discussions with employers and instead of interviews with the individuals receiving the information, interviews were conducted with the people receiving training (trainees);

- in a number of the bids reviewed, there was no direct ‘workplace’ delivery element to the proposed approach as providers were using other channels to reach individuals. In these cases no employer interviews were required. (This was the case in just one of the providers surveyed who were providing information to individuals);

- amongst some of the schemes likely to receive funding there was also no ‘face-to-face’ contact between providers and ‘end-users’. This was because they were providing information via websites, CDs/DVDs or information packs. In these cases, the approach for gathering contact details of individuals needed to be adapted. (This was the case in just one of the providers surveyed who was using information packs and a website and potentially a DVD to deliver the information.)

The main methodological challenge presented by this evaluation (and other similar evaluations) was the fact that any research among individuals and employers who have participated in initiatives funded through PEF, would be dependent on involvement of providers in order to obtain contact details. Experience suggested that some providers would be unwilling to do this either because of the administrative burden of actually recording the contact details of respondents, concerns over the Data Protection Act implications of passing details on or fear that causing their participants or employers to be contacted as part of a research project could impact negatively on their views of the project as a whole and/or in the case of employers, their willingness to participate. It was, thus, necessary to get individuals and employers to opt into the research.
However, it was also recognised that the best quality sample would be obtained if contact details could be collected at the time of participation (or even before) rather than requiring contractors to free-find individuals who participated after the event. Typically, a ‘free-find’ exercise for individuals would mean approaches such as placing posters asking for volunteers at the sites of participating employers or asking employers to pass letters asking for volunteers on to participating individuals. These approaches obviously depend on involving the employer and often generate very few (often unrepresentative) responses (even if a financial incentive is offered for volunteering for research). The greater the degree of control that could be retained over the process of collecting contact details, the better the quality of the sample that is likely to be obtained. It was, therefore, agreed with the DWP that an obligation to assist with the supply of contact details for participating individuals and employers was included in the contract.

Individuals receiving information via PEF were, therefore, provided with a card, briefly explaining the research and stating that there was an incentive of £10 for taking part and asking them if they were willing to take part to provide their name and contact details. This card was given out at all face-to-face information sessions (including presentations, workshops and one-to-ones) and providers were encouraged to collect the cards at the end of the session, although the card could also be returned by post. For the one provider whose initial contact with individuals was indirect, the card was inserted in the information pack and their attention drawn to it in the covering letter – those using the website were asked to ‘register’ to use the site and to tick a box if they were willing to take part in the research.

Notwithstanding all the efforts that were made to make the ‘opt-in’ process as effective as possible, it was recognised at the outset that response rates were not likely to be as good and thus, the sample not as representative as if providers or employers could have provided a list of individuals who received information. In this case we could have adopted an ‘opt-out’ approach whereby the DWP wrote to these individuals requesting their cooperation with the survey and only those who specifically requested that they were not contacted would not have been approached. Typically, response rates on surveys using an opt-out approach will be higher. However, as discussed in more detail overleaf the opt-in and response rates achieved varied widely by provider. In some cases they were comparable with what might be expected on a survey using an opt-out approach but in most cases they were significantly lower.

The other major methodological challenge presented by this evaluation was that ideally the levels of knowledge and retirement planning behaviour of those who received information through PEF would be compared either with their levels of knowledge prior to participation or against a control or comparison group of similar individuals who have not participated. It was not practical to conduct formal ‘pre-’ interviews as in most schemes there would be little or no direct contact with
individuals prior to the delivery of the information\textsuperscript{26}. Obtaining a control group was felt to be similarly impractical, given the challenges of obtaining a good sample of participants as discussed already. However, the DWP was able to provide some background data on the key sub-groups of interest from the Family Resources and Attitudes to Pensions Surveys. Some comparative information on the level and nature of actions taken by people of working age to prepare for retirement was also drawn from Bunt, K., \textit{et al.} Evaluation of Automatic State Pension Forecasts (DWP Research Report No. 447, 2007).

\textbf{Approach}

The evaluation involved conducting research amongst a sample of providers that received PEF funding.

The providers were selected to take part in the research in order to include a broad mix of types of provider, ensuring that there was coverage of the following:

- \textbf{different types of approach:} to examine which modes of delivery were the most effective. Providers using different methods, or combination of methods, of providing information to individuals were selected including: one-to-one sessions, workshops and provision of information packs, websites and CDs or DVDs;

- \textbf{different types of organisation:} to examine the relative strengths of the different types of third parties in delivering information to individuals. The third parties were grouped into four categories: trade unions, employer organisations, advice bodies (organisations providing advice and information such as advice and educational charities) and charities/not-for-profit organisations (with a broader remit for providing services, such as housing associations, credit unions and community groups);

\textsuperscript{26} It was possible that projects delivering one-to-one sessions would involve some form of pre-booking of sessions meaning, in theory, that a pre-interview could take place but even in these cases it would be necessary for contact details to be passed to researchers and an interview booked and completed in the space of time between expressing an interest in participation and the event itself taking place. A similar approach might have been possible if individuals were required to pre-book attending a workshop or presentation. However, it was recognised that this was unlikely to be practical on any form of sustained basis without starting to interfere with the core activities of the providers. It was also the case for one-to-one sessions that, having reviewed the bids, there were only a few schemes where this approach would be possible, most of the bids providing one-to-one sessions as a follow-up to other activities. The value of doing this in only a small number of cases, even if practicable, was therefore felt to be questionable and it was agreed not to pursue this approach.
• **different target groups of individuals:** to examine how different groups of individuals respond. The providers were classified according to the focus they had for targeting particular types of individual; a sector approach (e.g. retail manufacturing or voluntary); a focus on a particular client group (e.g. ethnic minorities or young people) or a more general approach.

There were some issues around the delivery of some projects which it was recognised would impact on the analysis of the findings and these are briefly discussed below. In some cases it was possible to simply not select projects where problems might be encountered with analysis but in some cases the issue was not avoidable and we have needed to take account of the implications in our analysis and drawing conclusions from the research:

• there was not a wide variation in the type of approaches schemes were proposing to use to deliver information. Excluding the training schemes, most of the others were using workshops often in combination with one-to-one initiatives or a combination of indirect information sources (e.g. website plus information packs or CDs). Relatively few were using a single approach. Hence, the evaluation would only be assessing the value of a limited range of approaches to the delivery of information on retirement planning and thus, it would be more difficult to draw conclusions about the effectiveness of some of the less common approaches;

• although the majority of providers were using more than one approach, in some cases there was not so much a proposed methodology as a plan to simply deliver information ‘flexibly’. These schemes were proposing to use a number of different approaches or tailor the method of delivery to reflect the needs of the specific groups of individuals or the employer as they emerged. In these cases, we were concerned that it would be difficult to determine during interview exactly what type of information each participant received and how they received it (which was obviously important if we were to use the findings to help to establish the success of different types of approach). There were only three cases where this occurred and it was, therefore, agreed not to select these for the evaluation. (In at least two of the three cases, there are also some other concerns about their suitability, e.g. due to the timing of delivery);

• some of the approaches that providers were proposing to use to deliver information were ‘courses’, i.e. a series of sessions rather than ‘one-off’ events. In all these cases, the dissemination of information on pensions and retirement saving (i.e. the activity funded through the PEF) formed only part of the course and in some cases this element was being ‘bolted on’ to existing courses they were running. It was considered that in these cases it would be very difficult to obtain end-user views on the pensions and retirement element of the course as distinct from the other areas covered. Hence, it was agreed not to include these providers in the evaluation;
there was a significant amount of interaction between the different types of third party in the delivery of individual projects. In some cases two different types of organisation were formal partners in the delivery, while in others there were less formal links. It was recognised that this interaction made it more difficult to identify the relative strengths of different third parties, but it was clearly still possible to provide evidence of the added value that trusted third parties bring to the process overall.

Output from the evaluation was required at key stages throughout the life of the Fund. In particular, initial findings were required by March 2007, to inform the ongoing policy development in this area. This also had an impact on the selection of providers to take part in the research, since, to effectively evaluate the provision, it was necessary that the delivery was up and running relatively early in the PEF programme with plans to have delivered information to a significant number of individuals by December 2006 and training to trainees by March 2007. The research, therefore, could not cover providers whose bid indicated that they would require a significantly longer time to set up the project. We, therefore, cannot know whether the outcome of the provision of information by these other providers would have been different in any way due to greater time spent setting up the project.

It should also be noted that the evaluation was designed to assess the effectiveness of PEF generally and the differing approaches rather than the performance of individual providers. A case study approach was not adopted as the performance of individual providers was not being evaluated and also to protect the anonymity of providers. Results were reported by the type of provider and nature of provision and target groups only.

In total, 14 providers were selected to take part in the evaluation. Most of these selected providers were providing information directly to individuals. However, two schemes selected were only providing training for people, who, it was anticipated, will then provide information on retirement planning to individuals (‘training schemes’).

Further details of the 14 providers surveyed are given in Table A.1. It provides a breakdown by the type of provider, the main approach they were using to deliver information on retirement planning and whether they were targeting a particular group or sector. It should be noted that most schemes used a combination of approaches but are profiled by the main approach used.
Table A.1  Profile of providers surveyed

<table>
<thead>
<tr>
<th>Type of provider</th>
<th>Number of providers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charity/not for profit body</td>
<td>6</td>
</tr>
<tr>
<td>Advice body</td>
<td>3</td>
</tr>
<tr>
<td>Trade union</td>
<td>3</td>
</tr>
<tr>
<td>Employer organisation</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Main approach</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Workshop</td>
<td>9</td>
</tr>
<tr>
<td>Presentation</td>
<td>1</td>
</tr>
<tr>
<td>One-to-one sessions</td>
<td>1</td>
</tr>
<tr>
<td>Written information pack</td>
<td>1</td>
</tr>
<tr>
<td>Training workshop</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target group</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector</td>
<td>6</td>
</tr>
<tr>
<td>Client group</td>
<td>2</td>
</tr>
<tr>
<td>General</td>
<td>6</td>
</tr>
</tbody>
</table>

For each type of provider, research among the following groups was undertaken:

• **for the 12 providers providing information directly to individuals**, the research involved interviews with:
  – providers;
  – employers who ‘hosted’ the provision of information;
  – individuals who received information;

• **for the two training schemes**, the research involved interviews with:
  – providers;
  – individuals who received training (trainees).

The details of the research conducted amongst each group is provided below.

**Research among providers**

Research was conducted amongst providers at three points in the contract:

Initial interviews were conducted among providers between March and April 2006. These were semi-structured telephone interviews lasting 20 to 30 minutes. The main purpose of these interviews was to gain feedback on providers’ early experiences of setting up their initiative and the support they have received during this process from the DWP. In addition it provided an opportunity to ensure that the providers were fully aware of the purpose and requirements of the evaluation.
The second wave of research was conducted in October and November 2006. This consisted of open-ended, face-to-face interviews, with visits lasting two to three hours and often including multiple interviews with the different people involved in the delivery of the initiative. The interviews covered views on how the project was running, what has worked better or worse than anticipated, changes that have been made, success in working with employers and reaching the target groups and providers’ views of the impact on individuals.

The final interviews with providers were conducted in June/July 2007 and were again conducted face-to-face. In these interviews we explored how delivery had changed since the Phase 2 interviewing and providers’ views on the overall success of the initiative now that a pattern of delivery had been established.

**Research among employers**

Research amongst employers was conducted with those providers offering information to individuals only and where the provision of information was hosted or facilitated by employers.

The purpose of the research amongst employers was to examine their motivations for participating in PEF and their experiences of doing so. The interviews also covered details of the employers’ pension provision, attitudes to pension and retirement planning for their employees, perceptions and views of the impact the initiative has had on their employees.

The research amongst employers involved semi-structured telephone interviews lasting about 25 minutes and was conducted between September 2006 and February 2007. In total 55 interviews were carried out with employers.

The sample of employers was obtained from the providers who passed on employers’ contact details after asking them whether they were willing to take part in the research. No incentives were offered for participation with this part of the research. It was envisaged that five to ten interviews would be conducted with employers involved with each project that was using employers to host the provision of information to their employees on retirement planning. (Eleven of the 12 providers providing information to individuals were doing so, at least in part, via the workplace.) The number of contacts received from each provider and willingness of employers to actually take part in the research when approached, varied widely between providers. In total 146 employer contacts were provided, of which 108 were usable and 55 interviews were achieved, resulting in a final response rate of 51 per cent. One provider was unable to provide any employer contacts. Details of the number of contacts provided and employer interviews achieved with those providers that did provide contacts is shown in Table A.2, together with the response rate and outcome of all contacts received. Due to the approach to obtaining the sample, the relatively low numbers of interviews conducted and variation in response rates across providers, we cannot be confident about how representative the sample is of all employers involved with PEF.
Table A.2  Employer sample profile and contact breakdown

<table>
<thead>
<tr>
<th>Provider</th>
<th>Contacts received**</th>
<th>Interviews achieved</th>
<th>Refused</th>
<th>Unobtainable numbers</th>
<th>No/unused contacts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advice body</td>
<td>44</td>
<td>11</td>
<td>4</td>
<td>5</td>
<td>24</td>
</tr>
<tr>
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<td>6</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
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<td>0</td>
<td>0</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>General charity/NFP</td>
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<td>8</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>organisation</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade union</td>
<td>4</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>General charity/NFP</td>
<td>10</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>organisation</td>
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<td></td>
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<tr>
<td>General charity/NFP</td>
<td>20</td>
<td>10</td>
<td>5</td>
<td>4</td>
<td>1</td>
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<tr>
<td>organisation</td>
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<td></td>
<td></td>
</tr>
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<td>2</td>
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<tr>
<td>General charity/NFP</td>
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<td>2</td>
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<td>organisation</td>
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<td></td>
</tr>
<tr>
<td>General charity/NFP</td>
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<td>10</td>
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<td>2</td>
<td>5</td>
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<td>organisation</td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td>146</td>
<td>55</td>
<td>25</td>
<td>28</td>
<td>38</td>
</tr>
</tbody>
</table>

* One employer organisation’s approach did not involve employers directly. One trade union did not provide any contacts.

** In a few cases it was not necessary to use all the contacts provided to achieve the required number of interviews.

** Research among individuals

Research was carried out amongst individuals who had received information from their PEF provider at two points in time: initially six to eight weeks after the information was obtained and a follow-up interview another six to eight weeks later (i.e. 12-16 weeks after they first received the information).

In total, 917 initial interviews were conducted by telephone, each lasting approximately 20 minutes. They were carried out in four waves between June and December 2006. The initial interviews covered the following:

- individuals’ knowledge/attitudes to pensions and saving for retirement;
- how individuals heard about the initiative and reasons for involvement;
- views of the information provided;
- what, if any, further knowledge and understanding of pensions and saving for retirement has been obtained as a result;
- whether they have made, or intend to make, any changes in their savings behaviour;
- whether the involvement of a third party had any impact on their seeking the information and taking action.
A total of 637 follow-up interviews were conducted by telephone, each lasting between five to ten minutes. They were carried out in four waves between August 2006 and February 2007. The aim of the follow-up interviews was to determine if individuals have taken any (further) action since the initial interview and the nature of any actions taken.

The overall sample profile of individuals interviewed is outlined in Table A.3 below. An important consideration when interpreting the findings is that the sample was obtained using an ‘opt-in’ approach and respondents were offered an incentive of £10 to take part. The ‘opt-in’ rates (proportion of opt-in cards received compared with individuals provided with information) varied significantly between providers from two per cent to 74 per cent. It should also be noted that opt-in rates have been calculated using management information provided by providers on how many individuals had been provided with information by December 2006, which may have some inaccuracies so should be treated with caution. We cannot, therefore, be confident about how representative the sample is of all individuals who received information through PEF and results need to be interpreted in this light. It is likely that the sample is more representative of those individuals who actively ‘engaged’ with the initiative (for example, by reading, thinking or acting on any of the information provided) rather than all those who received information.

For most providers surveyed, we were aiming to achieve 30-50 initial interviews with individuals. Amongst three of the providers included in the research, the overall numbers of individuals they anticipated providing information to (as outlined in their original bid) was sufficiently large for us to aim to conduct a greater number of interviews (150-200 interviews). This helped to increase the overall number of interviews achieved and thus, the scope for more detailed analysis by key sub-groups. The results were weighted to adjust for differences in sample sizes achieved across providers. This weighting effectively ensured that respondents from each individual scheme were given equal weight within the ‘total’ figures.

27 The reasons for adopting an opt-in approach have already been discussed.
<table>
<thead>
<tr>
<th>Provider</th>
<th>Total number provided with information</th>
<th>Opt-in cards received</th>
<th>Target number of initial interviews</th>
<th>Initial interview</th>
<th>Follow-up interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advice body</td>
<td>484</td>
<td>299 (62%)</td>
<td>150-200</td>
<td>179 (37%)</td>
<td>120 (25%)</td>
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<tr>
<td>Advice body</td>
<td>657</td>
<td>484 (74%)</td>
<td>150-200</td>
<td>208 (32%)</td>
<td>155 (24%)</td>
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<tr>
<td>General charity/NFP organisation</td>
<td>16,078</td>
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<td>150-200</td>
<td>151 (1%)</td>
<td>123 (0.8%)</td>
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<tr>
<td>Employer organisation</td>
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<td>53 (17%)</td>
<td>30-50</td>
<td>37 (12%)</td>
<td>13 (4%)</td>
</tr>
<tr>
<td>Advice body</td>
<td>166</td>
<td>13 (8%)</td>
<td>30-50</td>
<td>13 (8%)</td>
<td>11 (7%)</td>
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<td>Trade union</td>
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<td>33 (15%)</td>
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<td>General charity/NFP organisation</td>
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<td>156 (45%)</td>
<td>30-50</td>
<td>54 (16%)</td>
<td>31 (9%)</td>
</tr>
</tbody>
</table>

Note: the percentages shown in brackets in table three show the number of opt-in cards received and initial and follow-up interviews achieved as a proportion of all individuals provided with information. The number of individuals provided with information was based on provider returns for the period January-December 2006. These may contain some inaccuracies or inconsistencies in the way the figures were compiled.

A more detailed breakdown of the response rates and outcome of all contacts received is given in Table A.4:
Finally, more in-depth face-to-face interviews were conducted with a small sub-sample of individuals (two to three per provider). These were conducted between November 2006 and February 2007 and each interview lasted 45-60 minutes. These individuals were selected because they had taken at least one ‘concrete planning’ action\(^{28}\) following their first interview and enabled more detailed exploration of the impact of PEF on their actions and views of the information received more generally. They were offered an additional incentive of £20 to take part in this extra element.

### Research among trainees

For the two training schemes, five initial face-to-face interviews per organisation were carried out in April to May 2007 with ‘trainers’ who had recently attended a course. These interviews explored views of the course and intentions to disseminate the information to others. An opt-out approach was used to select trainees for these interviews and an incentive of £20 was also offered.

\(^{28}\) The four types of ‘concrete planning’ action were starting a new pension or changing contributions to an existing pension, opting back in or out of the State Second Pension or starting or changing some other form of saving for retirement.
An attempt was made to follow up these respondents to discuss their experiences of disseminating information three months later in July to August 2007 but initial contact established that at this stage few respondents had actually started to provide retirement planning information to others. Hence, follow-up interviews were conducted in September to October. Even at this stage, three of the initial respondents had not providing any information to others and hence, replacement interviews were conducted with others who had attended the same course. These replacement interviews combined both the ‘initial’ and ‘follow-up’ interview in one.

It was initially envisaged that the evaluation of training schemes element would, similarly to the core approach, consist of 30-50 semi-structured initial and follow-up telephone interviews and a small number of more in-depth face-to-face interviews at each stage. However, due to the relatively small number of people who would have received information by March 2007, this element was reduced to just the in-depth face-to-face interviews.