Wealth and Assets Survey 
Employer Pensions follow-up: Feasibility report

Joel Williams and Hannah Carpenter
Contents

Acknowledgements ........................................................................................................ xi
The Authors .................................................................................................................. xii
Summary of key findings ............................................................................................ 1
Summary ...................................................................................................................... 3
1 Introduction .............................................................................................................. 9
  1.1 Background ........................................................................................................ 9
  1.2 Objectives .......................................................................................................... 10
  1.3 Methodology ...................................................................................................... 10
    1.3.1 Sample ........................................................................................................ 10
    1.3.2 Screening ..................................................................................................... 11
    1.3.3 Main fieldwork .......................................................................................... 11
    1.3.4 Response ..................................................................................................... 12
    1.3.5 Employer re-contact .................................................................................. 12
  1.4 The report .......................................................................................................... 12
  1.5 Table symbols ................................................................................................... 13
2 Analysis of employee data ....................................................................................... 15
  2.1 Incomplete data ............................................................................................... 15
    2.1.1 Earliest age pension can be drawn ............................................................ 17
    2.1.2 Amount of employee contributions to pension scheme ......................... 17
    2.1.3 Amount of employer contributions ........................................................... 17
    2.1.4 How defined benefit pensions will be calculated ................................... 17
<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1.5</td>
<td>Accrual rates of defined benefit pensions</td>
<td>17</td>
</tr>
<tr>
<td>2.1.6</td>
<td>Size of lump sum expect to receive when retire</td>
<td>18</td>
</tr>
<tr>
<td>2.1.7</td>
<td>Expected income for retirement</td>
<td>18</td>
</tr>
<tr>
<td>2.1.8</td>
<td>Differences by subgroups</td>
<td>19</td>
</tr>
<tr>
<td>2.2</td>
<td>Reliability of employee data</td>
<td>24</td>
</tr>
<tr>
<td>2.2.1</td>
<td>Type of pension scheme</td>
<td>24</td>
</tr>
<tr>
<td>2.2.2</td>
<td>Employee’s contributions to pension scheme (for defined</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>contribution schemes only)</td>
<td></td>
</tr>
<tr>
<td>2.2.3</td>
<td>Employer’s contributions to pension scheme (for defined</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td>contribution schemes only)</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Analysis of employer data</td>
<td>29</td>
</tr>
<tr>
<td>3.1</td>
<td>Item non-response</td>
<td>29</td>
</tr>
<tr>
<td>3.1.1</td>
<td>Questions with high proportions of missing data</td>
<td>30</td>
</tr>
<tr>
<td>3.1.2</td>
<td>Transferred pension rights</td>
<td>30</td>
</tr>
<tr>
<td>3.1.3</td>
<td>Number of years built up in main pension scheme</td>
<td>31</td>
</tr>
<tr>
<td>3.1.4</td>
<td>Normal pension age for scheme members</td>
<td>31</td>
</tr>
<tr>
<td>3.1.5</td>
<td>Workplace and organisation size</td>
<td>31</td>
</tr>
<tr>
<td>3.1.6</td>
<td>Differences by subgroups</td>
<td>32</td>
</tr>
<tr>
<td>3.2</td>
<td>Accuracy of responses</td>
<td>35</td>
</tr>
<tr>
<td>3.2.1</td>
<td>Estimating answers</td>
<td>35</td>
</tr>
<tr>
<td>3.2.2</td>
<td>Confidence in answers</td>
<td>35</td>
</tr>
<tr>
<td>3.3</td>
<td>Timing issues</td>
<td>35</td>
</tr>
<tr>
<td>3.4</td>
<td>Comparisons with other data sources</td>
<td>36</td>
</tr>
<tr>
<td>3.4.1</td>
<td>Employee details</td>
<td>36</td>
</tr>
<tr>
<td>4</td>
<td>Comparing employee and employer data</td>
<td>37</td>
</tr>
<tr>
<td>4.1</td>
<td>Comparing answers across employee and employer data</td>
<td>38</td>
</tr>
<tr>
<td>4.1.1</td>
<td>Whether the organisation offered access to one or more pension schemes</td>
<td>39</td>
</tr>
<tr>
<td>4.1.2</td>
<td>Whether employee was a member of the organisation’s pension scheme</td>
<td>40</td>
</tr>
<tr>
<td>4.1.3</td>
<td>Year in which the employee joined the pension scheme</td>
<td>41</td>
</tr>
</tbody>
</table>
4.1.4 Employee’s main type of pension provision

4.1.5 Number of years employee had built up in main pension scheme

4.1.6 How the employee’s defined benefit pension will be calculated

4.1.7 Accrual rate of employee’s defined benefit pension

4.1.8 Whether employer was contributing to employee’s pension scheme

4.1.9 Amount of employer’s contributions to employee’s pension scheme

4.1.10 Whether the employee was making contributions to their pension scheme

4.1.11 Amount of employee’s contributions to their pension scheme

4.1.12 Whether the employee made any additional payments, and amount of additional payments

4.1.13 Contributions the employee had made in the last year if they were not contributing on the reference date

4.1.14 Whether employee was eligible to join the organisation’s pension scheme

4.1.15 Earliest age can draw pension without penalties

4.2 Subgroups where data was less likely to match

4.3 Whether employee or employer data is correct

4.3.1 How the employee’s defined benefit pension will be calculated

4.3.2 Year in which the employee joined the pension scheme

4.3.3 Other questions

4.3.4 Other possibilities

4.4 Overall effect of the addition of employer data

5 Review of the survey process

5.1 Sample

5.1.1 Completeness of names and addresses

5.1.2 Telephone numbers
<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1.3</td>
<td>Multiple WAS respondents working for the same employer</td>
<td>67</td>
</tr>
<tr>
<td>5.1.4</td>
<td>Serial numbers</td>
<td>68</td>
</tr>
<tr>
<td>5.1.5</td>
<td>Permission forms</td>
<td>69</td>
</tr>
<tr>
<td>5.1.6</td>
<td>Dates of birth and National Insurance numbers</td>
<td>69</td>
</tr>
<tr>
<td>5.2</td>
<td>Fieldwork</td>
<td>69</td>
</tr>
<tr>
<td>5.2.1</td>
<td>Timing issues</td>
<td>70</td>
</tr>
<tr>
<td>5.2.2</td>
<td>Screening stage</td>
<td>70</td>
</tr>
<tr>
<td>5.2.3</td>
<td>Postal and online stages</td>
<td>71</td>
</tr>
<tr>
<td>5.2.4</td>
<td>Telephone chase stage</td>
<td>72</td>
</tr>
<tr>
<td>5.3</td>
<td>Response</td>
<td>72</td>
</tr>
<tr>
<td>5.3.1</td>
<td>Response and attrition by stage</td>
<td>74</td>
</tr>
<tr>
<td>5.3.2</td>
<td>Non-response amongst different types of employers</td>
<td>76</td>
</tr>
<tr>
<td>5.3.3</td>
<td>Other factors affecting non-response</td>
<td>79</td>
</tr>
<tr>
<td>5.3.4</td>
<td>Impact of differential response levels</td>
<td>80</td>
</tr>
<tr>
<td>5.3.5</td>
<td>Weighting the enhanced employee data</td>
<td>81</td>
</tr>
<tr>
<td>5.3.6</td>
<td>Reasons for refusal</td>
<td>81</td>
</tr>
<tr>
<td>5.3.7</td>
<td>Who completed the employer questionnaires?</td>
<td>83</td>
</tr>
<tr>
<td>5.4</td>
<td>Particular issues for public sector organisations</td>
<td>84</td>
</tr>
<tr>
<td>5.5</td>
<td>The employer questionnaire</td>
<td>85</td>
</tr>
<tr>
<td>5.5.1</td>
<td>Different questionnaire modes</td>
<td>85</td>
</tr>
<tr>
<td>5.5.2</td>
<td>Number of respondents</td>
<td>86</td>
</tr>
<tr>
<td>5.5.3</td>
<td>Whether needed to look up information</td>
<td>86</td>
</tr>
<tr>
<td>5.5.4</td>
<td>Questions employers had difficulty answering</td>
<td>86</td>
</tr>
<tr>
<td>5.5.5</td>
<td>Time taken to complete the questionnaire</td>
<td>87</td>
</tr>
<tr>
<td>5.5.6</td>
<td>Ease of completing questionnaire</td>
<td>88</td>
</tr>
<tr>
<td>5.5.7</td>
<td>Confidence in correctness of answers on questionnaire</td>
<td>89</td>
</tr>
<tr>
<td>5.5.8</td>
<td>Why respondents chose to complete the paper questionnaire rather than the online questionnaire</td>
<td>90</td>
</tr>
</tbody>
</table>
List of tables

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 2.1</td>
<td>Proportion of incomplete data from employees for questions that were included on the employer questionnaire</td>
<td>16</td>
</tr>
<tr>
<td>Table 2.2</td>
<td>How defined benefit pension will be calculated</td>
<td>17</td>
</tr>
<tr>
<td>Table 2.3</td>
<td>Accrual rate of defined benefit pension</td>
<td>18</td>
</tr>
<tr>
<td>Table 2.4</td>
<td>Size of lump sum expect to receive when retire</td>
<td>18</td>
</tr>
<tr>
<td>Table 2.5</td>
<td>Expected income for retirement</td>
<td>19</td>
</tr>
<tr>
<td>Table 2.6</td>
<td>Proportion of employees who did not give an answer to each of seven questions by SIC and SOC</td>
<td>20</td>
</tr>
<tr>
<td>Table 2.7</td>
<td>Proportion of employees who did not give an answer to each of seven questions by respondent knowledge</td>
<td>21</td>
</tr>
<tr>
<td>Table 2.8</td>
<td>Proportion of employees who did not give an answer to each of seven questions by interviewer assessment of accuracy</td>
<td>21</td>
</tr>
<tr>
<td>Table 2.9</td>
<td>Proportion of employees who did not give an answer to each of seven questions by hours worked and income</td>
<td>22</td>
</tr>
<tr>
<td>Table 2.10</td>
<td>Proportion of employees who did not give an answer to each of seven questions by gender and age</td>
<td>23</td>
</tr>
<tr>
<td>Table 2.11</td>
<td>Proportion of employees who did not give an answer to each of seven questions by whether consulted a pension statement</td>
<td>23</td>
</tr>
<tr>
<td>Table 2.12</td>
<td>Type of occupational pension scheme</td>
<td>25</td>
</tr>
<tr>
<td>Table 2.13</td>
<td>Employee contributions (as a percentage of salary)</td>
<td>26</td>
</tr>
<tr>
<td>Table 2.14</td>
<td>Employer contributions (as a percentage of salary)</td>
<td>27</td>
</tr>
<tr>
<td>Table 3.1</td>
<td>Whether employee had transferred pension rights</td>
<td>30</td>
</tr>
<tr>
<td>Table 3.2</td>
<td>Number of years built up in main pension scheme</td>
<td>31</td>
</tr>
<tr>
<td>Table 3.3</td>
<td>Normal pension age for scheme members</td>
<td>31</td>
</tr>
<tr>
<td>Table 3.4</td>
<td>Workplace and organisation size</td>
<td>32</td>
</tr>
<tr>
<td>Table 3.5</td>
<td>Proportion of employers who did not give an answer to each of five questions by industry, organisation size and sector</td>
<td>33</td>
</tr>
<tr>
<td>Table 3.6</td>
<td>Proportion of employers who did not give an answer to each of five questions by job title of respondent</td>
<td>33</td>
</tr>
<tr>
<td>Table 3.7</td>
<td>Proportion of employers who did not give an answer to each of five questions by whether the employer checked administrative records</td>
<td>34</td>
</tr>
<tr>
<td>Table 3.8</td>
<td>Proportion of employers who did not give an answer to each of three questions by scheme type</td>
<td>35</td>
</tr>
<tr>
<td>Table 4.1</td>
<td>Whether the organisation offered access to a pension scheme</td>
<td>40</td>
</tr>
<tr>
<td>Table 4.2</td>
<td>Whether the employee was a member of the organisation’s pension scheme</td>
<td>41</td>
</tr>
<tr>
<td>Table 4.3</td>
<td>Year in which the employee joined the pension scheme</td>
<td>42</td>
</tr>
<tr>
<td>Table 4.4</td>
<td>Employee's main type of pension provision</td>
<td>44</td>
</tr>
<tr>
<td>Table 4.5</td>
<td>Number of years employee had built up in pension scheme</td>
<td>45</td>
</tr>
<tr>
<td>Table 4.6</td>
<td>How employee's defined benefit pension will be calculated</td>
<td>47</td>
</tr>
</tbody>
</table>
Table 4.7  Accrual rate of defined benefit pension ........................................49
Table 4.8  Whether employer was contributing to employee's pension
scheme..................................................................................................50
Table 4.9  Yearly amount of employer's contributions to pension scheme...52
Table 4.10 Whether employer was contributing to their pension scheme....53
Table 4.11 Yearly amount of employee's contributions to pension scheme ...54
Table 4.12 Whether employee was contributing to their pension scheme....55
Table 4.13 Earliest age can draw pension without penalties ....................57
Table 5.1  Outcomes for total eligible sample........................................73
Table 5.2  The Employer Tracing Stage ....................................................75
Table 5.3  Final response outcomes......................................................76
Table 5.4  Reasons for opt out.................................................................82
Table 5.5  Reasons for refusal – telephone chase stage ............................83
Table 5.6  Area respondent(s) who completed the employer questionnaire
worked in..............................................................................................84
Table 5.7  Whether needed to look up information in order to answer
the questions.........................................................................................86
Table 5.8  Time taken to complete the employer questionnaire................89
Table 5.9  Ease of completing the employer questionnaire ........................89
Table 5.10 Confidence in answers to employer questionnaire ..................90
Table 5.11 Why respondents chose to complete the paper questionnaire
rather than the online questionnaire....................................................90
Table I.1  Item non-response for each question on the employer
questionnaire..........................................................................................133
Table J.1  Year in which the employee joined the pension scheme.........135
Table J.2  Employee's main type of pension provision .............................136
Table J.3  Number of years employee had built up in pension scheme ......136
Table J.4  How employee's defined benefit pension will be calculated.....137
Table J.5  Accrual rate of defined benefit pension ..................................137
Table J.6  Yearly amount of employer's contributions to pension
scheme..................................................................................................138
Table J.7  Yearly amount of employee's contributions to pension
scheme..................................................................................................138
The authors would like to thank the Department for Work and Pensions (DWP) team for their help with the project, in particular Kim Shrapnell and Bola Akinwale, as well the team at for Office for National Statistics (ONS) who run the Wealth and Assets Survey. We are also very grateful to all of the individuals and organisations who took part in the survey.
The Authors

Joel Williams is a Senior Associate Director.

Hannah Carpenter is a Senior Research Executive.
Summary of key findings

Background
The Wealth and Assets Survey (WAS) is part funded by the Department for Work and Pensions (DWP) to collect detailed information on pensions, savings and wealth. The Employer Pensions follow-up study assessed the feasibility and merit of collecting information from employers to complement and validate WAS respondents’ occupational pension details.

Employers were contacted if respondents took part in the first four months of WAS wave one, stated that they were eligible to join their employer’s occupational pension and consented to DWP contacting their employer.

The study informs decisions relating to the added value, cost effectiveness and appropriate design of conducting this exercise with the employers of all consenting eligible WAS respondents. Sixty per cent (1,460) of individuals eligible to join their employers’ pension scheme consented to DWP contacting their employers; 58 per cent of contacted employers responded. Thus, when taking into account the two stages of response, an overall response rate of 35 per cent was achieved.

Findings
The highest level of data improvement relates to information on accrual rates for defined benefit schemes and how defined benefit pensions might be calculated. If conducted as a mainstage study, it is estimated that this would add value to almost one in five WAS respondents who are employees and eligible to join their employers’ defined benefit occupational pension scheme. The highest level of data improvement for defined contribution schemes related to employer contributions (equating to 11 per cent across the entire WAS sample eligible to join their employers defined contribution scheme). Such estimates, however, assume that where there are discrepancies between employer and employee data, the employer data takes precedence and is more accurate. These low proportions are explained by respondent consent levels and employer response in addition to levels of respondent accuracy.
Any mainstage study should be scaled down to collect information on the areas that add the most value (outlined above), and should be collected via a postal questionnaire with additional resources set aside to edit and clean employer address information before contact.

Although data is not representative of respondents with an occupational pension, it is possible to infer lessons learned for this group.

Relevant findings include:

• employer data indicated the majority of employees gave accurate answers to basic questions such as: access, eligibility and membership of pension schemes and whether contributions were being made (by employee/employer);

• employer information indicated that 37 per cent of employees who said they had a defined contribution occupational scheme had a Group Personal Pension (GPP) or Stakeholder scheme;

• employer information indicated five per cent of employees who said they had a defined benefit scheme had a GPP or Stakeholder scheme;

• for complex pensions questions, employer data supported around a third of employee data;

• with regards to the level of employee/employer contributions to a defined contribution scheme, when employees could provide an answer employer information supported the majority;

• employee data was more likely to be missing and inaccurate for low earners, part-time workers and those who had their answers rated as inaccurate by interviewers.¹

• there was a high level of missing employer data for number of years built up in a defined benefit pension scheme (12 per cent) so intuitively we may be more inclined to trust employee responses over employer responses.

¹ These three groups were generally more likely than average to have their answers contradicted by their employers but (due to small base sizes) these differences were not statistically significant. However, findings that show these groups were more likely to be unable to answer pensions questions were significant.
Summary

This report examines the findings from a study conducted in 2007 to test the feasibility of contacting the employers of respondents to the Wealth and Assets Survey (WAS), in order to gather information about pensions.

The main aims of this feasibility study were to evaluate the impact on data quality of linking occupational pension details provided by WAS respondents to employer data, and assess whether conducting a full-scale employer follow-up study would be worthwhile.

Methodology

WAS respondents were eligible for inclusion in the employer follow-up survey if they were employees, and were eligible to be members of their employer’s occupational pension scheme. Respondents fitting these criteria from the first four months of WAS fieldwork (July to October 2006) were identified – 2,441 in all. However only 1,460 (60 per cent) were followed up as only this group had given permission for their employer to be contacted.

Employers were sent postal questionnaires (and also offered the option of completing the questionnaire online) and, after two postal reminders and a telephone reminder, 850 questionnaires were completed by employers. This means a field response rate of 58 per cent, but an overall response rate of only 35 per cent because so many refused to allow employer contact.

Employee data

WAS data was examined for the 1,460 respondents who had given permission for their employer to be contacted. The purpose of this analysis was to look for questions with high proportions of missing data, and to identify subgroups of WAS respondents that were more likely than others to have missing data.

There were seven questions regarding pensions with relatively high levels of missing data (or ‘don’t know’ answers):
• The accrual rate of defined benefit pensions – 44 per cent.
• Expected income for retirement (for individuals with defined benefit schemes) – 35 per cent.
• Amount of employer contributions to defined contribution pension schemes – 23 per cent.
• The size of the (defined benefit) lump sum they expect to receive on retirement – 20 per cent.
• How defined benefit pensions will be calculated – 19 per cent.
• Earliest age pension can be drawn – 18 per cent.
• Amount of employee contributions to pension scheme (for both defined contribution and defined benefit schemes) – seven per cent.

The subgroups of WAS respondents that were more likely than others to have missing data were: those in personal service occupations; those in the health and social work industry; those who disagreed with the statement ‘I feel I know enough about pensions to make decisions about saving for retirement’; those whose answers were rated as inaccurate by interviewers; part-time workers; those earning less than £26,000 per year; those aged under 50; women; and those who had not consulted a pension statement during the course of their WAS interview. Some of these groups overlap substantially.

**Employer data**

Data from the 850 questionnaires completed by employers was also examined for missing data. There was some non-response at most questions on the employer questionnaire, but there were five questions with relatively high levels of missing data. The five questions and the proportions of missing data were:

• The number of years the employee had built up in their main pension scheme – 16 per cent.
• The number of employees at the employee’s workplace – 15 per cent.
• The normal pension age for scheme members – nine per cent.
• Whether the employee had transferred pension rights from another scheme – seven per cent.
• The number of employees in the organisation – six per cent.

Subgroups of employers were examined to see if there were any particular types of employers that were more likely to have missing data. Employers in the field of education were more likely than others to have missing data, as were smaller employers (those with less than 500 employees) and those in the public sector. Where the person completing the employer questionnaire had a job title that related to pensions or benefits the questionnaire was less likely than
average to have missing data. Perhaps surprisingly, employers that had consulted administrative records when answering the questionnaire were more likely to leave some questions blank. It is possible that the type of person that takes the trouble to look up information is also the type of person who is unwilling to make an estimate in the absence of hard facts.

Comparing employee and employer data
There were 15 questions that were asked of both employers and employees. When comparing data at each question, cases were split into the following four categories:

• Both employee and employer had provided an answer and the data matched.
• Both employee and employer had provided an answer and the data differed.
• The employee had given an answer, but the employer had not.
• The employer had given an answer, but the employee had not.

Of the 15 questions, data largely matched for six of them. These six questions were:

• Whether the organisation offered access to a pension scheme.
• Whether the employee was a member of the organisation’s pension scheme.
• Whether the employer was making contributions to the scheme.
• Whether the employee was contributing to the scheme.
• Whether the employee made any additional payments to the scheme.
• Whether the employee was eligible to join the organisation’s pension scheme.

The base sizes were too small for meaningful comparisons for a further two questions. This left seven questions where the two datasets were more likely to provide different answers.

Year in which the employee joined the pension scheme:

• In 64 per cent of cases data matched to within one year.
• In 24 per cent of cases data differed by two years or more.

---

2 At each question the base used for comparing employee data and employer data is any cases with an answer in either dataset. The reason for using this base is that most questions are asked of a subset of the total sample, based on the answers given to previous questions. Unfortunately, the answers given at previous questions by employers and employees do not always match. So missing data can be due to different routes taken by employer and employee, or because one of the two parties did not provide an answer (or said ‘don’t know’) when they should have.
• In ten per cent of cases there was no employer data.
• In one per cent of cases there was no employee data.

Employee’s main type of pension provision:
• In 69 per cent of cases data matched.
• In 20 per cent of cases data differed.
• In seven per cent of cases there was no employer data.
• In four per cent of cases there was no employee data.

Number of years employee had built up in main pension scheme:
• In 22 per cent of cases data matched to within one year.
• In 21 per cent of cases data differed by two years or more.
• In 24 per cent of cases there was no employer data.
• In nine per cent of cases there was no employee data.

How the employee’s defined benefit pension will be calculated:
• In 31 per cent of cases data matched.
• In 31 per cent of cases data differed.
• In nine per cent of cases there was no employer data.
• In 29 per cent of cases there was no employee data.

Accrual rate of employee’s defined benefit pension:
• In 32 per cent of cases data matched.
• In 14 per cent of cases data differed.
• In seven per cent of cases there was no employer data.
• In 47 per cent of cases there was no employee data.

Amount of employer’s contributions to employee’s pension scheme (asked in both the main WAS and the follow up questionnaire for defined contribution schemes only):
• In 19 per cent of cases data matched to within £100 per year.
• In 13 per cent of cases data differed by more than £100 per year.
• In seven per cent of cases there was no employer data.
• In 61 per cent of cases there was no employee data.³

³ Most of these are cases where the employee was not routed to the question and so should not have provided an answer.
Amount of employee’s contributions to their pension scheme (asked only for defined contribution schemes in the follow up questionnaire, but for all occupational schemes in the original WAS questionnaire):

- In 23 per cent of cases data matched to within £100 per year.
- In 16 per cent of cases data differed by more than £100 per year.
- In 55 per cent of cases there was no employer data.
- In five per cent of cases there was no employee data.

Subgroups of WAS respondents were examined to see if there were any groups where employee and employer data was less likely than average to match. There were three groups which showed a higher tendency than others to have differing data from their employers: those who worked part-time; those who earned less than £26,000 per year; and those whose answers had been rated as inaccurate by their interviewer.

A useful measure of the extent to which employer data can improve or add to employee data is to look at the number of cases where data differed, or where there was employer data but no employee data. We can express this number as a proportion of all WAS respondents who would be eligible to be included in the employer follow up survey (whether they gave permission for their employer to be contacted or not). The highest this proportion reached was 15 per cent— for the questions on accrual rates, and how the employee’s defined benefit pension would be calculated. Although for the question on accrual rates, if we restrict the analysis to relevant respondents (those with a defined benefit or hybrid scheme) the proportion of eligible WAS respondents who had their data improved increased to 19 per cent.

Whether employer or employee data is correct

Where data from employers and employees differs it would be helpful to make a decision about whether the employer or employee has given the correct answer. It is not possible to say with certainty who is right, but assumptions can be made based on:

- Plausibility of answers.
- Intuition – at some questions we would expect the employer to be more likely to answer correctly, and at other questions we would be more inclined to believe the employee’s answer.
- Questions on WAS – the interviewers’ rating of the accuracy of respondents’ answers, and whether or not the respondent checked a pensions statement when answering the questions.

---

4 This figure does not take into account assumptions about whether employee or employer data is correct, as set out in Sections 4.3.1 and 4.3.2
Questions on the employer survey – employers were asked whether they looked at administrative data when answering each section of the questionnaire.

Some rules for deciding whether employee or employer data is correct are included in Section 4.3.

Review of the survey process

The methodology used for the feasibility study is reviewed in detail in Chapter 4 of this report. Close attention was paid to any issues that arose during the course of the survey so that lessons could be learned, and improvements could be made to the design of a mainstage of the employer follow-up survey.

In general, the methodology used worked well, but recommendations for improvements that could be made are included in Chapter 6. These include:

- having a shorter questionnaire;
- allowing plenty of time for sample cleaning and identification of cases where more than one WAS respondent worked for the same employer;
- not including the option of an online questionnaire for employers;
- using the telephone chase stage as a telephone reminder only, rather than offering employers the option of completing the questionnaire over the phone.
1 Introduction

1.1 Background

The Pensions White Paper published in May 2006 highlighted ‘tackling pensioner poverty’ as one of the Government’s highest priorities. The White Paper outlined the case for reforms to reduce the risk of future generations of pensioners having insufficient income to meet their needs in retirement, including reform of the State Pension system and measures to make it easier for people to save more.

To help meet the Government’s objectives and to build the evidence base for the development and evaluation of pensions policy, the Department for Work and Pensions (DWP) is contributing to funding for a new Wealth and Assets Survey (WAS) of households in Great Britain. This survey is known to respondents as the Household Assets Survey. WAS is a longitudinal survey of adult members of 32,000 households. The first wave of fieldwork, which started in July 2006, runs over two years. The second wave will commence two years after the beginning of wave one.

WAS includes detailed information on households’ assets and wealth, including savings, pensions, investments, mortgages, debt, alongside attitudinal and socio-demographic information. It is a particularly rich source of information that will enable detailed analysis of the drivers of, and barriers to, savings among different groups of the population throughout the life course.

However, because WAS is a survey of individuals in private households, information in the study is based primarily on individuals’ self-reports, which means that WAS relies heavily on respondents’ levels of knowledge, awareness of issues, and recall ability. Pensions are a fairly complex subject and the data on pensions collected as part of WAS, like any individual survey collecting complex pensions information leads to relatively high levels of ‘don’t know’ answers at some questions. Accurate information on people’s pension provision and savings for retirement is key to informing Government.’

A full-scale employer follow-up survey would enhance the quality of information on employer pensions by linking self-reported pension information from WAS
respondents in employment with information from their employers (where the WAS respondents give their consent for their employer to be contacted). In addition to exploring whether employee or employer data might be more accurate, this combination of sources may improve the completeness of WAS data on pensions.

Most importantly, the employer follow-up survey could provide useful additional information from employers that individuals may not be able to answer due to its specialised nature.

This report examines a study that was conducted in 2007 to test the feasibility of conducting a full-scale employer follow-up survey.

1.2 Objectives

In order to test the effectiveness of an employer follow-up, DWP commissioned British Market Research Bureau (BMRB) to conduct a study to explore the feasibility of linking respondents’ data from WAS with pensions information obtained directly from respondents’ employers. The purpose of the feasibility study was:

• to gather additional information on employer pensions that individual respondents were unable to provide due to lack of knowledge or recall limitations;

• to investigate the accuracy of information on employer pensions provided by WAS respondents by comparing it with information collected from employers;

• to evaluate the impact of linked respondent-employer information on data quality, assessing the cost-effectiveness of conducting an employer follow-up study;

• to make recommendations on the feasibility of undertaking an employer follow-up study, considering whether the exercise should be conducted on a cross-sectional or longitudinal basis.

1.3 Methodology

A detailed review of the methodology used for the employer follow-up feasibility study is included in Chapter 5, but a summary of the methodology used is included here.

1.3.1 Sample

The sample for the employer follow-up was generated by WAS interviews. As part of the pensions section of WAS, any respondent who was a member of an occupational pension scheme, or who was eligible to join one was asked for permission for their employer to be contacted about their pension scheme. Respondents who gave permission for their employer to be contacted were asked to sign a permission form, and to provide the organisation name and address of their employer. The permission form explained that the respondent’s name,
address, date of birth, gender, and employer’s name and address would be passed on to DWP, to the organisation carrying out the follow-up survey (BMRB) and to their employer. The form also explained that data gathered from the employer would be matched to the respondent’s own data. A copy of this permission form is included in Appendix H.

For the feasibility study, respondents from the first four months of the WAS survey (July to October 2006) were selected for follow-up with employers. There were 1,460 eligible respondents who agreed to have their employer contacted.

### 1.3.2 Screening

Using the organisation names and addresses provided by WAS respondents, telephone numbers were looked up for each organisation. Using these telephone numbers, the organisations were called to ask for the name and contact details of the person at that organisation with responsibility for pension arrangements for employees. Interviewers made several attempts to speak to the individual to confirm they were the appropriate person to send the questionnaire, but after three unsuccessful attempts, interviewers were permitted to collect their name and address from someone else at the organisation. It was to this named individual that the postal questionnaire was then sent. This screening stage took place in June 2007. The interviewer script for this screening stage (which was undertaken using Computer Assisted Telephone Interviewing (CATI)) is included in Appendix A.

### 1.3.3 Main fieldwork

In July 2007, once the sample from the screening stage had been collated, postal questionnaires were despatched to employers along with the WAS respondents’ signed permission forms, covering letters and reply paid envelopes in which to return the questionnaires. As well as receiving the paper questionnaire, the covering letter directed employers to a web survey and explained that they could complete the questionnaire online if they preferred. The postal questionnaire is included in Appendix B, screen shots of the online survey are in Appendix C, and examples of covering letters are in Appendices E to G.

Two weeks later a letter reminder was sent to employers who had not returned their postal questionnaire or completed the questionnaire online. This reminder did not include another copy of the questionnaire or reply envelope, but encouraged employers to call BMRB to ask for another copy if they needed one. The reminder letter also offered the option of completing the questionnaire online, and provided the address of the web survey.

A further two weeks later (in August 2007), a second reminder was sent to employers who had not completed a postal or online questionnaire. This second reminder included further copies of the questionnaire and a return envelope, as well as offering the option to complete the questionnaire online.
Three weeks after the second reminder (at the end of August) a telephone stage started. The script for this stage (which was conducted using CATI) is included in Appendix D. Employers who had not returned their postal questionnaire, or completed the questionnaire online, were telephoned. At this point employers were offered the option of completing the questionnaire over the phone (although no employers took up this option), but the main point of this telephone stage was to ask employers to return their questionnaire, and to offer to send another questionnaire if necessary.

The telephone chase stage finished on 4 October 2007, and fieldwork closed on 8 October. The web survey was taken offline at this point, and any postal questionnaires returned after 8 October were not accepted.

1.3.4 Response

Details of response at each stage of the survey process are included in Chapter 5, along with a breakdown of outcomes for each WAS respondent who was eligible to be included in the employer follow-up survey (i.e. to have their employer contacted).

However, of the 1,460 eligible WAS respondents who consented to their employer being contacted, completed employer questionnaires were received for 850 equating to a response rate of 58 per cent on the employer follow-up survey.

The response rate, in terms of all WAS respondents who would have been eligible for inclusion in the employer follow-up survey (whether they gave permission for their employer to be contacted or not), was 35 per cent. This is explained further in Section 5.3.

The data from these 850 questionnaires, was collated and checked, open ended questions were coded, and an SPSS dataset was produced.

1.3.5 Employer re-contact

A sample of 100 employers who had completed and returned a postal or online questionnaire was selected for a short telephone interview about their experience of completing the questionnaire. Fieldwork for this took place in September 2007, and 83 of the 100 employers were successfully interviewed. The sample included a mixture of employers based on whether they had completed a postal or online questionnaire; whether they had completed one questionnaire or multiple questionnaires (about different employees); and the stage at which they returned their questionnaire(s).

1.4 The report

This report uses data from several sources, including original WAS data, data gathered by BMRB at different stages of the employer follow-up, and more anecdotal evidence (e.g. from employers telephoning BMRB with queries about
the questionnaire). The report clearly highlights when such evidence is used. Where such anecdotal evidence is used it should be borne in mind that this evidence may only come from one employer.

The report tables display percentages unless otherwise specified. Generally they are column percentages, however, the percentages do not always add up to exactly 100 for each column. In some instances this is because multiple responses are possible. In other cases, where the column total may be 99 per cent or 101 per cent, this is simply due to rounding of individual percentages to the nearest whole number.

Where differences are pointed out in the text of the report, they are statistically significant at the five per cent level, unless otherwise specified.

1.5 Table symbols

* Less than 0.5 per cent.
0 No observations.
- Category not applicable.
[] Figures shown in brackets are percentages based on less than 50 observations.
2 Analysis of employee data

There were 1,460 employees who were eligible to be included in the employer follow-up survey and who had given permission for their employer to be contacted, as well as 981 eligible employees who did not give their permission for their employer to be contacted. The 1,460 employees who did give permission are the base for the analysis of employee data in this chapter.

2.1 Incomplete data

All questions regarding pensions in the employee data were examined to assess the extent of incomplete data. Cases were defined as incomplete if the respondent had answered ‘don’t know’ or if there was no data present for the question, when the routing of the questionnaire showed that the question should have been asked.

Seven questions were identified where there was a high level of incomplete data – by ‘high level’ we mean that five per cent of the question base (and at least 50 people) had not given an answer (or had answered ‘don’t know’):

- Earliest age pension can be drawn (PORAge).
- Amount of employee contributions to pension scheme (POConH – POCnFG).
- Amount of employer contributions to pension scheme (POEmpH – POEmFr).
- How defined benefit pensions will be calculated (PDBCal).
- The accrual rate of defined benefit pensions (PBFrac).
- The size of the lump sum expect to receive on retirement (PBLumV and PBLmVB).
- Expected income for retirement (PBIncH – PBIncA).

Footnote: Question names from the original Wealth and Assets Survey (WAS) questionnaire.
At these questions between seven per cent and 44 per cent of employees had been unable to provide a valid answer. The first five of these seven questions were therefore included on the employer questionnaire so that incomplete data could be supplemented by employer data. The final two questions were not included on the employer questionnaire due to lack of space. All seven of these questions are examined in more detail in Sections 2.1.1 to 2.1.7.

Table 2.1 shows the proportion of incomplete employee data at all questions that were included on the employer questionnaire, along with the number of employees who were asked the question.

**Table 2.1 Proportion of incomplete data from employees for questions that were included on the employer questionnaire**

<table>
<thead>
<tr>
<th>Question</th>
<th>Percentage of incomplete data</th>
<th>Number of employees asked question</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether the organisation offers access to an occupational pension scheme (PEmOff&lt;sup&gt;1&lt;/sup&gt;)</td>
<td>0</td>
<td>1,460</td>
</tr>
<tr>
<td>Whether the employee was eligible to join the occupational pension scheme (PEmElg)</td>
<td>0</td>
<td>1,460</td>
</tr>
<tr>
<td>Whether the employee was a member of the occupational pension scheme (PEmMem)</td>
<td>0</td>
<td>1,460</td>
</tr>
<tr>
<td>Year the employee joined the pension scheme (POJoin)</td>
<td>&lt;1</td>
<td>1,258</td>
</tr>
<tr>
<td>Earliest age pension can be drawn (PORAge)</td>
<td>18</td>
<td>1,258</td>
</tr>
<tr>
<td>Type of occupational pension scheme (POccTyp)</td>
<td>4</td>
<td>1,258</td>
</tr>
<tr>
<td>Whether the employee was making contributions to the pension scheme (POMeth)</td>
<td>&lt;1</td>
<td>1,258</td>
</tr>
<tr>
<td>Amount of employee contributions to pension scheme (POConH – POCnFG)</td>
<td>7</td>
<td>1,161</td>
</tr>
<tr>
<td>Whether the organisation was contributing to the pension scheme (POEmp)</td>
<td>1</td>
<td>295</td>
</tr>
<tr>
<td>Amount of employer contributions to pension scheme (POEmpH – POEmpFr)</td>
<td>23</td>
<td>274</td>
</tr>
<tr>
<td>How defined benefit pensions will be calculated (PDBCcal)</td>
<td>19</td>
<td>920</td>
</tr>
<tr>
<td>The accrual rate of defined benefit pensions (PBfrac)</td>
<td>44</td>
<td>920</td>
</tr>
<tr>
<td>Number of years the employee had built up in the pension scheme (PBQual)</td>
<td>1</td>
<td>920</td>
</tr>
<tr>
<td>Whether employee made any additional contributions to the scheme (POAdd)</td>
<td>3</td>
<td>920</td>
</tr>
<tr>
<td>Amount of additional voluntary contributions employee made to scheme (PAvcH – PavcFr)</td>
<td>8</td>
<td>75</td>
</tr>
</tbody>
</table>

<sup>1</sup> Question names from the original WAS questionnaire.
2.1.1 Earliest age pension can be drawn
This question should have been answered by all employees who were members of at least one occupational pension scheme, however 18 per cent of these respondents were unable to give a valid answer.

2.1.2 Amount of employee contributions to pension scheme
All employees who said they were making contributions to their pension scheme were asked to say how much they were contributing. Forty-nine per cent were able to answer as an amount, 42 per cent gave a percentage of their salary as an answer and one per cent answered that they were in fact not contributing. The remaining seven per cent could not give an answer. These proportions did not vary by whether the employee had a defined benefit or defined contribution scheme.

2.1.3 Amount of employer contributions
If employees had a defined contribution (or hybrid) scheme and said their employer was contributing to their pension scheme, they were asked to give a figure for their employer contributions. Fifty-two per cent could do so as a percentage and 24 per cent could give the amount of their employer contributions. The remaining 23 per cent did not know how much their employer was contributing to their pension scheme.

2.1.4 How defined benefit pensions will be calculated
If employees said they had a defined benefit or hybrid pension scheme they were asked about how their pension would be calculated. One in five employees was unable to say how their defined benefit pension would be calculated.

Table 2.2 How defined benefit pension will be calculated

<table>
<thead>
<tr>
<th>Column percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Final year's salary</td>
</tr>
<tr>
<td>Salary from all years in scheme</td>
</tr>
<tr>
<td>Last three years salary</td>
</tr>
<tr>
<td>Last five years salary</td>
</tr>
<tr>
<td>Best three years salary in last ten years</td>
</tr>
<tr>
<td>Other</td>
</tr>
<tr>
<td>Don’t know</td>
</tr>
</tbody>
</table>

Base: All who have a defined benefit or hybrid scheme 920

2.1.5 Accrual rates of defined benefit pensions
Only respondents with a defined benefit or hybrid pension scheme were asked about accrual rates. This was the question that the highest proportion of employees was unable to answer, nearly half did not know what the accrual rate
of their pension scheme was. In addition, several of the ‘other’ answers were either implausible (e.g. ‘50 per cent’) or were not answers to the actual question (e.g. ‘16437’ or ‘Barclays 1964’).

### Table 2.3  Accrual rate of defined benefit pension

<table>
<thead>
<tr>
<th>Column percentages</th>
<th>One 60&lt;sup&gt;th&lt;/sup&gt;</th>
<th>One 80&lt;sup&gt;th&lt;/sup&gt;</th>
<th>Other</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>25</td>
<td>27</td>
<td>4</td>
<td>44</td>
</tr>
</tbody>
</table>

*Base: All who have a defined benefit or hybrid scheme 920*

#### 2.1.6 Size of lump sum expect to receive when retire

Those with defined benefit and hybrid schemes were also asked about the lump sum they could expect to receive when they retire. As well as 20 per cent of employees being unable to give any answer, a further 33 per cent could only give an approximate answer (choosing one of six ranges), and six per cent said the answer was nothing.

A quarter of employees with defined benefit or hybrid schemes had consulted a pension statement during the course of their WAS interview, and those that had were much more likely to be able to give an exact answer to this question, as shown in Table 2.4.

### Table 2.4  Size of lump sum expect to receive when retire

<table>
<thead>
<tr>
<th>Column percentages</th>
<th>Total</th>
<th>Consulted statement</th>
<th>Did not consult statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gave valid numeric answer</td>
<td>41</td>
<td>72</td>
<td>31</td>
</tr>
<tr>
<td>Chose answer range</td>
<td>33</td>
<td>12</td>
<td>40</td>
</tr>
<tr>
<td>Gave numeric answer = 0</td>
<td>6</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Don’t know</td>
<td>20</td>
<td>6</td>
<td>24</td>
</tr>
</tbody>
</table>

*Base: All who have a defined benefit or hybrid scheme 920* 236 684

#### 2.1.7 Expected income for retirement

A third of employees with defined benefit or hybrid schemes could not say what their income from their pension would be when they retired. Employees were again much more likely to be able to answer this question if they consulted a pension statement.
Table 2.5  Expected income for retirement

<table>
<thead>
<tr>
<th></th>
<th>Column percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>Gave valid numeric answer</td>
<td>65</td>
</tr>
<tr>
<td>Don’t know</td>
<td>35</td>
</tr>
</tbody>
</table>

*Base: All who have a defined benefit or hybrid scheme* 920 236 684

2.1.8  Differences by subgroups

In order to see whether particular groups were more likely to be unable to answer the above seven questions the following cross-breaks were examined as it was thought these factors might differentiate between people who were more or less able to answer questions about pensions:

- Standard Occupational Classification (SOC).
- Standard Industrial Classification (SIC).
- Employees’ self-rated knowledge about pensions (Ounder).
- Interviewers’ assessment of the accuracy of responses.
- Part-time compared to full-time employees.
- Income.
- Gender.
- Age.
- Whether employee consulted a pension statement during the course of their interview.
- Educational attainment.
- Scheme type (whether the employee had a defined benefit or defined contribution scheme).

*SIC and SOC*

At most questions, employees in personal service occupations were less likely to be able to answer, otherwise there were no obvious patterns by occupation. There was a slight tendency for employees in the health and social work industry to be less able to give answers, most notably concerning accrual rates and income after retirement.
Table 2.6 shows the proportions of employees who answered ‘Don’t know’ or did not give an answer at all (when they should have) at each of the seven questions with high levels of incomplete data. Answers are broken down by the SIC and SOC groups most likely to have been unable to answer. So 57 per cent of those in the health and social work industry were unable to say what the accrual rate for their defined benefit pension was, compared with 41 per cent of those in other industries.

Table 2.6  Proportion of employees who did not give an answer to each of seven questions by SIC and SOC

<table>
<thead>
<tr>
<th></th>
<th>SOC</th>
<th>SIC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Other SOC groups</td>
</tr>
<tr>
<td>Earliest age can draw pension</td>
<td>18</td>
<td>26</td>
</tr>
<tr>
<td>Employee contributions to scheme</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>Employer contributions to scheme</td>
<td>23</td>
<td>[70]</td>
</tr>
<tr>
<td>How defined benefit pension calculated</td>
<td>19</td>
<td>36</td>
</tr>
<tr>
<td>Accrual rate</td>
<td>44</td>
<td>72</td>
</tr>
<tr>
<td>Amount of lump sum expect to receive on retirement</td>
<td>20</td>
<td>29</td>
</tr>
<tr>
<td>Expected retirement income</td>
<td>35</td>
<td>60</td>
</tr>
</tbody>
</table>

Note: The base size varies for different questions and different subgroups. Where the base size is less than 50, figures are shown in square brackets.

Respondent knowledge and interviewer assessment of accuracy

As part of their WAS interview, employees were asked how much they agreed or disagreed with the statement ‘I feel I know enough about pensions to make decisions about saving for retirement’, people who agreed with this statement were more likely to give valid answers to questions than those who disagreed. Also, as part of the WAS interview, interviewers rated how accurately they thought employees had answered. Where interviewers thought answers were not accurate, employees were less likely to have been able to answer. These two variables were correlated (where respondents felt they knew enough about pensions, interviewers were more likely to rate their answer as accurate), but not highly correlated: the Pearson correlation coefficient was 0.16.

\[ A \text{ Pearson correlation coefficient of 1 shows exact correlation, and a coefficient of 0 shows no correlation. The correlation coefficient of 0.1 here is significant at the one per cent level.} \]
Table 2.7 Proportion of employees who did not give an answer to each of seven questions by respondent knowledge

<table>
<thead>
<tr>
<th>Knowledgeable about pensions</th>
<th>Total</th>
<th>Agree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earliest age can draw pension</td>
<td>18</td>
<td>12</td>
<td>25</td>
</tr>
<tr>
<td>Employee contributions to scheme</td>
<td>7</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Employer contributions to scheme</td>
<td>23</td>
<td>17</td>
<td>25</td>
</tr>
<tr>
<td>How defined benefit pension calculated</td>
<td>19</td>
<td>15</td>
<td>27</td>
</tr>
<tr>
<td>Accrual rate</td>
<td>44</td>
<td>34</td>
<td>57</td>
</tr>
<tr>
<td>Amount of lump sum expect to receive on retirement</td>
<td>20</td>
<td>14</td>
<td>29</td>
</tr>
<tr>
<td>Expected retirement income</td>
<td>35</td>
<td>25</td>
<td>48</td>
</tr>
</tbody>
</table>

Note: The base size varies for different questions and different subgroups, but all base sizes in this table are greater than 50.

Table 2.8 Proportion of employees who did not give an answer to each of seven questions by interviewer assessment of accuracy

<table>
<thead>
<tr>
<th>Interviewer's assessment of answers</th>
<th>Total</th>
<th>Very/fairly accurate</th>
<th>Not very/at all accurate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earliest age can draw pension</td>
<td>18</td>
<td>16</td>
<td>35</td>
</tr>
<tr>
<td>Employee contributions to scheme</td>
<td>7</td>
<td>6</td>
<td>14</td>
</tr>
<tr>
<td>Employer contributions to scheme</td>
<td>23</td>
<td>12</td>
<td>[41]</td>
</tr>
<tr>
<td>How defined benefit pension calculated</td>
<td>19</td>
<td>16</td>
<td>44</td>
</tr>
<tr>
<td>Accrual rate</td>
<td>44</td>
<td>40</td>
<td>78</td>
</tr>
<tr>
<td>Amount of lump sum expect to receive on retirement</td>
<td>20</td>
<td>17</td>
<td>43</td>
</tr>
<tr>
<td>Expected retirement income</td>
<td>35</td>
<td>30</td>
<td>73</td>
</tr>
</tbody>
</table>

Note: The base size varies for different questions and different subgroups. Where the base size is less than 50, figures are shown in square brackets.

Self-defined full-time/part-time status and income

Part-time employees were consistently less likely to be able to give answers than full-time employees\(^7\) (for example 49 per cent of part-time workers could not say what their expected income in retirement would be compared with 31 per cent of full-time workers), and people on gross incomes of less than £26,000 a year were

\(^7\) It was up to WAS respondents to define for themselves whether they worked full-time or part-time, so there may be some degree of inaccuracy here.
less likely to be able to give answers to the questions than those in incomes of £26,000 or more. These are related as nearly all part-time workers were earning less than £26,000 per year. These two variables are strongly correlated, with a Pearson correlation coefficient of -0.35.

Table 2.9  Proportion of employees who did not give an answer to each of seven questions by hours worked and income

<table>
<thead>
<tr>
<th></th>
<th>Hours worked</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Part-time</td>
<td>Full-time</td>
<td>Less than £26,000</td>
</tr>
<tr>
<td>Earliest age can draw pension</td>
<td>18</td>
<td>21</td>
<td>18</td>
<td>22</td>
</tr>
<tr>
<td>Employee contributions to scheme</td>
<td>7</td>
<td>10</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>Employer contributions to scheme</td>
<td>23</td>
<td>[59]</td>
<td>19</td>
<td>28</td>
</tr>
<tr>
<td>How defined benefit pension calculated</td>
<td>19</td>
<td>32</td>
<td>16</td>
<td>25</td>
</tr>
<tr>
<td>Accrual rate</td>
<td>44</td>
<td>56</td>
<td>41</td>
<td>54</td>
</tr>
<tr>
<td>Amount of lump sum expect to receive on retirement</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>21</td>
</tr>
<tr>
<td>Expected retirement income</td>
<td>35</td>
<td>49</td>
<td>31</td>
<td>43</td>
</tr>
</tbody>
</table>

Note: The base size varies for different questions and different subgroups. Where the base size is less than 50, figures are shown in square brackets.

Age and gender

Women were less likely than men to be able to answer the questions. This is likely to be related to part-time working as women are more likely than men to work part-time, and therefore, less likely to know about details of pension schemes. The Pearson correlation coefficient between gender and part-time work was 0.41, suggesting a high correlation.

At most questions, people aged under 50 were less likely to be able to answer than those aged 50 or more, for example, 25 per cent of those under 50 did not know the size of the lump sum they would receive when they retired compared with eight per cent of people aged 50 or more. One would expect knowledge of pensions to be better amongst those closer to retirement age.
Table 2.10  Proportion of employees who did not give an answer to each of seven questions by gender and age

<table>
<thead>
<tr>
<th></th>
<th>Gender</th>
<th>Age</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Male</td>
<td>Female</td>
<td>17 – 49</td>
<td>50+</td>
</tr>
<tr>
<td>Earliest age can draw pension</td>
<td>18</td>
<td>14</td>
<td>22</td>
<td>23</td>
<td>6</td>
</tr>
<tr>
<td>Employee contributions to scheme</td>
<td>7</td>
<td>36</td>
<td>49</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Employer contributions to scheme</td>
<td>23</td>
<td>21</td>
<td>28</td>
<td>22</td>
<td>26</td>
</tr>
<tr>
<td>How defined benefit pension calculated</td>
<td>19</td>
<td>14</td>
<td>24</td>
<td>22</td>
<td>13</td>
</tr>
<tr>
<td>Accrual rate</td>
<td>44</td>
<td>35</td>
<td>51</td>
<td>48</td>
<td>34</td>
</tr>
<tr>
<td>Amount of lump sum expect to receive on retirement</td>
<td>20</td>
<td>16</td>
<td>23</td>
<td>25</td>
<td>8</td>
</tr>
<tr>
<td>Expected retirement income</td>
<td>35</td>
<td>26</td>
<td>42</td>
<td>40</td>
<td>23</td>
</tr>
</tbody>
</table>

Note: The base size varies for different questions and different subgroups, but all base sizes in this table are greater than 50.

Pension statement consulted

As part of the survey, interviewers suggested to respondents that it would be helpful to look at a pension statement when answering some of the questions. Interviewers then coded whether a pension statement was consulted or not. Where respondents had looked at a pension statement they were consistently more likely to be able to answer these questions.

The pension statement would not necessarily have been consulted at each of these questions, but one would expect that employees who have a pension statement to hand would probably be people who take more of an interest in pensions and therefore would be more likely to know about the details of their pension scheme.

Table 2.11  Proportion of employees who did not give an answer to each of seven questions by whether consulted a pension statement

<table>
<thead>
<tr>
<th></th>
<th>Pension statement consulted</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Earliest age can draw pension</td>
<td>18</td>
<td>10</td>
<td>21</td>
</tr>
<tr>
<td>Employee contributions to scheme</td>
<td>7</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td>Employer contributions to scheme</td>
<td>23</td>
<td>14</td>
<td>28</td>
</tr>
<tr>
<td>How defined benefit pension calculated</td>
<td>19</td>
<td>10</td>
<td>23</td>
</tr>
<tr>
<td>Accrual rate</td>
<td>44</td>
<td>26</td>
<td>50</td>
</tr>
<tr>
<td>Amount of lump sum expect to receive on retirement</td>
<td>20</td>
<td>7</td>
<td>24</td>
</tr>
<tr>
<td>Expected retirement income</td>
<td>35</td>
<td>9</td>
<td>44</td>
</tr>
</tbody>
</table>

Note: The base size varies for different questions and different subgroups, but all base sizes in this table are greater than 50.
Educational attainment

Educational attainment does not seem to be associated with the ability to answer these questions.

Scheme type

Levels of ‘Don’t know’ or missing answers were also examined for people with defined benefit (defined benefit) schemes and people with defined contribution (defined contribution) schemes. Only two of the questions were asked for both types of scheme: earliest age the employee can draw their pension, and the amount of employee contributions to their pension scheme.

People with defined contribution schemes were less likely to be able to say what the earliest age they could draw their pension was: 24 per cent did not have a valid answer compared with 15 per cent of employees with defined benefit schemes. There was no difference by scheme type in the proportions of employees unable to say what the amount of their contributions were.

2.2 Reliability of employee data

As shown in the previous section, respondents who did not think they knew enough about pensions were less likely to be able to answer questions about pensions. And where respondents answered ‘don’t know’ to questions they were more likely to be assessed as inaccurate by interviewers. This suggests that for employees who thought their knowledge of pensions was inadequate, and for employees whose answers were rated inaccurate by interviewers, the answers they have given might be questionable. The answers to key questions are examined here by these two cross-breaks.

2.2.1 Type of pension scheme

Respondents who had an occupational pension scheme were asked what type of pension scheme it was. They were given explanations of both defined benefit and defined contribution schemes and asked to say which sounded more like their scheme.

Answers were similar for all respondents at this question, irrespective of their self-rated pensions knowledge or the interviewer’s assessment of answer accuracy.
2.2.2 Employee’s contributions to pension scheme

Employees could give their contributions either as an amount, or as a percentage of their salary. Forty-nine per cent of employees chose to give an amount, and 42 per cent gave a percentage (the rest either did not know the answer, or said they were not currently contributing – contradicting their answer to an earlier question). The type of scheme the respondent had (defined benefit or defined contribution) made no difference as to how they preferred to answer this question.

For the purposes of this analysis, all answers have been converted to a percentage of the employee’s salary.

Again, answers were fairly similar irrespective of self-rated pensions knowledge or interviewer’s assessment of answer accuracy.

Some highly implausible answers were recorded at this question. Of the employees who gave their contributions as an amount, one converted to 0.06 per cent of their salary, one was 106 per cent of their salary, and one was 532 per cent of their salary. For these it seems likely that an error was made when collecting data either about the employee’s pension contributions, or about their salary. There was also one respondent who answered as a percentage who said they were contributing 100 per cent of their salary to their pension scheme, which seems unlikely.

These implausible answers would usually be edited by the Office for National Statistics (ONS) for the final WAS dataset, but because of the need to contact employers relatively quickly, unedited data was provided to BMRB for the feasibility study. Any mainstage survey would be working to similar tight time frames. Therefore, resources would have to be allocated (either within Government or contractually) to edit the employee data.

---

**Table 2.12 Type of occupational pension scheme**

<table>
<thead>
<tr>
<th>Scheme Type</th>
<th>Total</th>
<th>Agree</th>
<th>Disagree</th>
<th>Interviewer’s assessment of answers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Very/fairly accurate</td>
</tr>
<tr>
<td>Defined contribution</td>
<td>23</td>
<td>21</td>
<td>25</td>
<td>24</td>
</tr>
<tr>
<td>Defined benefit</td>
<td>73</td>
<td>77</td>
<td>70</td>
<td>73</td>
</tr>
<tr>
<td>Hybrid</td>
<td>*</td>
<td>*</td>
<td>0</td>
<td>*</td>
</tr>
<tr>
<td>Don’t know</td>
<td>4</td>
<td>2</td>
<td>5</td>
<td>3</td>
</tr>
</tbody>
</table>

Base: All with at least one occupation pension scheme

1,258   564   415   1,111   147

---
Table 2.13 Employee contributions (as a percentage of salary)

<table>
<thead>
<tr>
<th>Knowledgeable about pensions</th>
<th>Column percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>Less than one per cent</td>
<td>*</td>
</tr>
<tr>
<td>One per cent to 15 per cent</td>
<td>88</td>
</tr>
<tr>
<td>More than 15 per cent up to 50 per cent</td>
<td>2</td>
</tr>
<tr>
<td>More than 50 per cent</td>
<td>1</td>
</tr>
<tr>
<td>Not currently contributing</td>
<td>2</td>
</tr>
<tr>
<td>Don’t know/no answer</td>
<td>8</td>
</tr>
</tbody>
</table>

Base: All who make contributions

1,133 | 491 | 382 | 1,000 | 133

2.2.3 Employer’s contributions to pension scheme (for defined contribution schemes only)

Again, contributions could be given as an amount or a percentage of salary, but have all been converted to percentages for ease of comparison. Almost a quarter of respondents (24 per cent) chose to answer as an amount, and around half (51 per cent) gave a percentage of their salary. One per cent of respondents gave their employer’s contributions as a percentage of their own contributions and the rest did not know the answer.

Responses did not significantly vary between those with adequate pensions knowledge and those without, or between respondents interviewers rated as accurate and those they did not.
Table 2.14  Employer contributions (as a percentage of salary)

<table>
<thead>
<tr>
<th>Employer contributions (as a percentage of salary)</th>
<th>Column percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Knowledgeable about pensions</td>
</tr>
<tr>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>Less than one per cent</td>
<td>1</td>
</tr>
<tr>
<td>One per cent to 15 per cent</td>
<td>70</td>
</tr>
<tr>
<td>More than 15 per cent up to 50 per cent</td>
<td>5</td>
</tr>
<tr>
<td>More than 50 per cent</td>
<td>*</td>
</tr>
<tr>
<td>Not currently contributing</td>
<td>*</td>
</tr>
<tr>
<td>Don’t know/no answer</td>
<td>24</td>
</tr>
</tbody>
</table>

Base: All who make contributions (and have defined contribution schemes)

267  105  94  240  27

The similarity of the data across the cross-breaks suggests that respondents who did not think their pensions knowledge was adequate were still giving reasonable answers, or perhaps the people who rated their knowledge as less good were just being more accurate about their own knowledge. Where interviewers did not think respondents’ answers were accurate, they appear to be plausible (although the base size here is small).

Perhaps more interesting is whether or not the employees’ answers match employers’ answers. This is examined in Chapter 4.
3 Analysis of employer data

3.1 Item non-response

The employer data was examined for gaps – cases where a question should have been answered (according to the questionnaire routing) but was not. Table I.1 in Appendix I shows the level of item non-response for all questions in the employer questionnaire.

The employer questionnaire did not include any ‘Don’t know’ answer options (either on the paper or online questionnaires), so if respondents could not answer a question they had to miss it out entirely.

There was some item non-response at almost all questions on the paper questionnaires, but for most questions data was only missing for a small proportion of those that should have answered the question (according to questionnaire routing). Item non-response was less of an issue for online questionnaires. There are a number of reasons why this might be the case:

- Employers who completed the paper questionnaire may have found the routing instructions on the questionnaire difficult to follow, and so accidentally missed out questions. The routing on the online questionnaire was automatic so respondents could not make this kind of mistake.

- It may have been due to respondents not realising they could skip past questions on the online questionnaire, so they always gave an answer.

- It may be the case that respondents who chose to fill in the questionnaire online were the ones who found the questions easier to answer – and if people had problems answering the questions they felt happier answering the paper questionnaire as they could make notes on it to explain their inability to answer (these notes are, of course, not picked up in the data, but respondents would not necessarily know that).

The paper questionnaire can be seen in Appendix B, and there are screen shots of the online survey in Appendix C.
3.1.1 Questions with high proportions of missing data

There were five questions with high proportions of missing data, although only two of these were questions that were specifically about the employee’s pension details, the others were questions about the organisation. The five questions were:

- Whether the employee had transferred pension rights from another scheme (B6).
- The number of years the employee had built up in their main pension scheme (B7).
- The normal pension age for scheme members (C1).
- The number of employees at the employee’s workplace (D2).
- The number of employees in the organisation (D3).

There are two possible reasons why employers might have missed individual questions: either they could not correctly follow the routing instructions on the questionnaire, or they were not able to answer the question. For these five questions, the routing instructions on the questionnaire were not complicated, so it seems likely that many employers did not complete them because they were not able to answer. Additionally, although not significant (due to small base sizes) a greater number of employers that answered the online questionnaire also struggled to answer most of these five questions.

It is possible that the high degree of missing data at the last three of these questions was due to employer questionnaires not always being completed by the direct employer, but by whoever administers the pension scheme for the employer. These pension scheme administrators would not necessarily have access to information about the organisation.

3.1.2 Transferred pension rights

Seven per cent of employers did not say whether their employee had transferred pension rights from another scheme

Table 3.1 Whether employee had transferred pension rights

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Paper questionnaire</th>
<th>Online questionnaire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data missing</td>
<td>7</td>
<td>7</td>
<td>4</td>
</tr>
</tbody>
</table>

Base: All who have a defined benefit or hybrid scheme

8 Question number from the employer questionnaire.
3.1.3 Number of years built up in main pension scheme

One in six employers could not say what year the employee joined their main pension scheme. Employees were asked this question also, and only one per cent of employees could not give an answer.

Table 3.2 Number of years built up in main pension scheme

<table>
<thead>
<tr>
<th></th>
<th>Column percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>Data missing</td>
<td>16</td>
</tr>
<tr>
<td><strong>Base: All who have a defined benefit or hybrid scheme</strong></td>
<td>519</td>
</tr>
</tbody>
</table>

3.1.4 Normal pension age for scheme members

All employers with a pension scheme were asked what the normal pension age was for male scheme members and for female scheme members. One in ten employers could not answer. Larger organisations were more likely than smaller ones to provide this information. Employees were asked a similar question to this, and a high proportion (18 per cent) could not give an answer.

Table 3.3 Normal pension age for scheme members

<table>
<thead>
<tr>
<th></th>
<th>Column percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>Data missing – male scheme members</td>
<td>9</td>
</tr>
<tr>
<td>Data missing – female scheme members</td>
<td>9</td>
</tr>
<tr>
<td><strong>Base: All employers with a pension scheme</strong></td>
<td>798</td>
</tr>
</tbody>
</table>

3.1.5 Workplace and organisation size

All employers were asked about the number of employees at the employee’s workplace and in the organisation as a whole, most employers could give the size of the organisation, but the size of the individual employee’s workplace caused more difficulty. Public sector organisations had greater problems than the private sector with providing this information. It was most likely multi-site organisations which had missing data for workplace size.
Table 3.4 Workplace and organisation size

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Paper questionnaire</th>
<th>Online questionnaire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data missing – workplace size</td>
<td>15</td>
<td>16</td>
<td>7</td>
</tr>
<tr>
<td>Data missing – organisation size</td>
<td>6</td>
<td>7</td>
<td>3</td>
</tr>
</tbody>
</table>

*Base: All employers* 850 761 89

3.1.6 Differences by subgroups

In order to assess whether particular types of employer were less likely to be able to answer these questions the following cross-breaks were examined:

- Standard Industrial Classification (SIC) (from employee data).
- Organisation size.
- Whether employer is in the private or public sector (according to the employer).
- Number of individuals who helped to complete the questionnaire.
- Job title of the respondent who complete the employer questionnaire.
- Whether the respondent checked administrative records.
- Whether the employee had a defined benefit or defined contribution pension scheme (according to the employer).

*Industry, organisation size and sector*

Table 3.5 shows the proportion of respondents who should have answered each of the questions, but did not for different subgroups. For example, 18 per cent of public sector employers could not say how many years the employee had built up in their pension scheme, compared with ten per cent of private sector employers. Base sizes are not shown as they vary for different questions and different subgroups, but all findings are based on at least 50 employers.

As shown in Table 3.5, the only industry sector that was more likely than average to have missing data with any consistency was education. Smaller employers were generally more likely than larger employers to have missing data, and public sector employers were generally more likely than private sector employers to have missing data.
Table 3.5  Proportion of employers who did not give an answer to each of five questions by industry, organisation size and sector

<table>
<thead>
<tr>
<th></th>
<th>Column percentages</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>SIC</td>
<td>Organisation size</td>
<td>Sector</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>1 – 499</td>
<td>500+</td>
<td>Private</td>
<td>Public</td>
</tr>
<tr>
<td>Transferred pension rights</td>
<td>7</td>
<td>12</td>
<td>7</td>
<td>7</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Years built up in pension scheme</td>
<td>16</td>
<td>33</td>
<td>28</td>
<td>15</td>
<td>10</td>
<td>18</td>
</tr>
<tr>
<td>Pension age – men</td>
<td>9</td>
<td>12</td>
<td>12</td>
<td>8</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>Pension age – women</td>
<td>9</td>
<td>8</td>
<td>12</td>
<td>8</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>Workplace size</td>
<td>15</td>
<td>20</td>
<td>15</td>
<td>7</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>Organisation size</td>
<td>6</td>
<td>5</td>
<td>1</td>
<td>6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: The base size varies for different questions and different subgroups, but all base sizes in this table are greater than 50.

Number and job title of respondents

The number of respondents who helped answer the questionnaire does not seem to affect whether there is missing data or not, but the area in which the respondent worked does have an effect. Job titles of respondents have been split into those that include mention of pensions or benefits, and those that do not. As shown in Table 3.6, respondents who worked in pensions or benefits were generally less likely to miss out questions relating to pensions (only three per cent could not give the normal pension age for women compared with 13 per cent of respondents who worked in other areas). Respondents who worked in pensions and benefits were not more likely to be able to answer questions on workplace and organisation size though.

Table 3.6  Proportion of employers who did not give an answer to each of five questions by job title of respondent

<table>
<thead>
<tr>
<th></th>
<th>Column percentages</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Area work in</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>Pensions/ benefits</td>
<td>Other</td>
<td></td>
</tr>
<tr>
<td>Transferred pension rights</td>
<td>7</td>
<td>5</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Years built up in pension scheme</td>
<td>16</td>
<td>10</td>
<td>18</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension age – men</td>
<td>9</td>
<td>4</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension age – women</td>
<td>9</td>
<td>3</td>
<td>13</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workplace size</td>
<td>15</td>
<td>16</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organisation size</td>
<td>6</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: The base size varies for different questions and different subgroups.
Whether checked administrative records

There was a slight tendency for employers who had to consult administrative records in order to answer the questions to be a little more likely to have missing data. These results are not statistically significant, but as Table 3.7 shows the pattern is consistent across all but one of the questions, suggesting that this might be a real trend. While this may seem counter intuitive, it can be explained. Where respondents did not need to look up information, presumably they felt they knew the answer to the question, and so were less likely to miss it. Where respondents were looking up information to answer the questions, if they could not find the necessary information they would probably not guess the answer, and so would be more likely to miss the question.

Table 3.7 Proportion of employers who did not give an answer to each of five questions by whether the employer checked administrative records

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transferred pension rights</td>
<td>7</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>Years built up in pension scheme</td>
<td>16</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>Pension age – men</td>
<td>9</td>
<td>9</td>
<td>7</td>
</tr>
<tr>
<td>Pension age – women</td>
<td>9</td>
<td>11</td>
<td>7</td>
</tr>
<tr>
<td>Workplace size</td>
<td>15</td>
<td>14</td>
<td>11</td>
</tr>
<tr>
<td>Organisation size</td>
<td>6</td>
<td>0</td>
<td>4</td>
</tr>
</tbody>
</table>

Note: The base size varies for different questions and different subgroups.

Whether the employee had a defined benefit or defined contribution scheme

There was a slight tendency for employers to be less able to answer if the employee had a defined benefit scheme, although this is only significant for the question on workplace size. The questions on transferred pension rights and years built up in the pension scheme were only asked if the employer said the employee had a defined benefit pension scheme, so these questions cannot be examined here. The results are shown in Table 3.8.
Table 3.8  Proportion of employers who did not give an answer to each of three questions by scheme type

<table>
<thead>
<tr>
<th>Percentages</th>
<th>Scheme type</th>
<th>Total</th>
<th>Defined benefit</th>
<th>Defined contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension age – men</td>
<td>9</td>
<td>8</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Pension age – women</td>
<td>9</td>
<td>7</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Workplace size</td>
<td>15</td>
<td>20</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Organisation size</td>
<td>6</td>
<td>8</td>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>

Note: The base size varies for different questions and different subgroups.

3.2  Accuracy of responses

3.2.1  Estimating answers

As part of the employer questionnaire, employers were asked to say whether their answers to questions about the employer's and employee's contributions to the pension scheme were estimates or not. Six per cent of employers had estimated the amount of their contributions to the pension scheme, and eight per cent had estimated the amount of the employee's contribution to the pension scheme.

3.2.2  Confidence in answers

A small sample of employers who took part in the survey were re-contacted by telephone and asked a few questions about their experience of completing the survey. As part of this, employers were asked how confident they were in the accuracy of their answers. Three-quarters were very confident, and most of the remainder were fairly confident. Just one employer said they were not at all confident in the accuracy of their answers.

3.3  Timing issues

The employer follow-up survey took place nearly a year after employees were interviewed for the Wealth and Assets Survey (WAS), but employers were asked to answer questions in reference to the date the employee was interviewed. At the beginning of the questionnaire employers were asked to say whether the information they were providing referred to this ‘reference date’ or to another date; ten per cent did not answer, but of those that did answer 94 per cent said the information did refer to the reference date.

Where information did not refer to the reference date, in most cases it referred to the date the employer completed the questionnaire (around nine months to one year later).
3.4 Comparisons with other data sources

The full WAS sample is representative of adults in work and, consequently, most of the respondents work in fairly large organisations. This means that most of the employers in the follow-up study are fairly large organisations. The employer follow-up sample is therefore not representative of employers – most of which are small – but of employment. Consequently, the data should not be used as a source of information about employers. Rather the employers are providing additional information about WAS sample members.

3.4.1 Employee details

The sub-sample of employees for which we have employer data may not be perfectly representative of the larger WAS sample. Section 5.3 of this report shows that public sector organisations were generally less likely than others to respond to the survey request. British Market Research Bureau (BMRB) also found that sending more than one questionnaire to a single employer acted as a disincentive to response.

However, BMRB did not have access to the full WAS sample details while writing this report. The most substantial element of non-response bias may be due to differences between those WAS respondents who agreed to follow-up contact with their employer and those who did not. This is not yet known.

BMRB did explore the possibility of comparing some of the employee-level estimates with those from the Labour Force Survey (LFS), but there is no detail on current pension provision in that survey. The Family Resources Survey (FRS) contains more detail, but cannot provide an exact identification of individuals who would have been eligible for the WAS employer follow-up survey9. It is best to wait until the full WAS dataset is available before comparing the sub-sample of cases with employer-derived data to the sub-sample of cases without.

---

9 The best comparison group would be those cases where EmpPay = 2 or EpCur = Yes. However, this would include those employees that are ineligible for the company scheme.
Comparing employee and employer data

There were 16 questions that were asked of both employees and employers (although the question on the earliest age the employee can draw their pension is not strictly comparable across the two datasets, as discussed in Section 4.1.15), these 16 questions were:

- Whether the organisation offered access to a pension scheme (B1, PEmOff).\(^{10}\)
- Whether the employee was a member of the organisation’s pension scheme (B2, PEmMem).
- When the employee joined the pension scheme (B3, POJoin).
- Employee’s main type of pension provision (B5, POccTyp).
- The number of years the employee had built up in the pension scheme (B7, PBQual).
- How the employee’s defined benefit pension will be calculated (B8, PDBCal).
- The accrual rate of the employee’s defined benefit pension (B9, PBFrac).
- Whether the employer was making contributions to the pension scheme (B11, POEmp).
- The amount of the organisation’s contributions to the pension scheme (B12, POEmpH – POEmFr).
- Whether the employee was contributing to the pension scheme (B13, POMeth and POPyCh).
- The amount of the employee’s contributions to the pension scheme (B14, POConH – POCnFg).

\(^{10}\) Question numbers shown are from the employer questionnaire (included in Appendix B) and question names are from the original Wealth and Assets Survey (WAS) questionnaire.
• Whether the employee made any additional payments (B15, POAdd).
• Amount of the employee’s additional payments (B15, PAvcH – PavcFr).
• Contributions the employee had made in the last year if they were not contributing at the reference date (B16, POYrAm).
• Whether the employee was eligible to join the organisation’s pension scheme (B17, PEMElg).
• The earliest age the employee can draw their pension without penalties (C1, PORAge).

4.1 Comparing answers across employee and employer data

Where the employer had taken part in the follow-up survey, data from employees and employers was compared to see how closely it matched. At each question the base used for comparing employee data and employer data is any cases with an answer in either dataset.

At each question where a comparison has been made, the proportions of cases falling into each of the following categories are examined:

• Cases where data from both employees and employers is present and it matches.
• Cases where data from both employees and employers is present and it differs.
• Cases where the employee has given an answer but the employer has not.
• Cases where the employer has given an answer but the employee has not.

Missing data can be due to different routes taken by employer and employee, or because one of the two parties did not provide an answer (or said ‘Don’t know’) when they should have.

The reason for using this base is that most questions are asked of a subset of the total sample, based on the answers given to previous questions. Unfortunately, the answers given at previous questions by employers and employees do not always match! A more definitive base would require us to make assumptions about whether the employee or employer was correct at the previous question on which the routing is based. It may be possible to do this (and some guidelines for assessing whether employees or employers might be right are discussed in Section 4.3) but, for the most part, it is more useful to look at all cases with an answer from at least one source.

Looking at all cases with an answer in either employer or employee data is effectively the same as looking at all cases where there should be an answer in either dataset as, for the most part, those who did answer questions are those
who **should** have answered questions. For example, looking at the question on accrual rates (examined in Section 4.1.7) there were 589 cases with an answer in either the employee or employer data. This question should have been answered for all defined benefit or hybrid schemes, and 590 cases were defined as having a defined benefit or hybrid scheme in either the employee or employer data. Of these 590 cases, 588 are included in the 589 where there was an answer in either the employee or employer data.

Much of the routing in both the employee and employer questionnaires is based on the type of scheme the employee had (whether it was a defined benefit or defined contribution scheme). As shown in Table J.2 in Appendix J there were some cases where the employee said they had a defined benefit scheme, but the employer said they had a defined contribution scheme and vice versa. In these cases the employee and employer would have followed different routes through the questionnaire. Because the analysis in this chapter focuses on cases with an answer in either the employer data or the employee data, these cases will appear at questions asked only of defined benefit schemes as well as questions asked only of defined contribution schemes, although data will only be present in either the employee or employer data, not both. Any mainstage employer follow-up survey conducted would also have to contend with this issue.

### 4.1.1 Whether the organisation offered access to one or more pension schemes

It was a condition for inclusion in the employer follow-up survey that an occupational pension scheme was offered. This meant either a defined benefit or defined contribution (or hybrid) occupational scheme. Group Personal Pensions (GPP) and Stakeholder pensions were not included in the scope of the employer follow-up survey. Although these types of pensions can be arranged by employers, they are not occupational schemes.

As a result of this condition, according to employee data, all employers in the survey offered access to an occupational pension scheme. However, some employers contradicted the employee and said they did not offer access to a pension scheme, or said they did offer access to a pension scheme, but it was a GPP or Stakeholder scheme. Others had no data at this question. Of the 850 cases where an employer questionnaire was completed:

- 82 per cent had an answer in both datasets and it matched;
- four per cent had an answer in both datasets and it differed;
- 11 per cent of employers said they did offer access to a pension scheme, but it was a GPP or Stakeholder scheme the employee belonged to;
- in four per cent of cases the employee had given an answer, but the employer had not:
  - one per cent were cases where the employer should have answered, but did not (item non-response);
– three per cent were cases where the employer should not have answered due to questionnaire routing (these were cases where the employer said the employee did not work for them);

• there were no cases without an answer in the employee data.

There were 1,460 employees who were eligible to be included in the employer follow-up survey and gave permission for their employer to be contacted, and a further 981 who were eligible, but did not give permission for their employer to be contacted. It is therefore useful to look at the proportion of these 2,441 employees (the ‘eligible population’) whose data would be added to or potentially changed as a result of the employer follow-up survey. For this particular question no respondents would have their data added to, but 124 respondents might potentially have their data changed which corresponds to five per cent of the eligible population. A discussion of whether employee or employer data is more likely to be correct where data differs is included in Section 4.3.

Table 4.1 shows the distributions of answers in employee and employer data for cases where there was an answer in both datasets.

### Table 4.1 Whether the organisation offered access to a pension scheme

<table>
<thead>
<tr>
<th></th>
<th>Column percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employee data</td>
</tr>
<tr>
<td>Yes</td>
<td>100</td>
</tr>
<tr>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

Base: All with an answer in both the employee and employer data

818       818

#### 4.1.2 Whether employee was a member of the organisation’s pension scheme

For the most part, employee and employer data was consistent when it came to whether or not the employee was a member of the organisation’s pension scheme. Of the 850 cases where an employer questionnaire was completed:

• the data matched in 91 per cent of cases;

• in two per cent of cases the data did not match;

• for the remaining cases there was no employer data:

– for one per cent because the employer had not answered the question when they should have (item non-response);
– for seven per cent because the employer should not have answered the question due to questionnaire routing (e.g. if the employer said they did not offer access to a pension scheme, or that the employee did not work for them);

• there were no cases without an answer in the employee data.

For the 18 cases where data did not match: 13 employees said they were members of their employer’s pension scheme when their employer said they were not; and five employees said they were not members of their organisation’s pension scheme when their employer said they were.

As data is very similar across the employee and employer data here, only one per cent of the eligible population might potentially have their data changed as a result of conducting the employer survey. Table 4.2 shows the distributions of answers in employee and employer data for cases where there was an answer in both datasets.

### Table 4.2 Whether the employee was a member of the organisation’s pension scheme

<table>
<thead>
<tr>
<th></th>
<th>Employee data</th>
<th>Employer data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>86</td>
<td>85</td>
</tr>
<tr>
<td>No</td>
<td>14</td>
<td>15</td>
</tr>
</tbody>
</table>

*Base: All with an answer in both the employee and employer data 787 787*

### 4.1.3 Year in which the employee joined the pension scheme

There were 731 cases with an answer concerning the year in which the employee joined the pension scheme in either the employee or employer data (these were cases where the employee was a member of the organisation’s occupational pension scheme, according to either employee or employer data), of these:

• 46 per cent matched exactly;

• 18 per cent differed by just one year;

• six per cent differed by two years;

• 18 per cent differed by three years or more;

• ten per cent had an answer in the employee data, but not the employer data:
  – three per cent should have had an answer in employer data, but did not (item non-response);
  – seven per cent should not have had an answer in employer data due to questionnaire routing (e.g. if the employer said the employee was not a member of the organisation’s pension scheme);
• one per cent had an answer in the employer data, but not the employee data:
  – in all these cases the employee was not routed to the question and so should
    not have had an answer here.

There were 184 cases where the data differed by a year or more, or where employee
data was missing, this means that eight per cent of the eligible population would
potentially have their data added to or amended by more than one year as a result
of conducting the employer survey. Table 4.3 shows the distributions of answers
for cases where data is present from both employers and employees. A crosstab
of employees’ answer against employers’ answers can be found in Appendix J
(Table J.1).

### Table 4.3 Year in which the employee joined the pension scheme

<table>
<thead>
<tr>
<th>Year</th>
<th>Employee data</th>
<th>Employer data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before 1980</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>1980 – 1989</td>
<td>16</td>
<td>14</td>
</tr>
<tr>
<td>1990 – 1999</td>
<td>28</td>
<td>29</td>
</tr>
<tr>
<td>2000 – 2002</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>2003 – 2004</td>
<td>13</td>
<td>14</td>
</tr>
<tr>
<td>2005 – 2006</td>
<td>13</td>
<td>15</td>
</tr>
<tr>
<td>2007</td>
<td>0</td>
<td>*</td>
</tr>
</tbody>
</table>

*Base: All with an answer in both the employee and employer data*

This question was asked for both defined benefit and defined contribution pension
schemes. According to both employee and employer data, employees with defined
benefit schemes had generally joined their pension scheme earlier than those with
defined contribution schemes. Although this may be partly due to employees with
defined benefit schemes being a little older on average than those with defined
contribution schemes.

### 4.1.4 Employee’s main type of pension provision

There were 733 cases with an answer concerning the employee’s main type of
pension provision in either the employee or employer data (these were cases
where the employee was a member of the organisation’s occupational pension
scheme, according to either employee or employer data), of these:

• the data matched in 69 per cent of cases;
• the data differed in 20 per cent of cases;
• seven per cent of cases had no employer data:
– less than one per cent due to the employer not answering when they should have (item non-response);
– seven per cent because the employer was not routed to the question (e.g. if the employer said the employee was not a member of the organisation’s pension scheme);
• four per cent had no employee data:
  – in three per cent of cases this was because the employee had said ‘Don’t know’;
  – in one per cent the employee was not routed to the question.

Employees with incomes of less than £26,000 were less likely than those with higher incomes to have their data match employer data at this question.

The answers given (for cases with answers in both datasets) are shown in Table 4.4. Cases were only eligible to be included in the employer follow-up survey if the employee said they had (or were eligible for) an occupational pension scheme. This did not include GPP schemes or Stakeholder schemes. However, some employers said that employees had GPP or Stakeholder schemes. It is unsurprising that some employees with GPP or Stakeholder pensions might have mistaken them for occupational pensions due to their similarity with occupational pensions and the fact that employers can arrange these schemes.

A crosstab of employees’ answers against employers’ answers can be found in Appendix J (Table J.2).

Aside from the confusion over GPP and Stakeholder schemes\(^\text{11}\), data from the two sources were largely similar at this question, so only seven per cent of the eligible population of WAS respondents would potentially have their data changed or added to as a result of conducting the employer survey.

\(^\text{11}\) There were 90 cases where, according to employer data, the employee had a GPP or Stakeholder scheme: 83 of these cases are defined as having differing data, and seven are defined as having no employee data as the employee could not answer the question about what type of scheme they had.
Table 4.4  Employee’s main type of pension provision

<table>
<thead>
<tr>
<th></th>
<th>Column percentages</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employee data</td>
<td>Employer data</td>
<td></td>
</tr>
<tr>
<td>Defined benefit</td>
<td>73</td>
<td>76</td>
<td></td>
</tr>
<tr>
<td>Defined contribution</td>
<td>24</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Hybrid</td>
<td>*</td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>Group Personal Pension</td>
<td>-</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Stakeholder</td>
<td>-</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Don’t know</td>
<td>3</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Base: All with an answer in both the employee and employer data</strong></td>
<td><strong>675</strong></td>
<td><strong>675</strong></td>
<td></td>
</tr>
</tbody>
</table>

4.1.5  Number of years employee had built up in main pension scheme

There were 578 cases with an answer concerning the number of years the employee had built up in the pension scheme in either the employee or employer data (these were cases where the employee had a defined benefit or hybrid scheme, according to either employee or employer data), of these:

- 23 per cent matched exactly;
- 21 per cent differed by just one year;
- six per cent differed by two years;
- 15 per cent differed by three years or more;
- 24 per cent had an answer in the employee data, but not the employer data:
  - in 12 per cent of cases the employer should have answered the question, but did not (item non-response);
  - in 12 per cent the employer should not have answered the question due to questionnaire routing (e.g. if the employer said the employee did not have a defined benefit or hybrid pension scheme);\(^{12}\)

\(^{12}\) As discussed in detail at the beginning of Section 4.1, where employee and employers disagreed as to whether the employee had a defined benefit or defined contribution scheme they followed different routes through the questionnaire. However, because the base for comparison of employee and employer data is all with an answer in either dataset, such cases will appear at both questions asked about defined benefit schemes and questions asked about defined contribution schemes, but will only have data present from either employer or employee (and not both) at each question.
nine per cent had an answer in the employer data, but not the employee data:

– for less than one per cent the employee should have answered and did not;
– for nine per cent the employee was not asked the question due to questionnaire routing.

Older employees (those aged 50 or more) were less likely than those aged under 50 to have their data match employer data at this question.

As shown in Table 4.5, the overall picture for the distribution of data is fairly similar for employee data and employer data. A crosstab of employees’ answer against employers’ answers can be found in Appendix J (Table J.3).

If the follow-up survey was conducted on a full-scale basis, we might expect employee data to be altered by more than one year (or added to) for seven per cent of cases. However, this question was only asked of defined benefit or hybrid schemes in both the employee and employer questionnaire, so one should define the eligible population here as all employees who said they had a defined benefit or hybrid scheme (1,593 employees). Of these 1,593 employees there were 126 with employer data where the data differed by more than one year, and one case where there was employer data and the employee should have given an answer but did not. So eight per cent of WAS respondents with defined benefit or hybrid schemes might potentially have had their answers altered or added to here. Note, the cases with employer data where the employee did not answer the question because they were not asked it are not included in this eight per cent, because in these cases the employee did not say they had a defined benefit or hybrid scheme, and so they are not part of the 1,593.

Table 4.5 Number of years employee had built up in pension scheme

<table>
<thead>
<tr>
<th></th>
<th>Column percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employee data</td>
</tr>
<tr>
<td>0 – 4 years</td>
<td>21</td>
</tr>
<tr>
<td>5 – 9 years</td>
<td>21</td>
</tr>
<tr>
<td>10 – 14 years</td>
<td>15</td>
</tr>
<tr>
<td>15 – 19 years</td>
<td>13</td>
</tr>
<tr>
<td>20 – 24 years</td>
<td>10</td>
</tr>
<tr>
<td>25 years or more</td>
<td>20</td>
</tr>
</tbody>
</table>

*Base: All with an answer in both the employee and employer data*
4.1.6 How the employee’s defined benefit pension will be calculated

Employee and employer questions were not identical due to the need to offer more explanation to the employee, but they were similar enough to be directly comparable. Employees were asked ‘You said earlier that the amount of pension you receive will be related to your salary and the number of years you have been in the scheme. Which of these best describes how your pension will be calculated. Will it be some fraction of…’ and the answer categories were read out by the interviewer. The employer questionnaire said ‘Which of these best describes how the employee’s pension will be calculated? Will it be some fraction of…’ and the answer categories were printed on the questionnaire.

Fewer answers matched here than at previous questions. Of the 590 cases with an answer in either the employer or employee data (these were cases where the employee had a defined benefit or hybrid scheme, according to either employee or employer data):

- data matched in 31 per cent of cases;
- data differed in 31 per cent of cases;
- nine per cent of cases had no employer data:
  - in two per cent of cases this was because the employer did not answer the question when they should have (item non-response);
  - in eight per cent the employer was routed away from the question (e.g. if the employer said the employee did not have a defined benefit or hybrid pension scheme);
- 29 per cent of cases had no employee data:
  - in 18 per cent of cases the employee answered ‘Don’t know’;
  - in ten per cent of cases the employee was not routed to the question.

As shown in Section 2.1.8 employees were fairly likely to answer ‘Don’t know’ at this question, and certain groups of employees were more likely than others to have been unable to answer:

- those in personal service occupations;
- those in the Health and Social work industry;
- those who disagreed with the statement ‘I feel I know enough about pensions to make decisions about saving for retirement’;
- those whose answers were rated as inaccurate by their interviewer;
- those who worked part-time;
- those earning less than £26,000 per year (this is probably linked to part-time work);
- women (this is also probably linked to part-time work);
• those aged under 50;
• those who had not consulted a pension statement during the course of their interview.

The answers given by employees and employers are shown in Table 4.6. A crosstab of employees’ answers against employers’ answers can be found in Appendix J (Table J.4).

Due to the differences in the data and the fairly high proportion of employees who could not answer this question, 14 per cent of the total eligible population might potentially have had their data altered as a result of conducting the employer survey. As for the previous question, this question was only asked of those with defined benefit or hybrid schemes, so the eligible population could be defined as the 1,593 WAS respondents who said they had defined benefit or hybrid schemes. There were 184 cases where data differed between the two datasets, and a further 107 cases with an answer in the employer data where the employee had answered ‘Don’t know’, so for 18 per cent13 of those with defined benefit or hybrid schemes, employee data might potentially be altered or added to.

Table 4.6  How employee’s defined benefit pension will be calculated

<table>
<thead>
<tr>
<th></th>
<th>Column percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employee data</td>
</tr>
<tr>
<td>Final years salary</td>
<td>51</td>
</tr>
<tr>
<td>Career average earnings/salary from all years have been in scheme(^1)</td>
<td>9</td>
</tr>
<tr>
<td>Last three years salary</td>
<td>14</td>
</tr>
<tr>
<td>Last five years salary</td>
<td>2</td>
</tr>
<tr>
<td>Best three years salary in the last ten years</td>
<td>3</td>
</tr>
<tr>
<td>Best year’s salary in the last three years(^2)</td>
<td>*</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
</tr>
<tr>
<td>Don’t know</td>
<td>18</td>
</tr>
</tbody>
</table>

Base: All with an answer in both the employee and employer data 448 448

\(^1\) ‘Career average earnings’ was an answer included on the employer questionnaire, but the equivalent answer that was offered for employees was ‘Your salary from all years that you have been in the scheme’. Although the wording is different, these mean the same thing.

\(^2\) ‘Best year’s salary in the last three years’ was not included on the read out list in the employee questionnaire or in the printed options on the employer questionnaire, but was coded from verbatim answers given by respondents who gave an ‘other specify’ answer.

13 Note, the cases with employer data where the employee did not answer the question because they were not asked it are not included in this 18 per cent, because in these cases the employee did not say they had a defined benefit or hybrid scheme, and so they are not part of the 1,593.
4.1.7 Accrual rate of employee’s defined benefit pension

Accrual rates caused the most problems for employees. A high proportion of them were not able to say what the accrual rate for their pension was. Of those that could answer, there was a notable proportion who gave an answer that differed from their employer’s answer.

There were 589 cases where there was an answer to this question in either the employee or employer data (these were cases where the employee had a defined benefit or hybrid scheme, according to either employee or employer data), of these:

- 32 per cent matched;
- 14 per cent differed;
- there was no employer data for seven per cent:
  - for one per cent because the employer did not answer the question when they should have (item non-response);
  - for six per cent because the employer was not routed to the question (e.g. if the employer said the employee did not have a defined benefit or hybrid pension scheme);
- there was no employee data for 47 per cent:
  - 37 per cent due to the employee answering ‘Don’t know’;
  - ten per cent because the employee was not routed to the question (e.g. if the employee did not say they had a defined benefit or hybrid pension scheme).

As shown in Section 2.1.8 there was a fairly high level of ‘Don’t know’ answers among employees at this question, and certain groups of employees were more likely than others to have been unable to answer:

- those in personal service occupations;
- those in the health and social work industry;
- those who disagreed with the statement ‘I feel I know enough about pensions to make decisions about saving for retirement’;
- those whose answers were rated as inaccurate by their interviewer;
- those who worked part-time;
- those earning less than £26,000 per year (this is probably linked to part-time work);
- women (this is also probably linked to part-time work);
- those aged under 50;
- those who had not consulted a pension statement during the course of their interview.
Table 4.7 shows responses given by both employees and employers at this question. As this table shows, the distributions of answers are quite different in employee and employer data, so the data for 15 per cent of the total eligible population might potentially be amended or added to as a result of the employer survey. A crosstab of employees’ answer against employers’ answers can be found in Appendix J (Table J.5).

Again, this question was only asked of those with defined benefit or hybrid schemes, so the eligible population could be defined as the 1,593 WAS respondents who said they had defined benefit or hybrid schemes. There were 83 cases where data differed between the two datasets, and a further 216 cases with an answer in the employer data where the employee had answered ‘Don’t know’, so for 19 per cent of those with defined benefit or hybrid schemes, employee data might potentially be altered or added to.

Table 4.7  Accrual rate of defined benefit pension

<table>
<thead>
<tr>
<th></th>
<th>Employee data</th>
<th>Employer data</th>
</tr>
</thead>
<tbody>
<tr>
<td>One 60th</td>
<td>27</td>
<td>29</td>
</tr>
<tr>
<td>One 80th</td>
<td>29</td>
<td>64</td>
</tr>
<tr>
<td>Other</td>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td>Don’t know</td>
<td>39</td>
<td></td>
</tr>
</tbody>
</table>

Base: All with an answer in both the employee and employer data

448 448

4.1.8  Whether employer was contributing to employee’s pension scheme

Many employers who said the employee had a defined benefit pension scheme answered this question even though questionnaire routing said that the question should only be answered for defined contribution and hybrid schemes. Due to this, and also partly due to differences in earlier answers causing routing differences, there are many cases which have employer data for this question but not employee data, and vice versa. However, where data exists for both employees and employers, it mostly matches.

Of the 368 cases that had data at this question for either employees or employers:

• the data matched in 33 per cent of cases;
• the data differed in one per cent of cases;

14 As before, this does not include cases with employer data where the employee did not answer the question because they were not routed to it.
• 13 per cent of cases had no data for employers:
  – in less than one per cent of cases this was because the employer did not answer the question when they should have (item non-response);
  – in 13 per cent it was because the employer was not routed to the question (e.g. if the employer said the employee did not have a defined contribution or hybrid pension scheme);

• 53 per cent had no employee data (in all cases this was because the employee was not routed to the question – e.g. if the employee did not say that they had a defined contribution or hybrid scheme).

Table 4.8 shows the answers given by both employees and employers – this data matches in nearly all cases, but still eight per cent of the total eligible population might potentially have their data added to or amended by the employer data because so many cases have employer data but not employee data. However, in both the employee questionnaire and the employer questionnaire, this question was only asked for defined contribution and hybrid schemes, so the eligible population could be defined as the 538 WAS respondents who said they had a defined contribution or hybrid scheme. Because all the cases at this question with employer data but no employee data are cases where the employee was not routed to the question, data might only be added to or altered in five cases. This is just one per cent of all employees with defined contribution or hybrid schemes.

<table>
<thead>
<tr>
<th>Table 4.8 Whether employer was contributing to employee’s pension scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employee data</strong></td>
</tr>
<tr>
<td>Yes</td>
</tr>
<tr>
<td>No</td>
</tr>
<tr>
<td><strong>Base:</strong> All with an answer in both the employee and employer data</td>
</tr>
</tbody>
</table>

4.1.9 Amount of employer’s contributions to employee’s pension scheme

Both employers and employees could give this as either a percentage of salary, or an amount. In order to compare answers, they have all been converted to a yearly amount.15

There were 321 cases that had an answer in either the employee or employer data. Again, many employers gave an answer to this question when the questionnaire

---

15 Where necessary the employee’s salary, provided in the employee data was used to convert a percentage to an amount.
routing did not direct them to (the question was meant to be asked only for those with defined contribution and hybrid schemes, but many employers with defined benefit schemes answered), so fewer employees than employers have an answer to this question. The results are therefore dominated by cases whether there is no employee data. Of the 321 cases:

- data matched exactly for 15 per cent;
- data differed by less than £100 a year for four per cent;
- data differed by between £100 and £500 a year for eight per cent;
- data differed by more than £500 a year for five per cent;
- there was no employer data for seven per cent (these were all cases where the employer was not routed to this question – e.g. if the employer said the employee did not have a defined contribution pension scheme, or said the organisation was not contributing to the scheme);
- there was no employee data for 61 per cent:
  - five per cent were cases where the employee should have answered, but did not:
  - 55 per cent were cases where the employee was not asked the question due to questionnaire routing.\(^\text{16}\)

As shown in Section 2.1.8 there was a fairly high level of ‘Don’t know’ answers among employees at this question, and certain groups of employees were more likely than others to have been unable to answer:

- those earning less than £26,000 per year;
- women;
- those who had not consulted a pension statement during the course of their interview.

\(^\text{16}\) In addition to employers answering this question when they were not directed to, some of these cases with no employee data are caused by the employee and employer disagreeing as to whether the employee had a defined benefit or defined contribution pension scheme. As discussed in detail at the beginning of Section 4.1, where employee and employers disagreed as to whether the employee had a defined benefit or defined contribution scheme they followed different routes through the questionnaire. However, because the base for comparison of employee and employer data is all with an answer in either dataset, such cases will appear at both questions asked about defined benefit schemes and questions asked about defined contribution schemes, but will only have data present from either employer or employee (and not both) at each question.
For eight per cent of the total eligible population, WAS data might potentially have been amended (by at least £100) or added to as a result of the employer follow-up survey but, as shown in Table 4.9, the profile of answers across the two datasets are similar for cases where an answer is present in both the employee and employer data. A crosstab of employees’ answer against employers’ answers can be found in Appendix J (Table J.6).

As with the previous question, this question was only asked for defined contribution and hybrid schemes, so the eligible population could be defined as the 538 WAS respondents who said they had defined contribution or hybrid schemes. If the base is limited to these WAS respondents, 11 per cent of cases would be subject to being changed or added to by the employer follow-up survey.

### Table 4.9 Yearly amount of employer’s contributions to pension scheme

<table>
<thead>
<tr>
<th>Amount</th>
<th>Employee data</th>
<th>Employer data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under £500</td>
<td>11</td>
<td>9</td>
</tr>
<tr>
<td>£500 – £999</td>
<td>27</td>
<td>29</td>
</tr>
<tr>
<td>£1,000 – £1,999</td>
<td>26</td>
<td>22</td>
</tr>
<tr>
<td>£2,000 – £2,999</td>
<td>16</td>
<td>19</td>
</tr>
<tr>
<td>£3,000 – £4,999</td>
<td>12</td>
<td>11</td>
</tr>
<tr>
<td>£5,000 or more</td>
<td>8</td>
<td>9</td>
</tr>
</tbody>
</table>

Base: All with an answer in both the employee and employer data

98 98

4.1.10 Whether the employee was making contributions to their pension scheme

There were considerably more answers in the employee data for this question than in the employer data. This is because for employers, this was intentionally only asked for defined contribution schemes (to limit the burden on employers), while for employees it was asked for all types of pension scheme.

Of the 730 cases where there was an answer to this question in either the employee or employer data:

- 41 per cent matched;
- two per cent differed;

Note, the cases with employer data where the employee did not answer the question because they were not asked it are not included in this 11 per cent, because in these cases the employee did not say they had a defined contribution or hybrid scheme, and so they are not part of the 538.
• 56 per cent had no employer data:
  – for one per cent the employer missed the question when they should have answered it (item non-response);
  – for 56 per cent the employer was not routed to the question (e.g. if the employer said the employee did not have a defined contribution pension scheme);
• less than one per cent had no employee data (these were all cases where the employee was not routed to the question).

The answers given are shown in Table 4.10. As the data matched in most cases where employer data existed, WAS data might only potentially have been changed or added to for one per cent of the eligible population at this question as a result of conducting the employer follow-up survey.

### Table 4.10 Whether employee was contributing to their pension scheme

<table>
<thead>
<tr>
<th></th>
<th>Column percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employee data</td>
</tr>
<tr>
<td>Yes</td>
<td>93</td>
</tr>
<tr>
<td>No</td>
<td>7</td>
</tr>
</tbody>
</table>

Base: All with an answer in both the employee and employer data

318 318

4.1.11 Amount of employee’s contributions to their pension scheme

Both employers and employees could give this as either a percentage of salary, or an amount. In order to compare answers, they have all been converted to a yearly amount.18

There were 649 cases that had an answer in either the employee or employer data. All employees with an occupational pension scheme were asked whether they made contributions, but on the employer questionnaire employee’s contributions were only asked about for defined contribution pension schemes. Due to these routing differences between the two questionnaires, fewer employers than employees have an answer to this question. Of the 649 cases:
• data matched exactly for 15 per cent;
• data differed by less than £100 a year for eight per cent;
• data differed by between £100 and £500 a year for ten per cent;

18 Where necessary the employee’s salary, provided in the employee data, has been used to convert a percentage to an amount.
• data differed by more than £500 a year for six per cent;
• there was no employer data for 55 per cent:
  – in less than one per cent of cases this was because the employer did not answer the question when they should have (item non-response);
  – for 54 per cent it was because the employer was not routed to the question (e.g. if the employer said the employee did not have a defined contribution pension scheme, or said the employee was not contributing to the scheme);
• there was no employee data for five per cent:
  – one per cent of employees should have answered this question but did not;
  – four per cent were not routed to this question.

As shown in Section 2.1.8 there was a fairly high level of ‘Don’t know’ answers among employees at this question, and certain groups of employees were more likely than others to have been unable to answer:
• those whose answers were rated as inaccurate by their interviewer;
• women.

When individuals could provide an answer about their contributions to a defined contribution scheme, employer information indicated the majority were correct. Correspondingly, there were a fairly small number of cases where data differed by more than £100 or where there was no employee data, so only five per cent of the eligible population might potentially have had their data altered or added to by the employer data. Table 4.11 shows the distribution of answers in both the employee and employer data for cases where there were answers in both. A crosstab of employees’ answer against employers’ answers can be found in Appendix J (Table J.7).

Table 4.11 Yearly amount of employee’s contributions to pension scheme

<table>
<thead>
<tr>
<th></th>
<th>Employee data</th>
<th>Employer data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under £500</td>
<td>18</td>
<td>15</td>
</tr>
<tr>
<td>£500 – £999</td>
<td>23</td>
<td>25</td>
</tr>
<tr>
<td>£1,000 – £1,999</td>
<td>39</td>
<td>38</td>
</tr>
<tr>
<td>£2,000 – £2,999</td>
<td>12</td>
<td>14</td>
</tr>
<tr>
<td>£3,000 – £4,999</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>£5,000 or more</td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

Base: All with an answer in both the employee and employer data 252 252
4.1.12 Whether the employee made any additional payments, and amount of additional payments

Due to differences in earlier answers, and different routing between the employee and employer questionnaires there are many cases which have employer data for this question, but not employee data, and vice versa. However, where data exists for both employees and employers, it mostly matches.

Of the 661 cases that had data at this question for either employees or employers:

- the data matched in 22 per cent of cases;
- the data differed in two per cent of cases;
- 53 per cent of cases had no data for employers:
  - for less than one per cent this was because the employer should have answered the question but did not (item non-response);
  - for 52 per cent the employer should not have answered the question due to questionnaire routing (e.g. if the employer said the employee did not have a defined contribution pension scheme);
- 23 per cent had no employee data:
  - three per cent of employees answered ‘Don’t know’;
  - 20 per cent were not routed to the question.

Employees with incomes of less than £26,000 were less likely than those with higher incomes to have their data match employer data at this question.

Table 4.12 shows the answers given by both employees and employers. Employee data might potentially have been amended or added to for seven per cent of the eligible population as a result of conducting the employer survey.

Table 4.12 Whether employee was making any additional contributions

<table>
<thead>
<tr>
<th></th>
<th>Employee data</th>
<th>Employer data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>No</td>
<td>85</td>
<td>90</td>
</tr>
<tr>
<td>Don’t know</td>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>

*Base: All with an answer in both the employee and employer data*

163 163

As very few employees were making additional contributions, there were only 49 cases where an amount of additional payments was provided in either the employee or employer data. Of these:
• in one case the data matched;
• in five cases the data differed;
• 28 cases had no data for employers (because the employer was not routed to this question);
• 15 cases had no data for employees (because the employee was not routed to this question).

This means WAS data might potentially have been added to or amended for one per cent of the eligible population as a result of the employer survey.

4.1.13 Contributions the employee had made in the last year if they were not contributing on the reference date

There were only three employees who had given an answer to this question, and no answers had been given in the employer data for these three cases. There were answers for 32 cases in the employer data. However, according to questionnaire routing, no employers should have answered this question.

4.1.14 Whether employee was eligible to join the organisation’s pension scheme

Routing on the employee and employer questionnaires differed here. All employees were asked whether they were eligible to be members of their employer’s pension scheme, but for employers this question was only asked if the employer said the employee was not a member of a pension scheme. There were 128 employers who should have answered this question according to questionnaire routing; of these cases:

• 88 per cent said the employee was eligible to join;
• eight per cent said the employee was not eligible to join;
• five per cent did not answer.

According to employee data, all employees were eligible to join their employer’s pension scheme as this was one of the eligibility criteria for inclusion in the employer follow-up survey. So the employer data has disagreed with the employee data for less than one per cent of the eligible population.

4.1.15 Earliest age can draw pension without penalties

The employer and employee questionnaires were a bit different here:

• The employer questionnaire asked ‘At the reference date, what was the normal pension age for scheme members? The age when a scheme member can draw their pension without penalties’ (this was asked separately for men and women).
• The employee questionnaire asked ‘What is the earliest age you can draw a pension from this scheme?’
Having compared the data from these two questions (comparing employer’s answers about men to male employee’s answers, and employer’s answers about women to female employee’s answers), answers differed significantly between employers and employees. Answers given by employees and employers are shown in Table 4.13. As this tables shows, most employers gave an answer of 60 or 65, but employees gave a wider range of answers, and generally gave a younger age. This indicates that the WAS questionnaire is not capturing normal retirement age from employees, and a recommendation has been made to the Department to further investigate the benefits of this current question.

### Table 4.13 Earliest age can draw pension without penalties

<table>
<thead>
<tr>
<th>Column percentages</th>
<th>Employee data</th>
<th>Employer data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 50</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>50</td>
<td>12</td>
<td>1</td>
</tr>
<tr>
<td>51 – 54</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>55</td>
<td>15</td>
<td>2</td>
</tr>
<tr>
<td>56 – 59</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>60</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>61 – 64</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>65</td>
<td>24</td>
<td>55</td>
</tr>
<tr>
<td>66+</td>
<td>*</td>
<td>0</td>
</tr>
</tbody>
</table>

Base: All with an answer in both the employee and employer data

551 551

### 4.2 Subgroups where data was less likely to match

In the analysis of employee data it was shown that the following groups were less likely than others to be able to answer questions about pensions:

- people in personal service occupations;
- people in the health and social work industry;
- part-time workers;
- people who did not feel they knew enough about pensions;
- people whose answers had been rated inaccurate by their interviewer;
- those aged under 50;
- people on lower incomes (less than £26,000 per year);
- women;
- people who had not consulted a pension statement during their WAS interview.
These same groups were examined to see if they were also more likely to have given answers that differed from the employer data.

When looking at Standard Occupational Classification (SOC), the base sizes were not sufficient to say whether any particular groups were more or less likely to have their data match employer data. However, those in personal service occupations did not seem be any more or less likely to have their data match. The small base sizes also made comparisons between different Standard Industrial Classification (SIC) groups difficult and no consistent themes emerged.

Part-time workers were generally more likely than full-time workers to have the answers they gave contradicted by their employer’s answers. Due to small base sizes, none of these differences are statistically significant on their own, but because most of the differences are in the same direction, this suggests that overall, there is a real difference between full-time and part-time workers.

At most questions, people with lower incomes were more likely to have their data contradicted by their employer. When looked at alone, very few of these differences are statistically significant as the base sizes are not large, but the fact that the differences are almost all in the same direction suggests that they are real differences. This could well be linked to working hours as the majority of part-time workers were earning less than £26,000 per year.

There were no significant differences or overall trends between people who thought they knew enough about pensions and those who did not.

Where interviewers had rated an employee’s answers to pension questions as inaccurate, the employees were generally more likely to have their answers contradicted by their employer’s answers. Again these differences are not significant at any one question due to the small base sizes, but the overall trend suggests there is an underlying real difference.

One might expect there to be differences by age of WAS respondents – it seems logical that people closer to retirement would take more of an interest in their pensions and so would be more likely to be able to answer questions accurately (and therefore, perhaps more likely to agree with their employer’s answers). At some questions (accrual rates, amount of organisation’s contributions and earliest age can draw pension) respondents aged 50 or over were less likely to have their answers contradicted by the employer data, but at other questions they were more likely to have their answers contradicted than people aged under 50.

There were no overall trends for gender.

There were also no overall trends for whether or not the employee had checked a pension statement during their WAS interview. Although this could be, at least in part, due to the small base sizes available as only a minority (27 per cent) of employees had checked a statement.
Whether or not the employer checked administrative records when answering questions was also examined to see whether employer and employee data was more or less likely to match, but there were no significant differences and no overall trends.

4.3 Whether employee or employer data is correct

Where data differs, in order to make use of the data, it would be helpful to make a decision about whether the employee or employer has given the correct answer. It is not possible to say with certainty who is right, but assumptions can be made based on the following:

- Plausibility of answers – if either the employer or the employee has given an answer that seems implausible then we can assume that the more plausible answer is correct.

- Intuition – at some questions (e.g. how a defined benefit pension is calculated) we would expect the employer to be more likely to answer correctly, and at other questions (e.g. the year the employee joined the pension scheme) we would be more inclined to believe the employee’s answer. This is partly based on the levels of ‘Don’t know’ answers or item non-response in the employee and employer data.

- Questions on WAS – the interviewers’ rating of the accuracy of respondents’ answers, and whether or not the respondent checked a pensions statement when answering the questions. We would expect employees who had checked a statement to be more likely to give a correct answer, and where employees’ responses were rated as inaccurate by an interviewer we might be more inclined to trust the employers’ answers.\(^{19}\)

- Questions on the employer survey – employers were asked whether they looked at administrative data when answering each section of the questionnaire. If so then we might assume that the answer they have given is correct.

However, there is a problem with having several measures on which we can base assumptions, as there might be cases where, based on some of the assumptions above, we would expect the employee data to be correct, but based on others we would expect the employer data to be right. To illustrate this, we shall examine two questions with high levels of non-matching data.

---

\(^{19}\) As shown in Sections 2.1.8 and 4.2, where employee’s answers had been rated as inaccurate by their interviewer, these employees were more likely to give ‘Don’t know’ answers and, where they did give valid answers, they were more likely to have their answers contradicted by their employer. Only a minority (12 per cent) of eligible WAS respondents had their answers rated as inaccurate by interviewers, but for these 12 per cent the interviewers’ assessment seems well founded.
4.3.1 How the employee’s defined benefit pension will be calculated

There were 187 cases with both employee and employer data at this question where the data did not match.

Plausibility of answers
• All cases had plausible answers in the employer data.
• Four cases (two per cent) had answers that did not answer the question in the employee data (for example ‘teachers pension scheme’ and ‘On membership at 31.03.2005’).

Interviewer rating of accuracy
• 175 employees (94 per cent) had their data rated as accurate by the interviewer.
• 12 employees (six per cent) had their data rated as inaccurate.

Employee checked a pension statement
• 55 employees (29 per cent) had checked a pension statement.
• 132 employees (71 per cent) had not.

Employer consulted administrative records
• 151 employers (81 per cent) had checked administrative records when answering the questions in this section.
• 25 employers (13 per cent) had not (and 11 employers did not say whether they checked records or not).

Intuition
• Among employees there was a high level of ‘Don’t know’ answers at this question (19 per cent) which would suggest that it is a question employees found quite difficult to answer.
• Among employers there was two per cent item non-response at this question which suggests employers generally did not find it difficult to answer.

However, for one of the cases where the employee had checked a pension statement their answer was not a plausible answer to the question, and all four of the employees giving implausible answers had been rated as accurate by interviewers. Also, for 43 of the cases where the employee had checked a pension statement, the employer had checked administrative records. Because of these overlaps, it is necessary to prioritise the measures above and use an iterative process for deciding whose answer is accurate. For this question, because our general inclination would be that employer data is more accurate, the priority order could be as follows:
1 For the cases that do not have a plausible answer in the employee data, take the employer data as correct.

2 For cases where employers have checked administrative records, take the employer data as correct.

3 For cases where the interviewer rated the employee's answers as inaccurate take the employer data as correct.

4 For cases where the employee had checked a pension statement (but none of the above conditions are filled) take the employee data as correct.

5 For any remaining cases take the employer data as correct.

Using this iterative process, of the 187 cases where data differed, there are 175 cases (94 per cent) where we would assume the employer data was correct, and 12 cases (six per cent) where we would assume employee data was correct.

It should be noted that this is just one potential approach with the priority order based partly on intuition and partly on findings in Sections 2.1.8 and 4.2 of this report which suggest which variables can be used as a proxy for assessing respondent accuracy. Also, even if we accept this as the best system to use for this particular question, this would not necessarily be the priority order we would want to use at all questions.

4.3.2 Year in which the employee joined the pension scheme

There were 311 cases where data differed at this question, but for 132 of these the data only differed by one year, so we shall look at the 179 cases where data differed by two years or more.

Plausibility of answers

• 13 employers (seven per cent) gave an implausible answer – some said the employee had joined the pension scheme when they were only 16 while the employee data suggested they were older, and some said the employee had joined the scheme in their 50s or 60s when the employee data said they were much younger.

• Nine employees (five per cent) had given an implausible answer – again either suggesting they were very young, or over 60, when the employer’s answer seemed more likely.

Interviewer rating of accuracy

• 156 employees (87 per cent) had their data rated as accurate by the interviewer.

• 23 employees (13 per cent) had their data rated as inaccurate.
**Employee checked a pension statement**

- 52 employees (29 per cent) had checked a pension statement.
- 127 employees (71 per cent) had not.

**Employer consulted administrative records**

- 154 employers (86 per cent) had checked administrative records when answering the questions in this section.
- 18 employers (ten per cent) had not (and seven employers did not say whether they checked records or not).

**Intuition**

- Very few employees (less than one per cent) answered ‘Don’t know’ at this question, and item non-response was not particularly high among employers (three per cent). However, intuitively, one might expect employees to be more likely to know what year they joined their pension scheme. Although, for employees who had not consulted records, and who had worked for the same organisation for a long time, this assumption might not hold.

Again, there were overlaps between the categories above; 11 of the employers with implausible answers had checked administrative records when answering the question, and two of the employees with implausible answers had checked a pension statement. Three employees whose answers were rated as inaccurate by the interviewer had checked a pension statement, and there were 46 cases where the employee had checked a pensions statement and the employer had checked administrative records.

So again, an iterative process would need to be used for making assumptions about which answer is correct. For this question, because our general inclination would be that employee data is more accurate, the priority order could be as follows:

1. For cases where employee data is implausible take the employer data as correct, and for cases where employer data is implausible take employee data as correct.
2. Where interviewers have rated the employee data as inaccurate, take the employer data as correct.
3. For cases where the employee checked a pensions statement, take the employee data as correct.
4. Where the employer had checked administrative records take the employer data as correct.
5. For any remaining cases, assume employee data is correct.
Using this process, of the 179 cases where data differed, for 106 (59 per cent) we would assume the employer data was correct, and for 73 cases (41 per cent) we would assume employee data was correct.

As in Section 4.3.1, this process is based partly on intuition and partly on findings as in Sections 2.1.8 and 4.2 of this report. Other approaches could be taken to decide whether employee or employer data is more accurate.

4.3.3 Other questions

These two different sets of guidelines for making assumptions about whether employee or employer data is correct could also be used for other questions – the first set for questions were we might intuitively expect employer data to be correct, and the second set for questions where we might expect employee data to be more accurate.

4.3.4 Other possibilities

In Section 4.2 it was shown that certain groups of employees, as well as being more likely than average to answer ‘Don’t know’ to questions, were also more likely to give answers that did not match the answers given by their employers. Most notably part-time workers, and people with incomes of less than £26,000 per year. We could therefore assume that for people in these groups, employer data is more accurate. These two groups make up 61 per cent of all the cases included in the employer follow-up survey, so for the remaining 39 per cent should we assume that employee data is more accurate? This method seems rather simplistic.

Alternatively these two measures could be incorporated into the rules laid out in Sections 4.3.1 and 4.3.2, but these guidelines are already fairly complex. Adding further assumptions is unlikely to make the rulebook more accurate.

4.4 Overall effect of the addition of employer data

Where comparisons have been made between employee data and employer data it has been possible to say what proportion of WAS respondents who were eligible for inclusion in the follow-up survey (whether they gave permission to be included or not) might potentially have their data altered or added to as a result of conducting the employer survey. This proportion never rose above 15 per cent, although as some questions in the employer questionnaire were not asked of all respondents, this figure does increase (to 19 per cent, for accrual rates) if we look only at the proportion of relevant respondents (in this case, those with defined benefit or hybrid schemes). It should be noted that this figure does not take into account assumptions about whether employee or employer data is correct, as set out in Sections 4.3.1 and 4.3.2. The reasons for this figure being so low were that only 60 per cent of eligible WAS respondents did give permission to be included in the employer follow-up survey, and employer questionnaires were only successfully completed and returned for 35 per cent of eligible WAS respondents.
5 Review of the survey process

This chapter examines the effectiveness of the survey process, and of the employer questionnaire.

5.1 Sample

The eligibility criteria for inclusion in the employer follow-up survey were as follows:

- the Wealth and Assets Survey (WAS) respondent must have been employed;
- they must have been eligible to be a member of their employer’s pension scheme (whether they were a member or not);
- they must have given permission for their employer to be contacted.

Using these criteria, there were 1,460 respondents interviewed for WAS between July and October 2006 who were eligible to be included in the employer follow-up survey.

The data from the pensions section of WAS, which included the organisation’s name and address, as well as the employee’s name to use when contacting their employer, was provided by the Office for National Statistics (ONS) for these 1,460 WAS respondents.

5.1.1 Completeness of names and addresses

There were eight cases that were missing the employee’s name entirely, and a further ten that were missing either a forename or surname.

The organisation name was missing for ten cases, but there were many cases where, although the organisation name was included, it was misspelled or truncated.

There were also many cases (around 400) where the organisation address was incomplete or missing. Usually, before a dataset (such as WAS) is used or analysed,
editing checks are employed and data is ‘tidied’. However, unedited data was provided to British Market Research Bureau (BMRB) in this case due to the need to conduct the employer follow-up survey in a timely fashion. For the same reason, unedited data would need to be used for any mainstage of the employer follow up survey, so similar issues would be likely to arise.

Another issue that became apparent when fieldwork started was that some WAS respondents had provided the address of the workplace where pay and pensions were dealt with, rather than their own workplace, or had even given the organisation name and address of the company that administered their pension scheme rather than the company they worked for. This made it difficult for employers to identify the employee in their records. It is not possible to confirm how many cases this issue affected.

Organisation names and addresses were corrected and tidied as far as possible, but there were still many that were incomplete or incorrect. As well as causing problems for the telephone number lookup process (as discussed below) these incomplete or incorrect addresses looked rather unprofessional on the covering letters sent to employers along with the postal questionnaires, which could have affected response to some extent.

5.1.2 Telephone numbers

Before the sample could be used, a telephone number lookup was performed to find telephone numbers for the organisations. In 98 per cent of cases a telephone number was found. This was an unusually high success rate for a telephone number lookup, especially considering the level of incomplete (or misspelled) organisation names and addresses.

However, when the screening stage started, it quickly became apparent that some of the telephone numbers were incorrect (e.g. they were not connecting to the right organisation, or were not connecting at all). Where possible, new telephone numbers were manually sought for cases where the number was incorrect.

We suspect a less measurable problem also arose. Where the organisation name or address was misspelled or truncated, the telephone number that was returned by the lookup process may have been that of a different organisation with a similar sounding name. The screening stage went ahead and the interviewer collected a contact name for the postal stage even though they had actually connected with the wrong organisation. It is impossible to say how many cases this could have affected, but it may account for at least some of the cases where the employer said they had no record of the employee, or where a questionnaire was returned blank (but no reason was given). BMRB have investigated this issue with regards to data protection implications. We are confident that there are no legal implications with regards to this approach as minimal personal information was involved.

---

20 This finding is from anecdotal evidence rather than anything that was measured as part of the survey process.
was included in the covering letters (just employee’s name and the name and address of their workplace). Additionally, reasonable steps were taken to prevent this from happening.

5.1.3 Multiple WAS respondents working for the same employer

There were many cases in the sample of WAS respondents where more than one respondent worked for the same employer. This is to be expected as while most companies are relatively small, most employees work for medium or large companies, so it is to be expected that WAS would interview more than one employee who worked at any particular large employer. Furthermore, the WAS sample is a stratified cluster probability sample, so most respondents will live near to several others.

A decision was taken before screening that if two WAS respondents worked for the same employer at the same address, that employer would only be included in the screening stage once, but if two WAS respondents worked for the same employer at different addresses, then that employer would be included twice. This was because it was the actual workplace that was being telephoned initially at the screening stage and different workplaces within the same organisation might have their pension arrangements administered differently.

This removal of these exact duplicates reduced the problem to some extent, but still, at the screening stage, there were some large organisations that were being called several times at different workplaces, but all calls were eventually being routed through to the same person at a head office location. In order to avoid overly burdening these individuals, once a screening interview had been completed (i.e. contact details had been collected for the postal stage) any further sample records that were directed to that telephone number were marked as duplicates and no more calls to that number were made. However, there was no automated system to show which sample records were duplicating each other. Instead, all records marked as duplicates had to be manually inspected and compared with records where contact details had been obtained (looking at organisation names and addresses as well as telephone numbers) in order to match them. This was a very time consuming process, particularly as some employers could be in the sample more than once under different names, for example Her Majesty’s Revenue & Custom (HMRC) was included as ‘HMRC’, ‘HM Revenue and Customs’, ‘Inland Revenue’ and ‘Revenue and Customs’. Due to these issues, around two weeks work was needed to prepare the sample for the main (postal) stage of fieldwork.

If the employer follow-up survey were to be rolled out full-time, there would need to be a lot more time spent preparing the sample and identifying potential duplicates before the screening stage took place. Alternatively, a system would need to be developed for automatically identifying duplicates during the course of the screening fieldwork (so that when a case is routed to a telephone number where contact details have already been successfully collected that case is automatically
labelled as a duplicate of the case for which contact details had been collected from that number). The manual process used in this feasibility study of matching up duplicates after screening would be impractical with the much larger sample size that would be involved in the main stage.

Another drawback of having multiple WAS respondents working for the same employer was that some employers had to be sent more than one postal questionnaire. This was not too much of an extra burden on the employer if they were sent two or three questionnaires, but some employers were sent 10 or 11 questionnaires. Employers who were sent more than one questionnaire were told in the covering letter (see Appendices F and G) that they did not need to complete the entire questionnaire for every employee, but could just complete Sections D and E once. However, Sections D and E only took up one and a half pages of a seven page questionnaire so this did not reduce their task significantly.

If the employer follow-up survey was to be rolled out full-time, the maximum number of employees working for an individual employer is only likely to increase, given the larger sample size that would be involved. We would recommend that a limit is placed on the maximum number of questionnaires sent to any one employer in order not to overburden employers. Unfortunately, this would mean that no employer information would be received for some eligible WAS respondents (as it could not be assumed that all employees working for the same employer would necessarily belong to the same pension scheme). However, only a small proportion of eligible WAS respondents would be excluded: for the feasibility study, if the maximum number of questionnaires sent to any one employer was limited to four, then 1,273 questionnaires would have been despatched instead of 1,354. This means 81 (six per cent) of eligible WAS respondents would have been excluded from the employer follow-up.

5.1.4 Serial numbers

The ‘ident’ serial number provided by ONS was not in the most useful format (it was only unique to four decimal places). A five digit unique serial number would be the most useful format as this could be used in the telephone stages of the employer follow-up survey as well as the postal and web stages so that each WAS respondent need only have one serial number. In this feasibility study, covering letters to employers had to be printed with both the five digit serial numbers that BMRB had assigned and the ‘ident’ numbers assigned by ONS so that BMRB’s despatch department could tell which permission form and which questionnaire to include with each letter (questionnaires were pre-printed with individual employee details). Even if a five digit serial number cannot be assigned by ONS, it would still be helpful for them to assign a unique serial number that did not have any decimal places.
5.1.5 Permission forms

Including a signed permission form from each WAS respondent along with the questionnaire was an important point in encouraging response to this survey. There were some instances where the initial questionnaire pack with the permission form included did not reach the employer, but on receiving reminders the employer telephoned BMRB to ask for the employee’s written permission. As the only copy of the permission form we had had already been sent out we were unable to provide another copy and so the employer refused to take part. Having electronic copies of the permission forms (as scanned documents) would therefore be useful, so that additional copies could be printed out and sent, or even emailed to employers. The Department for Work and Pensions (DWP) have already looked into this issue and ONS does not have the necessary equipment to scan all the permission forms and provide them as electronic documents. BMRB could do this, but it may not be cost effective (it was not a large proportion of employers that opted out because they could not be sent replacement permission forms).

5.1.6 Dates of birth and National Insurance numbers

A large number of employers called BMRB after receiving their questionnaire to say they were unable to trace the employee(s) in their records without further information such as their date of birth or National Insurance number. In nearly all cases a date of birth was then sufficient to allow the employer to trace the employee, although a handful of employers said that only a National Insurance number would do. If a main stage of this survey occurs we would recommend that dates of birth are included in the covering letter sent to employers to help them find the employees in their records. We would not recommend including National Insurance numbers. Although ONS does currently collect National Insurance numbers on WAS, extra permission would be needed from respondents to allow their National Insurance numbers to be passed on to another research agency to be used in the employer follow-up survey. This is likely to put off some WAS respondents from giving their permission to be included in the employer follow-up survey.

WAS respondents dates of birth were included in the sample data provided by ONS, but were not formatted correctly. They were formatted as general numbers and some were in the form YYYYMMDD while others were in the form DDMMYYYY (or truncated to DMMYYYY if the day was the first up to the ninth of the month). In order for dates of birth to be included in the letters to employers they would need to be tidied and correctly formatted. Additionally, the Department would have to explore the relevant data protection issues surrounding the inclusion of such information.

5.2 Fieldwork

An overview of the methodology used for the survey is included in the introduction of this report. In this section we look at issues that arose during fieldwork.
5.2.1 Timing issues

As mentioned in Chapter 3, there was around a year between employees being interviewed for WAS and their employers being contacted for the follow-up survey. Employers were asked to respond to the follow-up questionnaire with reference to the date of the WAS interview. Most employers were able to do this.

The fact that so many employers were able to complete the questionnaire with regards to the reference date suggests that the time delay between the employee and employer parts of the survey was not a problem. However, it is possible that the delay may have affected the response rate – although this cannot be measured.

A few employers telephoned BMRB after receiving the questionnaire to say the employee in question no longer worked for them. These employers were asked to complete the questionnaire anyway. There may have been other employers who did not telephone BMRB, but assumed that as the employee no longer worked for them they did not need to complete the questionnaire. The delay between WAS fieldwork and the employer follow-up fieldwork means there was probably a notable proportion of employees who no longer worked for the employers whose contact details they had provided. Among employers who did complete the employer questionnaire, 11 per cent said the employee no longer worked for them, but this could have been higher amongst those who did not respond.

5.2.2 Screening stage

As previously mentioned (in Section 5.1.2), there was an issue with telephone numbers being incorrect during the screening stage, but there were also some other findings that could help better prepare for a main stage of this survey.

A ‘strike rate’ had been set for the screening stage. The strike rate is the number of interviews achieved per interviewer per hour. Given that ‘an interview’ for the screening stage was just collecting some contact details, a high strike rate was expected, but it was not met. Many of the employers in the sample were quite large employers with multiple workplaces and when calling these large employers interviewers were often transferred around several people before they identified the correct person to respond to the survey. Interviewers were often kept on hold for a few minutes each time they were transferred adding to the total time taken to collect the required contact details.

The intention at the screening stage was to have the interviewer actually talk to the person with responsibility for pensions, rather than just collecting their contact details from someone else. It was considered that this way the interviewer would be more likely to identify the correct person to complete the survey, and that when the postal questionnaire was sent to this person they might be more likely to complete it if they had already spoken to an interviewer and so were expecting the questionnaire. To ensure the individual with responsibility for pensions was spoken to directly in as many cases as possible, the Computer Assisted Telephone Interviewing (CATI) script for the screener was set up in such a way that the
interviewer could not collect the individual’s contact details from someone else until they had made three attempts to speak to the individual. This had to be changed a few days into fieldwork as, at a few organisations, interviewers had been put through to the secretary or Personal Assistant (PA) of the person with responsibility for pensions. Some of these secretaries or PAs would not let the interviewer through while also confirming that their boss was the right person to send the questionnaire to.

Where contact details were successfully collected at the screening stage, 54 per cent were collected from the individual concerned, and 46 per cent were collected from a proxy.

For any main stage of the employer survey it would still be a good idea to try to contact the particular individual, but it should not be compulsory in the script that any particular number of attempts are made. We would recommend that interviewers are briefed to try to speak to the named individual, but to collect their contact details from a proxy if there is a reason why the named individual cannot be contacted. Insisting that the interviewer must speak to the named individual might appear unnecessary to the organisations taking part, and therefore actively discourage response.

5.2.3 Postal and online stages

Generally the postal and online stages of fieldwork went well.

Of the 850 completed questionnaires, 89 (around ten per cent) were completed online. We cannot say how many of the 89 employers who completed the online questionnaire would have returned a paper questionnaire if there was no online option, but we suspect most of them would. The online questionnaire did have some benefits (lower item non-response and no routing errors), but with just around ten per cent of individuals completing online, the costs of setting up the web script seem to outweigh the benefits of including this option.

The issues that did occur with the postal and online fieldwork (sending up to 11 questionnaires to some individuals, employers not being able to trace employees) mostly related to the sample and have been discussed in Section 5.1.

Some employers helpfully telephoned BMRB to say the questionnaire(s) had not been sent to the most appropriate person, but that they had been forwarded on to someone else who would be able to answer the questions. Also, in some cases, the employer had been able to answer some of the questions, but had sent the questionnaire to someone else (sometimes in a different company – e.g. the pension administrators) to answer the rest. This is more easily done with a paper questionnaire than an online one.

Presumably there were other employers who did not feel they could answer the questionnaire, who did not telephone BMRB but simply did not respond to the questionnaire, or sent it back blank.
5.2.4 Telephone chase stage

The telephone stage was intended both as a further reminder to employers to complete and return their questionnaire(s) (with the option being given to send additional copies of the questionnaire to employers), and also as an opportunity for employers to complete the questionnaire over the telephone. The CATI script was therefore very complicated due to the need to interview some respondents about more than one employee (the questionnaire needed to be able to repeat for each employee).

However, no employers took up the option to complete the questionnaire over the telephone, presumably because the subject matter did not really lend itself to a telephone interview as there was detailed information that needed looking up, and perhaps also because employers would rather complete the questionnaire at their leisure than have to go through it all at one time with an interviewer.

As a reminder for employers to return their postal questionnaires, the CATI stage had some success. It is recommended that if a main stage of this survey is undertaken, the telephone chase stage is included solely as a reminder and an opportunity to send additional copies of the questionnaire to employers. This way the CATI script could be far simpler.

As previously mentioned, respondents could request another questionnaire as part of the CATI script, to be sent by post, email or fax, and around 100 replacement questionnaires were requested in this way. The script for the telephone chase stage is included in Appendix D. There were a few instances of people requesting more than one questionnaire (on different occasions). In these cases it is possible that:

- the first questionnaire they had requested did not reach them for some reason (where a second questionnaire was requested it was sent by a different method e.g. if the first questionnaire was faxed, the second time around the respondent would ask for an email); or

- asking for another questionnaire was perceived as a quick way of getting the interviewer off the phone so respondents would request one even though they had no intention of filling it in.

The former of these seems the more likely situation (in most cases) – especially where the first questionnaire was emailed or faxed. It is quite easy for interviewers to make a mistake when recording an email address or fax number over the phone.

5.3 Response

There were 1,460 respondents eligible to be included in the employer follow-up survey, who gave permission for their employer to be contacted, of these:
• 30 (two per cent) were excluded from the survey due to having insufficient sample information (either the employee name, or organisation name were missing, or no telephone number could be found for the organisation);

• in 203 cases (14 per cent) employers refused to take part;

• in 377 cases (26 per cent) a questionnaire was not completed for some other reason;

• in 850 cases (58 per cent) a completed questionnaire was received.

Looking at this in more detail, Table 5.1 shows the outcomes for all 1,460 eligible WAS respondents.

Table 5.1  Outcomes for total eligible sample

<table>
<thead>
<tr>
<th>Number</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total eligible sample available</td>
<td>1,460</td>
</tr>
<tr>
<td>Completed questionnaire</td>
<td>850</td>
</tr>
<tr>
<td>Excluded from survey</td>
<td>30</td>
</tr>
<tr>
<td>No telephone number</td>
<td>21</td>
</tr>
<tr>
<td>No employee name</td>
<td>6</td>
</tr>
<tr>
<td>No organisation name</td>
<td>3</td>
</tr>
<tr>
<td>Employer refused</td>
<td>203</td>
</tr>
<tr>
<td>Refused at screening stage</td>
<td>66</td>
</tr>
<tr>
<td>Called to opt out during main fieldwork</td>
<td>52</td>
</tr>
<tr>
<td>Refused at telephone chase stage</td>
<td>85</td>
</tr>
<tr>
<td>Other unsuccessful</td>
<td>377</td>
</tr>
<tr>
<td>Postal questionnaire returned blank</td>
<td>82</td>
</tr>
<tr>
<td>Unavailable during fieldwork</td>
<td>28</td>
</tr>
<tr>
<td>Could not trace employee</td>
<td>62</td>
</tr>
<tr>
<td>No employer address (excluded after screening stage)</td>
<td>9</td>
</tr>
<tr>
<td>Business closed down</td>
<td>3</td>
</tr>
<tr>
<td>Postal questionnaire returned undelivered</td>
<td>2</td>
</tr>
<tr>
<td>Said had returned questionnaire (not received)</td>
<td>32</td>
</tr>
<tr>
<td>Said would return questionnaire (not received)</td>
<td>69</td>
</tr>
<tr>
<td>Did not return questionnaire (no explanation)</td>
<td>90</td>
</tr>
</tbody>
</table>

1 There were actually 120 refusals at the telephone chase stage, but 35 of these were due to the employer not being able to trace the employee. These 35 cases have therefore been included in the ‘could not trace employee’ category for this table. However, because it is not possible to identify which 35 employees could not be traced, for later response analysis, these cases are included as refusals.

The total eligible sample from the first four months of WAS was 2,441 (including 981 employees who would have been eligible to have their employers contacted, but who did not give their permission for this to happen). So the overall response rate was 35 per cent.
This overall response rate can be broken down separately for defined benefit and defined contribution schemes (although there is little variation):

- defined benefit schemes – 34 per cent;
- defined contribution schemes – 33 per cent.

5.3.1 Response and attrition by stage

Sample

ONS supplied the research team with information about a sub-set of 1,546 WAS respondents interviewed between July and October 2006. A small proportion of the ONS database (5.5 per cent) proved ineligible for the employer follow-up stage. These included individuals who were not even employees as well as some who were not eligible for their employer’s pension scheme (although for all these cases written permission had been sought and granted for an employer to be contacted – presumably a previous employer). This does not count as ‘attrition’ as these cases should not have been present in the supplied database. Nevertheless, this reduced the number of cases by 86, from 1,546 to 1,460.

This eligible sample for the employer follow-up was defined to include only those eligible to be members of their employer’s pension scheme who had also given permission for their employer to be contacted. The second condition means there was a level of attrition before the research team got hold of the database. Nine hundred and eighty one respondents (40 per cent of the eligible total) had refused permission so this is substantial.

A further source of attrition related to the sample was the 30 cases that were missing an employee name, an organisation name or a telephone number for the organisation. These cases were eligible to be included in the employer follow-up survey, but were excluded due to the lack of sample information.

Screening stage

The first stage of the survey proper was to find a contact name for addressing the employer questionnaire.

There were a large number of cases where one employer was responsible for more than one of the employees in our sample. This is to be expected given the clustered nature of the initial employee sample. In total, we identified 1,076 different employers covering 1,430 employees. One-third (354 out of 1,076) of these employers were responsible for more than one employee.

Table 5.2 shows that contact name and details were obtained in more than four in five cases and that outright refusals were rare. This suggests a fairly successful employer tracing stage but, as discussed in Sections 5.1.2 and 5.1.3, success was only achieved due to an exhaustive effort on the part of the research team. It is doubtful that this level of effort could be maintained for a full-scale survey.
The Employer Tracing Stage

Table 5.2

<table>
<thead>
<tr>
<th></th>
<th>Employers</th>
<th></th>
<th>Employees</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
<td>%</td>
</tr>
<tr>
<td>Successful</td>
<td>896</td>
<td>83</td>
<td>1,211</td>
<td>85</td>
</tr>
<tr>
<td>Unsuccessful</td>
<td>180</td>
<td>17</td>
<td>219</td>
<td>15</td>
</tr>
<tr>
<td>• Failure to get contact details</td>
<td>119</td>
<td>11</td>
<td>152</td>
<td>11</td>
</tr>
<tr>
<td>• Refused</td>
<td>60</td>
<td>6</td>
<td>66</td>
<td>5</td>
</tr>
<tr>
<td>• Closed down</td>
<td>1</td>
<td>*</td>
<td>1</td>
<td>*</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,076</td>
<td>100</td>
<td>1,430</td>
<td>100</td>
</tr>
</tbody>
</table>

The main stage

Although specific contact details were not obtained for a significant minority of employers (119 – 11 per cent of the total), postal questionnaires were still sent to the organisation with a letter explaining the type of person who would be suitable to respond on its behalf. In nine cases, the research team decided they had insufficient contact information to even do this. As a result, the issued sample size was reduced to 1,006 employers (896 + (119-9)), covering 1,354 employees (1,211 + (152 – 9)).

Employers were given two weeks to respond to the initial mailout. If not, a letter reminder was mailed out. A second reminder pack, including new copies of the questionnaire(s), followed two weeks later. Non-response to the postal contact led to a final telephone ‘chase’.

In total, 33 per cent of employee questionnaires were subject to the telephone chase. Given that this was the fifth contact stage (preceded by the employer tracing stage, plus initial mailout, plus two reminders), we must describe the response management process as ‘laborious’ at least.

Table 5.3 shows the return rates at each stage of the process. Overall, a questionnaire was completed in 63 per cent of cases (850 out of 1,354)\(^{21}\). This seems fairly healthy, although refusals and other non-productive outcomes at the screener stage reduce the official ‘response rate’ to 59 per cent (850 out of 1,430).

\(^{21}\) When an employer received questionnaires for more than one employee they tended to either complete them all or complete none of them. However, there was a small minority who completed at least one but not all questionnaires. Therefore, it makes sense to analyse returns data on a per-employee basis as this is simpler to present and does not tell a substantively different story from one told on a per-employer basis.
Table 5.3  Final response outcomes

<table>
<thead>
<tr>
<th>Employees</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued questionnaires</td>
<td>1,354</td>
<td>100</td>
</tr>
<tr>
<td>Completed questionnaires</td>
<td>850</td>
<td>63</td>
</tr>
<tr>
<td>• Initial mailout</td>
<td>405</td>
<td>30</td>
</tr>
<tr>
<td>• 1st reminder</td>
<td>217</td>
<td>16</td>
</tr>
<tr>
<td>• 2nd reminder</td>
<td>122</td>
<td>9</td>
</tr>
<tr>
<td>• Telephone chase</td>
<td>106</td>
<td>8</td>
</tr>
<tr>
<td>Not completed</td>
<td>504</td>
<td>37</td>
</tr>
</tbody>
</table>

The initial mailout was responsible for nearly half of all completed questionnaires (405 out of 850 (48 per cent), but each stage elicited a substantial number of completed questionnaires. The completion rate improved from 30 per cent (after the initial mailout) to 46 per cent (after the first reminder), 55 per cent (after the second reminder) and finally 63 per cent (after the telephone chase).

5.3.2 Non-response amongst different types of employers

It is possible to model the probability of non-response using information provided by the HAS respondents. This information includes data specific to the employee as well as ‘second-hand’ data about the employer. BMRB used logistic regression techniques to help detect which variables had an independent effect on the probability of non-response.

The initial model included the following variables:

- employer Standard Industrial Classification (SIC) group, with some aggregated together as ‘other’ where individual group sample sizes were insufficient for separate analysis;
- rough private/public sector identification;
- employee Standard Occupational Classification (SOC) group, again with an aggregated ‘other’ group;
- number of employees in workplace;

22 A minimum sample size of 50 per predictor category is normally recommended.
23 There was no variable on the sample to show whether employers were in the private or public sector, so sector has been assigned by looking at the organisation name. This was an entirely manual process, and as the organisation names provided by WAS respondents were not always complete, there may be a minority of organisations that have been incorrectly assigned (although the proportion should be small enough not to affect the analysis).
• sex;
• age;
• working status (full-time or part-time);
• an interaction term covering sex and working status;
• whether or not a member of the pension scheme and, if yes, the type of pension;
• age left education and highest qualification plus an interaction term between the two; and
• whether employer sent one or more than one questionnaire.

Only two of these variables proved to be independently predictive of non-response:
1 if the employer’s SIC group was L – public administration, defence and social security; or
2 if more than one questionnaire was sent to the employer.

The addition of other variables did not significantly improve the model, even when added as a group, so our final model includes only these two predictor variables.

The standard output from a logistic regression analysis is an odds ratio for each predictor category. The odds ratio is derived from the concept of ‘odds’ which is simply the probability of an event occurring divided by the probability of it not occurring. In this study, the event in question is non-response to the employer follow-up survey. There were 500 cases of non-response against 842 cases with a response. The standard odds for non-response is therefore 0.59 (500/842) while the probability of non-response is 0.37 (500/1342).

The odds ratio is the odds of non-response for cases in predictor category \( x \) divided by the odds of non-response for all other cases. In this study the odds ratio for those in SIC group L is 1.84 and for those whose employer received more than one questionnaire the odds ratio is 1.61.

If the odds ratio for those in SIC group L against the rest is 1.84, then the odds must be 0.59*1.84 = 1.09. This translates into a probability of non-response of 0.52. This is significantly higher than the standard probability of 0.37. However, if used as a guide to the future we must remember that it is an estimate only, with confidence intervals like any other statistic. In this case the range probability

\[ 0.52 \pm 0.05 \]

\[ 0.47 \leq p \leq 0.57 \]

This analysis is based on 1,342 cases because we needed to exclude those cases where no questionnaire was sent.
of non-response (i.e. 95 per cent confidence intervals) for SIC group L is 0.43 to 0.61.\textsuperscript{25}

The estimated probability of non-response for those cases where the employer was sent multiple questionnaires is 0.49 with a confidence interval range of 0.43 to 0.55.

For both variables, the lower end of the range probability of non-response is not much higher than average (0.43 compared to 0.37) so the practical significance of these findings may be marginal. On the other hand, it may be substantial if the long-term finding is towards the upper end of the range. The relatively small scale of the current study prevents firmer conclusions. Similarly, although none of the other potential predictor variables were found to have a significant impact, this may be due to a lack of statistical power rather than a real life zero effect.

This analysis can be fine-tuned by considering the different forms of non-response. For example, public sector employers were much more likely than private sector employers to have returned their questionnaire(s) blank (ten per cent compared with two per cent) but no more likely to have directly refused to take part\textsuperscript{26}. However, this kind of fine-tuned non-response analysis is limited because (for the most part) we do not know why non-response occurred. This is a common problem with self-completion surveys. The only ‘positive’ form of non-response is a direct refusal.

Using the same set of variables, we can model the probability of a direct refusal, but direct refusals are only a subset of the larger non-compliance group. The probability of providing a direct refusal is not the same as the probability of non-compliance and may not be interesting in itself. Furthermore, there are several stages at which refusal can occur: (1) at the screening stage (66 cases); (2) calling to opt out during the main fieldwork period (52 cases), and; (3) in response to the final telephone chase stage (85 cases). Each of these phenomena are different so a model that combines them all together as ‘refusals’ may be too simplistic to provide real understanding. Consequently, BMRB produced two separate models:

\textsuperscript{25} Note that these figures have been computed using standard SPSS outputs and do not take into account any survey design factors which may reduce precision. Secondly, the significance tests for each coefficient in the model do not take account of the margins of error around the other coefficients in the model. In practical terms, it may be best to quote the 99 per cent confidence intervals rather than the industry standard 95 per cent confidence intervals quoted here.

\textsuperscript{26} While we can only speculate as to why these questionnaires were returned blank, it would make sense that public sector employers were returning blank questionnaires because they were unable to identify the employees. This is supported by the number of phone calls BMRB received from public sector employers saying they could not trace the employees, and by the particular issues relating to teachers and Ministry of Defence employees discussed in Section 5.4.
1 probability of refusing at screener stage (based on all non-excluded cases = 1,430);

2 probability of refusing after screener stage (based on all issued cases = 1,354).

Model one identified two characteristics associated with refusal at the screener stage. If the employee was educated below degree level, the employer was significantly more likely than average to refuse at this stage, all other factors being equal. If the employee worked in the public sector, the employer was significantly less likely to refuse at this stage.

Model two identified two characteristics associated with refusal during fieldwork. If the employee worked in an industry coded as ‘financial intermediation’ or one coded as ‘public administration and defence, social security’ (SIC categories J and L) then the employer was significantly more likely than average to refuse at this stage (all other factors being equal). Interestingly, sending multiple questionnaires was not an independently influential factor on the probability of refusal, even though it was the strongest factor influencing the probability of non-response. This underlines the issue discussed above: direct refusals only make up a sub-set of non-compliance outcomes.

It is difficult to draw general conclusions from these refusal models. The only findings we can draw are broad ones:

- sending multiple questionnaires to an employer leads to a higher level of non-response but this is not manifested in a higher level of direct refusal;
- public sector employers do not tend to refuse at the screener stage, but are more non-compliant than average, tending to delay giving an outright refusal until the fieldwork stage.

The first of these findings suggests that a request for an employer to complete multiple questionnaires is a disincentive to co-operate. If this is not addressed, a full-scale version of this survey will under-represent employees of large organisations. The solution to this is not obvious as we cannot simply use a single case to impute the data for all sampled employees in an organisation. However, it may be possible to design a single questionnaire that can accommodate data from multiple employees while restricting duplication of effort on items about the organisation as a whole. Having said this, the number of items about the organisation as a whole is small so this would yield only a small saving in respondent effort.

5.3.3 Other factors affecting non-response

It is notable that the success or otherwise of the employer tracing stage made little difference to the overall completion rate. If the employer details had been

---

27 It is not worth quoting exact probabilities as the confidence intervals are very wide.
successfully obtained at the employer tracing stage, the completion rate was 63 per cent. If not, it was 62 per cent. A successful employer tracing stage was associated with a higher rate of return at the initial mailout (31 per cent compared to 24 per cent if the employer tracing stage was unsuccessful) but completion rates were equal after the first reminder (46 per cent).

5.3.4 Impact of differential response levels

Ultimately, only a minority (35 per cent) of those WAS cases that are eligible for the employer follow-up element actually ended up with additional employer-derived data. The numerous opportunities for non-response took their toll. In particular, it is damaging to the survey that a large proportion of WAS respondents refused to allow their details to be passed on to their employer.

Although we have identified a relatively small number of factors independently associated with non-response to the employer follow-up element, our analysis is limited because we do not yet have access to the full WAS database containing all eligible individuals. A serious analysis of the impact of non-response on the survey estimates must use this database, not restrict itself to those WAS respondents who allowed their details to be passed on to their employer.

Ideally, we would also measure the impact of each additional response stage in terms of the key survey estimates. However, the relatively small sample size means that we lack the statistical power to do this. A simpler alternative is to contrast those responding to the initial mailout with those responding later. We have more statistical power for such an analysis, even if it compresses some of the response complexity.

However, there are no statistically significant differences in employer profile between early and late responders. Late responders (as a group) have the same workplace and organisation size profiles as early responders. They are also just as likely to be public sector organisations.

Late responders are slightly more likely than early responders to have had to deal with multiple questionnaires and to have needed more than one person to contribute to the answers. This makes intuitive sense but, since this is not correlated with any of the employer-level descriptive data, its impact on the reliability of the estimates is probably minimal.

Having said all this, the prime objective of the employer follow-up survey is to get as many questionnaires completed as possible. Limiting non-response bias is valuable but is only a secondary objective. Although the extensive response enhancement methods employed could have been watered down without adding a substantial extra level of non-response bias, this would have led to a smaller employer sample size and consequently fewer opportunities to augment the WAS data.
5.3.5 Weighting the enhanced employee data

As mentioned above, the main objective of the employer follow-up survey is to augment WAS employee data. Some of the employee answers may be changed on the basis of information submitted by their employers, the other cases will retain the employee answers. Any employee-level analyses based on the full set of WAS respondents can be carried out using the weights derived by ONS.

However, some researchers might want to limit their analyses to just those WAS respondents for whom we also have employer-derived data. In this scenario, we need to produce an additional weight to take account of the fact that certain types of employee are more likely than other types to have this employer-derived data.

This additional weight can be produced as a by-product of non-response modelling. BMRB has produced a preliminary model of non-response but this does not take into account the 40 per cent of WAS cases who refused to allow employer contact so cannot be used to produce this weight. However, the same techniques can be used once the full WAS dataset is available.

One of the outputs from a logistic regression model is a predicted probability of response for each case. The inverse of this probability can be used as a non-response weight.

5.3.6 Reasons for refusal

Employers who refused to take part at either the screening stage, or the telephone chase stage were asked why they did not wish to take part.

There were 66 cases where the employer refused at the screening stage, however, due to the nature of the sample, these were not 66 different employers. An employer who had five individual employees interviewed for WAS was only contacted once at the screening stage (not five times), so if they refused, that would count as five refusals, but the employer would only have been asked their reason for refusal once. For this reason, there are not as many refusals (and therefore reasons for refusal) as there cases subject to refusals.

The most common reason for refusal at the screening stage was that surveys are against company policy. This is not unexpected as during the screening stage the interviewer was only asking for a contact name and address to send information about the survey to – this generally does not generate high levels of refusals as it does not ‘cost’ the employer anything to say they are willing to be sent details of the survey, but if surveys are against company policy then employers would refuse at this stage.

For the 66 cases where there was a refusal at the screening stage the reasons for refusal were as follows:

- surveys are against company policy – 15 employers;
- do not have time to complete a survey – six employers;
• reception refused to put the interviewer through to anyone – six employers;
• no one the interviewer spoke to was able to say who had responsibility for employee’s pensions – five employers;
• confidentiality issues (did not want to give out names and contact details of people at organisation) – four employers;
• asked to do too many surveys – three employers;
• one employer was based overseas;
• one employer just said they were not interested;
• one did not give a reason;
• one employer said they would not take part without an incentive.

For employers who called or wrote to opt out, the reasons given for doing so are shown in Table 5.4. The numbers refer to the number of employee questionnaires that were not completed for these reasons, rather than the number of employers who gave these reasons.

**Table 5.4 Reasons for opt out**

<table>
<thead>
<tr>
<th>Reason</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Could not answer the questions</td>
<td>10</td>
</tr>
<tr>
<td>Did not have time</td>
<td>8</td>
</tr>
<tr>
<td>Did not receive the employee’s permission form – would not take part</td>
<td>8</td>
</tr>
<tr>
<td>without it</td>
<td></td>
</tr>
<tr>
<td>Not the direct employer so would not take part</td>
<td>5</td>
</tr>
<tr>
<td>WAS respondent withdrew permission</td>
<td>3</td>
</tr>
<tr>
<td>Feel DWP ought to know enough about pensions</td>
<td>2</td>
</tr>
<tr>
<td>Would not take part as it was not compulsory</td>
<td>1</td>
</tr>
<tr>
<td>No reason given</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>52</strong></td>
</tr>
</tbody>
</table>

The reasons given by employers who refused at the telephone chase stage are shown in Table 5.5. As with refusals from the screening stage, these are the number of employers who gave each response, not the numbers of WAS respondents about whose questionnaires these responses were given.

The most common reason for refusal was not having time to complete the questionnaire.
Table 5.5  Reasons for refusal – telephone chase stage

<table>
<thead>
<tr>
<th>Reason</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do not have time</td>
<td>27</td>
</tr>
<tr>
<td>The person sent the questionnaire was not the appropriate</td>
<td>10</td>
</tr>
<tr>
<td>respondent but refused to give new contact details</td>
<td></td>
</tr>
<tr>
<td>Questionnaire too long/complicated</td>
<td>7</td>
</tr>
<tr>
<td>Surveys are against company policy</td>
<td>4</td>
</tr>
<tr>
<td>Asked to do too many surveys</td>
<td>2</td>
</tr>
<tr>
<td>Did not receive permission form and would not take part</td>
<td>2</td>
</tr>
<tr>
<td>without it</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>28</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
</tr>
</tbody>
</table>

5.3.7  Who completed the employer questionnaires?

The effectiveness of the screening stage can be judged to some extent by whether the individual who completed the questionnaire was the person whose name was provided at the screening stage as being the appropriate person to complete the questionnaire. Of the 850 completed questionnaires:

- 36 respondents (four per cent) did not give their name;
- 155 questionnaires (18 per cent) were not sent to a named individual (e.g. they were addressed to ‘The Pensions Administrator’).

Of the remaining 659 questionnaires where there was both a name in the sample and a name on the completed questionnaire:

- 407 (62 per cent) were completed by the named individual the questionnaire had been sent to;
- 252 (38 per cent) were completed by a different person.

Where the names differed, this does not necessarily mean the questionnaire was not sent to an appropriate respondent. At the screening stage interviewers were encouraged to collect the contact details for the most senior person with responsibility for pensions. It is possible that in some cases, when this senior person received the questionnaire, they asked someone more junior to complete it for them.

As part of the employer questionnaire, respondents were asked to give their job title, as well as the job titles of up to two other people who had helped to complete the questionnaire.

A wide range of different job titles were given, but they could be grouped together fairly easily into the area respondents worked in. Table 5.6 shows the job titles for the main respondent in the first column. In the second column are the job titles of any additional respondents who helped the main respondent to complete the
employer questionnaire. As might be expected, for both the main respondent and additional respondents, most job titles related to finance or payroll, pensions or benefits or human resources.

**Table 5.6 Area respondent(s) who completed the employer questionnaire worked in**

<table>
<thead>
<tr>
<th>Column percentages</th>
<th>Main respondent</th>
<th>Additional respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pensions/benefits</td>
<td>35</td>
<td>36</td>
</tr>
<tr>
<td>Finance/payroll/accountant/bursar</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>Human Resources/Personnel</td>
<td>14</td>
<td>16</td>
</tr>
<tr>
<td>Line manager/team leader</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Administrator/company secretary</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>CEO/Managing Director</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>Question not answered</td>
<td>9</td>
<td></td>
</tr>
</tbody>
</table>

*Base: All 850 270*

Job titles have also been grouped to look at the level of seniority of respondents. This was less clear cut as job titles varied so much, but a minority of respondents were ‘Directors’ or had equally senior sounding job titles (14 per cent), while most respondents were ‘Managers’ (42 per cent) or ‘Assistants’/‘Administrators’ (39 per cent).

**5.4 Particular issues for public sector organisations**

Based on anecdotal evidence, organisations in the public sector had some particular problems with completing the questionnaire, mostly due to the way their pensions are administered. For many public sector organisations pensions schemes are not dealt with by the direct employers.

Where WAS respondents were teachers the employer questionnaires were mostly sent to the local authority that dealt with payroll for the school the WAS respondent worked at. However, while local authorities do deal with teachers’ pay, they do not deal with teachers’ pensions and so did not have access to the necessary information. Some questionnaires about teachers were sent to the Teachers’ Pensions agency, but the Teachers’ Pensions agency said they could not complete these as they were not the direct employers. A similar issue occurred for some WAS respondents who worked for the NHS.

At some local authorities the pension scheme for employees of the local authority was administered at a different local authority. Some local authorities still
completed and returned questionnaires in these cases, but the pensions questions had to be answered by one local authority, and the information relating to the organisation had to be completed by the other local authority. This both meant that more time was needed to complete the questionnaire and, by increasing the number of steps in the survey process, created more opportunities to drop out of the survey.

The Ministry of Defence (MOD) database of pension scheme members contains a vast number of people and cannot be searched by name or date of birth, only by National Insurance number, so the MOD were not able to complete any questionnaires.

A possibility for trying to resolve some of these issues would be to approach the Public Sector Transfer Club for advice, should a main stage take place.

5.5 The employer questionnaire

There were some questions at the end of the employer questionnaire asking employers whether they filled in the questionnaire alone, or if they had help, and whether they needed to look up any information. In addition to this, a small sample of employers were re-contacted by telephone and asked a few questions about their experience of completing the questionnaire. These two sources of information have been used to review the employer questionnaire.

5.5.1 Different questionnaire modes

All employers were sent a paper questionnaire, and offered the option, in the covering letter that went with the questionnaire, of completing the questionnaire online. Employers who did not return a paper questionnaire or complete an online questionnaire after two reminders were telephoned and asked to return their questionnaire. At this point employers were also offered the option of completing the questionnaire over the phone.

Paper questionnaires were completed by employers for 761 employees, and a further 89 questionnaires were completed online. No employers chose to complete a telephone interview.

- Larger employers were more likely to complete online questionnaires: 12 per cent of employers with 500 employees or more did so compared with just six per cent of employers with less than 500 employees (possibly because larger employers may have been more likely to have internet access).

- Employers who responded to the first reminder (which did not include a replacement paper questionnaire) were the group most likely to complete an online questionnaire: 17 per cent did so compared with nine per cent of employers who responded to the initial mailout, and seven per cent of employers who responded to the second reminder (which did include a replacement questionnaire) or the telephone chase.
• There were no significant differences by the type of industry, or by whether the organisation was in the private or public sector.

5.5.2 Number of respondents

In most cases (68 per cent) just one respondent completed the employer questionnaire, but 24 per cent of questionnaires were completed by two respondents, and four per cent were completed by three or more respondents. Five per cent of employers did not answer this question.

5.5.3 Whether needed to look up information

All employers were asked whether they needed to consult records or documentation in order to complete the questionnaire. This was asked separately for each of sections A, B, C and D.

Section A had questions regarding the employee's service at the organisation.

Section B had questions about the employee's pension arrangements.

Section C had questions about the organisation’s pension arrangements.

Section D asked for a few details regarding the organisation.

As shown in Table 5.7, most employers had to look up information for at least some of the questions about the employee's service at the organisation and the employee's pension arrangements. Fewer employers needed to consult records to answer more general questions about pension arrangements at the organisation, or about the organisation itself.

Table 5.7 Whether needed to look up information in order to answer the questions

<table>
<thead>
<tr>
<th></th>
<th>Section A</th>
<th>Section B</th>
<th>Section C</th>
<th>Section D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes – all</td>
<td>44</td>
<td>29</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Yes – some</td>
<td>34</td>
<td>44</td>
<td>21</td>
<td>16</td>
</tr>
<tr>
<td>No, none</td>
<td>13</td>
<td>17</td>
<td>53</td>
<td>59</td>
</tr>
<tr>
<td>Question not answered</td>
<td>10</td>
<td>10</td>
<td>15</td>
<td>17</td>
</tr>
</tbody>
</table>

Employers at larger organisations (those with 500 or more employees) were generally more likely to need to look up information from administrative records, apart from for Section C – questions about the organisation’s pension arrangements – where employers from smaller organisations were more likely to need to check admin data. Analysing by job title, those whose job title related to pensions or benefits were also less likely to need to look up information for Section C.
5.5.4 Questions employers had difficulty answering

At the end of the questionnaire all employers were asked if they had problems finding the appropriate information or in answering any of the questions. It should be noted that the vast majority (86 per cent) of the 850 employers who completed a questionnaire did not report any problems here, but the questions that did cause problems for some employers are mentioned below (broken down by questionnaire section).

Employee’s service at organisation

• Six employers had difficulty finding any records of the employee in question (although three of these evidently did manage to find records as they completed relevant parts of the questionnaire, the other three said the employee was not employed by the organisation and so skipped most of the questionnaire) – it was generally public sector employers (particularly councils) that had difficulty tracing employees (A1\(^{28}\)).

• Seven employers had trouble giving the employee’s contracted hours (A3).

• One employer had difficulty ascertaining whether the employee was employed on a permanent basis (A4).

Employee’s pension arrangements

As might be expected, there were a few more difficulties in this section:

• Nine employers had trouble saying whether they offered access to a pension scheme (B1).

• Three employers had difficulty finding out whether the employee was a member of one of the organisations pension schemes (B2).

• Fourteen employers had a problem saying in what year the employee joined the scheme (B3).

• Six employers found it hard to say whether the employee was contracted out of the state second pension (B4).

• One employer had trouble saying what type of pension scheme the employee was a member of because they had an unusual sort of pension scheme called a ‘cash balance scheme’ (B5).

• Seventeen employers were unsure as to whether the employee had transferred pension rights (B6).

• Fifteen employers had a problem finding out how many years the employee had built up in the pension scheme (B7).

• Seven employers had difficulty saying how the employee’s pension would be calculated (B8).

\(^{28}\) Question number from the employer questionnaire.
• One employer said they had trouble with the accrual rate (B9).

• Four employers were unsure whether the defined benefit or hybrid scheme had a defined contribution element (B10).

• Two employers found it hard to say whether the employee had made any additional payments (B15).

• One employer had trouble saying what type of pension scheme the employee was eligible to join (B18).

• One employer had difficulty saying how much the organisation was contributing for each scheme member on average (B22).

• One respondent did not know if there were other schemes employees could join, as they were not the direct employers (B23).

Organisation pension arrangements
• Six employers had difficulty giving the normal pension age for scheme members (C1).

• Three employers found it hard to say whether the scheme was open to new members at the reference date (C2).

• Eight employers had a problem finding out what sort of information or advice about pensions was provided for employees (C3).

• Seven employers said they had trouble saying how members join the pension scheme (C4).

About the organisation
• Three employers had difficulty saying whether their organisation was in the private or public sector (D1).

• Forty-five employers had a problem finding out how many people worked at the employee’s workplace (D2). Some of these evidently did manage to find the information as they gave an answer to this question, but most did not.

• Nine employers had trouble saying how many people worked for the organisation as a whole (D3).

5.5.5 Time taken to complete the questionnaire
The 83 employers who were re-contacted by telephone were asked how long it took them to complete the questionnaire, including any time it took to look up information needed (employers who had completed more than one questionnaire were asked to say how long it took on average to complete each one). On average, it took respondents just over 21 minutes to complete the questionnaire. However, there was considerable variation in the length of time taken: four respondents said it only took them two or three minutes, while three respondents said they spent at least an hour and a half completing the questionnaire.
Table 5.8  Time taken to complete the employer questionnaire

<table>
<thead>
<tr>
<th>Time taken</th>
<th>Column percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than ten minutes</td>
<td>18</td>
</tr>
<tr>
<td>10 – 19 minutes</td>
<td>33</td>
</tr>
<tr>
<td>20 – 29 minutes</td>
<td>18</td>
</tr>
<tr>
<td>30 – 39 minutes</td>
<td>14</td>
</tr>
<tr>
<td>40 – 49 minutes</td>
<td>4</td>
</tr>
<tr>
<td>50 – 59 minutes</td>
<td>0</td>
</tr>
<tr>
<td>60 minutes or more</td>
<td>6</td>
</tr>
<tr>
<td>Don’t know</td>
<td>7</td>
</tr>
</tbody>
</table>

*Base: All employers who were re-contacted 83*

5.5.6  Ease of completing questionnaire

Nine in ten respondents found the questionnaire easy to complete, with three in ten finding it very easy.

Table 5.9  Ease of completing the employer questionnaire

<table>
<thead>
<tr>
<th>Ease of completing</th>
<th>Column percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very easy</td>
<td>31</td>
</tr>
<tr>
<td>Fairly easy</td>
<td>58</td>
</tr>
<tr>
<td>Not very easy</td>
<td>8</td>
</tr>
<tr>
<td>Not at all easy</td>
<td>2</td>
</tr>
</tbody>
</table>

*Base: All employers who were re-contacted 83*

Of the nine people who had not found the questionnaire easy to complete, seven said this was because the information asked for was difficult to access, and one said they did not understand the questions. The remaining respondent said that their company’s pensions were dealt with by an external agency, so they did not know a lot about them.

5.5.7  Confidence in correctness of answers on questionnaire

Three-quarters of respondents were very confident their answers were correct and most of the remainder were fairly confident. One respondent said they were not at all confident in their answers, and the reason they gave for this was that the questions were confusing.
Table 5.10  Confidence in answers to employer questionnaire

<table>
<thead>
<tr>
<th></th>
<th>Column percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very confident</td>
<td>75</td>
</tr>
<tr>
<td>Fairly confident</td>
<td>24</td>
</tr>
<tr>
<td>Not at all confident</td>
<td>1</td>
</tr>
</tbody>
</table>

Base: All employers who were re-contacted 83

5.5.8 Why respondents chose to complete the paper questionnaire rather than the online questionnaire

The reasons why respondents chose to complete the questionnaire on paper can be divided into two themes: those who actively chose not to complete the web survey but preferred to complete the paper questionnaire, and those who did not consider the web survey but just completed the paper questionnaire because it was in front of them. For the latter group, some did not realise there was an option to complete the questionnaire online – this suggests that these people either did not notice the reference to the web survey in the covering letter, or they did not see the covering letter (for example, if they were not the original recipient of the questionnaire but had it passed onto them by a colleague).

For the former group, the reasons they preferred to complete the paper questionnaire tended to relate to ease and convenience, as well as 17 per cent thinking it would be quicker to complete the paper questionnaire.

There was also one respondent who tried to complete the survey online but experienced a problem with it and so completed the paper questionnaire.

Table 5.11 Why respondents chose to complete the paper questionnaire rather than the online questionnaire

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Column percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quicker to do it on paper</td>
<td>11</td>
<td>17</td>
</tr>
<tr>
<td>Easier to do it on paper</td>
<td>17</td>
<td>27</td>
</tr>
<tr>
<td>Convenient</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>So I could do it at my leisure</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>So I could do it without being in the office</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Am old fashioned</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Was sent a paper questionnaire so just filled it in</td>
<td>22</td>
<td>35</td>
</tr>
<tr>
<td>Didn’t know had the option/could do it online</td>
<td>9</td>
<td>14</td>
</tr>
<tr>
<td>Was in front of me/on my desk</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Had a problem with web survey</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Don’t know</td>
<td>4</td>
<td>6</td>
</tr>
</tbody>
</table>

Base: All employers who were re-contacted who completed the postal survey 63 63
5.5.9 Why respondents chose to complete the online questionnaire rather than the paper questionnaire

The base size (20) is too small for quantitative analysis of this data, but common reasons reported for completing the online questionnaire were that it was easier, quicker or more convenient.

5.5.10 Employers’ suggestions of how the questionnaire could be improved

During the telephone re-contact interview, the employers were asked if they had any suggestions for how the questionnaire could be made easier to complete.

Most respondents (81 per cent) either did not give an answer, or said the questionnaire was fine as it was. For the 16 employers who did make a suggestion for how the questionnaire could be improved, the suggestions they made were as follows:

• Some said the questionnaire was problematic because the questions needed to be answered by more than one department (for example, the Payroll department and the Pensions department). They suggested it would have been easier if the questionnaire was split into sections in such a way that all the questions for one department were in one section and all the questions for another department were in another section.

• Some suggested that it would have been good to have more information (and more advance warning) about why the survey was being done, and what the information was going to be used for – that would have given them more motivation to complete the questionnaire(s).

• Another issue mentioned was that a lot of the questions were irrelevant to public sector employers, and the suggestion was made that the questionnaire should be tailored for different employers.

• Other suggestions were:
  – we should not ask people to fill out these questionnaires any more often;
  – the employee could provide the bulk of the information and the employer could fill in the rest of it;
  – the questionnaire layout should be made clearer;
  – it would have been easier to be provided with a date of birth and National Insurance number along with the employee’s name;
  – we should email the questionnaire rather than post it.

While some of these suggestions would be impractical to implement, providing more information about how the data will be used, making the routing clearer, and providing employees’ dates of birth are all actions that could be taken if a main stage of this survey was to take place.
5.5.11  Item non-response and routing errors

The effectiveness of the questionnaire can be partially measured by looking at item non-response and routing errors. Item non-response has been examined in some detail in Section 3.1 of this report, where it was shown that there was missing data at most questions in the data collated from paper questionnaires, and that this was much more of an issue for paper questionnaires than for online questionnaires. A breakdown of item non-response at each question on the employer questionnaire is included in Table I.1 in Appendix I.

Routing was an issue on the postal questionnaires – at most questions some respondents who should have answered the question left it blank, and some respondents who should not have answered the question did answer it. This could be because:

• the layout of the questionnaire and the routing instructions on it were not sufficiently clear;

• respondents found there were some questions they could not answer and some they could and so they ignored the routing and just answered whichever questions they could.

We suspect it is a bit of both. Anecdotally, a few respondents telephoned BMRB to say they could only complete certain bits of the questionnaire (they did not have the necessary information to complete all of it) and were told to just answer whichever questions they could and leave questions blank if they could not answer them.

On the online questionnaire there were no routing problems (as the routing was controlled by the CAWI software), but it was possible for respondents to skip questions, and this did happen at several questions – presumably because respondents could not answer these questions.
6 Conclusions and recommendations

The key purpose of this feasibility study was to assess whether a mainstage of the employer follow-up survey could and should be undertaken. The main focus of analysis of the feasibility study has, therefore, been to look at the extent to which employer data can improve the quality and completeness of data from employees.

6.1 Improving employee data

All questions that were asked of both employers and employees were examined to assess whether data from the two datasets matched or differed, or whether employer data was filling in gaps in the employee data.

There were several difficulties involved in comparing the datasets:

- Both the employee and employer questionnaires were (necessarily) quite heavily routed. Where employee and employer answers differed early on in the questionnaire (e.g. if the employee said they had a defined benefit scheme, but the employer said they had a defined contribution scheme) the employee and employer followed different routes through the questionnaire and so were asked different questions. In this example, for questions about defined benefit schemes the employee would have an answer but the employer would not, and vice versa for defined contribution schemes.

- Compounding this first problem was the fact that a reasonable number of employers seem not to have followed the routing on the questionnaire, but to have just answered whichever questions they could (whether they should have answered them or not).

- Where employer and employee data differed, there was no sure way to know which dataset was correct. Assumptions can be made (and these are discussed in Section 4.3 of this report) but we cannot be sure. This makes it difficult to assess whether employer data has actually improved the quality of employee data.
There were 15 questions that were asked of both employees and employers, these are all examined in detail in Section 4.1 of this report. At several of these, employer data mostly matched employee data:

- Whether the organisation offered access to a pension scheme (Section 4.1.129).
- Whether the employee was a member of the organisation’s pension scheme (Section 4.1.2).
- Whether the employer was contributing to the employee’s pension scheme (Section 4.1.8).
- Whether the employee was making contributions to their pension scheme (Section 4.1.10).
- Whether the employee made any additional payments (Section 4.1.12).
- Whether the employee was eligible to join the organisation’s pension scheme (Section 4.1.14).

And there were a further two questions where so few respondents were routed to them that useful comparisons could not be made:

- Amount of the additional payments the employee was making (Section 4.1.12).
- Contributions the employee had made in the last year if they were not contributing at the time (Section 4.1.13).

So, for these eight questions there was little to be gained by asking them of employers as well as employees.

For the remaining seven questions though, there were higher numbers of cases where employer data either differed from employee data, or where it filled in gaps:

- Year in which the employee joined the pension scheme (Section 4.1.3).
- Employee’s main type of pension provision (Section 4.1.4).
- Number of years the employee had built up in the main pension scheme (Section 4.1.5).
- How the employee’s defined benefit pension will be calculated (Section 4.1.6).
- Accrual rate of the employee’s defined benefit pension (Section 4.1.7).
- Amount of employer’s contributions to the employee’s pension scheme (Section 4.1.9).
- Amount of employee’s contributions to their pension scheme (Section 4.1.11).

29 Section of this report where employee and employer data is compared for this question.
So for these questions the employer data has potentially added to our knowledge, and so it perhaps was worthwhile to ask them of employers (although, as discussed in Chapter 4, for questions on the year the employee joined the pension scheme, and the number of years built up in the scheme, we might be inclined to think employee data is more accurate than employer data). As mentioned previously, for cases where data differed between employee and employer data we cannot be sure whether employee or employer data is correct (although we can make assumptions), but for cases where the employee said ‘Don’t know’ and the employer gave a valid answer, employee data has definitely been improved by conducting the employer survey. There were two questions (on accrual rates and how defined benefit pension will be calculated) where a particularly high proportion of employees answered ‘Don’t know’. Looking just at employees who had given permission for their employer to be contacted, the proportion of ‘Don’t know’ answers for the question on how the defined benefit pension would be calculated fell from 19 per cent to eight per cent as a result of conducting the employer survey, and the level of ‘Don’t know’ answers about accrual rates fell from 44 per cent to 21 per cent. However, only 60 per cent of Wealth and Assets Survey (WAS) respondents did give permission for their employer to be contacted, so these drops in the levels of ‘Don’t know’ answers would be noticeably tempered by the 40 per cent of cases where no attempt could be made to contact an employer.

Overall, employee data could only be potentially improved or added to at any one question for 19 per cent30 of all relevant WAS respondents who would be eligible for inclusion in the employer follow-up survey (whether they gave permission to be included or not). The main reason why this proportion is so low, is that the response rate for employers as a proportion of all WAS respondents who would be eligible for inclusion in the employer follow-up survey is only 35 per cent, due in part to the 40 per cent who did not give their permission for their employer to be contacted.

This calls into question the merits of conducting a mainstage of the employer follow-up survey as data is only potentially improved for a small proportion of WAS respondents, and for some of these we cannot be sure whether the data has actually been improved or not as we do not know whether employer data is more accurate than employee data.

6.1.1 Subgroups for which data is more likely to be improved

Rather than attempting to follow-up employers for all WAS respondents who gave permission, an option would be to just follow-up employers for certain groups of WAS respondents. To assess the feasibility of doing this, subgroups of WAS respondents were examined to see if they were more likely to answer ‘Don’t know’ at pensions questions, and to see if, where they had given a valid answer, their answers were less likely to match their employers’ answers. There

30 This figure does not take into account assumptions about whether employee or employer data is correct as set out in Sections 4.3.1 and 4.3.2.
were several subgroups of WAS respondents who were generally more likely to answer ‘Don’t know’ (examined in Section 2.1.8), but only three groups were also more likely to have their answers contradicted by their employers: part-time workers and those earning less than £26,000 per year (there is significant overlap between these two groups) and WAS respondents whose answers were rated inaccurate by interviewers.

So potentially, just these groups could be included in the employer follow-up survey. However, although these groups were more likely than average to have lower quality data, the differences between these groups and other WAS respondents were not huge. Just following up these groups would seem rather arbitrary.

Another option, given that the two questions with the highest levels of data improvement (accrual rates and how defined benefit pension will be calculated) only apply to defined benefit pension schemes, would be to just contact employers for WAS respondents who had defined benefit pension schemes. However, some questions that apply to defined contribution schemes (such as the amount of employer and employee contributions) were also among those that had higher levels of data improvement as a result of conducting the employer survey. Also, defined benefit schemes were much more common in the public sector than the private sector, and public sector employers seemed to have more difficulties providing the information asked for by the questionnaire.

6.2 Questionnaire

The employer questionnaire used for this feasibility study (included in Appendix B) was reasonably long (seven pages, and quite densely populated with questions). As discussed above, some of the questions included on the employer questionnaire added very little to the WAS data, so these questions could be removed. Also, Section E of the questionnaire could be removed as this section was just intended to collect feedback on completing the survey which could then be used when designing the questionnaire for any mainstage of the employer follow-up. Removing these questions would make the questionnaire shorter or allow the questions to be more spaced out (or both). This would make the questionnaire look less daunting to employers and the response rate should increase accordingly.

6.3 Methodology

If a mainstage of the employer follow-up survey were to take place we would recommend using a similar methodology to this feasibility study, but with some revisions.
6.3.1 Sample preparation
Due to the need to contact employers relatively soon after WAS respondents have been interviewed, the WAS dataset (including respondents’ names, employers’ names and addresses, and pension details) provided by the Office for National Statistics (ONS) had not been ‘cleaned’. This same issue would occur for any mainstage of the employer follow-up survey (unless ONS could prioritise cleaning this data), so a significant amount of time should be planned for cleaning the dataset, and for identifying potential duplicates (where more than one WAS respondent worked for the same employer) before the employer tracing stage began.

6.3.2 The employer tracing stage
Whether or not a named contact was collected at the employer tracing stage did not affect the response rate among employers, which would suggest the merit of including this stage is questionable. However, for multi-site organisations this stage is necessary. For most multi-site organisations the person with responsibility for pensions was at a head office location, so it is unlikely that the questionnaire would have reached them if it had been sent to the workplace of the WAS respondent. For single-site organisations the employer tracing stage may not be necessary, but WAS does not ask respondents whether their workplace is single or multi-site and so this distinction cannot be made.

We, therefore, recommend keeping the employer tracing stage, with the revision discussed previously that interviewers are not forced to make three attempts to speak to the individual with responsibility for pensions, but are able to collect their contact details from a proxy.

6.3.3 Postal fieldwork (including reminders)
A postal methodology remains the most appropriate for this survey. Much of the information asked for needed to be looked up by employers, and in some cases more than one individual was needed to help complete the questionnaire. A postal methodology allows complete flexibility for employers to do this, as well as allowing them to complete the questionnaire as and when they have time to do so.

Both the first reminder (letter only) and the second reminder (full pack) had a large impact on the response rate, so we would recommend including these reminders in any mainstage of the employer follow-up survey.

One revision we would suggest to the postal methodology would be to limit the maximum number of questionnaires that were sent to any one employer. Employers who were sent multiple questionnaires were less likely to take part in the survey. Limiting the number of questionnaire to four for the feasibility study would have meant that 81 questionnaires (six per cent of all those despatched) were not sent. An alternative to limiting the number of questionnaires would
be to provide more tailored questionnaires for larger organisations, so that one questionnaire asked about all relevant WAS respondents. This more bespoke questionnaire design would have cost implications however, and the feasibility of designing such questionnaires would depend on the complexity of employers pension provision.

6.3.4 **Online questionnaire option**

The online option was a better survey tool than the paper option because no routing errors can occur and item non-response is reduced. However, only ten per cent of responding employers chose to complete the questionnaire online. We cannot be sure how many of these would have returned a postal questionnaire had there not been an online option, but we suspect most of them would. There are set up costs involved with including an online option for employers, and given the low level of take-up, this option is not very cost effective. We would, therefore, recommend not including an online option if a mainstage of the employer survey was to take place.

6.3.5 **Telephone chase stage**

At the telephone chase stage we would certainly not recommend including the option to allow employers to complete the questionnaire over the phone as this made the scripting process very complicated (due to the need to ask some employers about more than one employee), and no employers took up this option.

Response analysis (although limited by the numbers available) showed no significant differences between employers who responded to the initial mailout, and those who responded to later stages (including the telephone chase). This suggests that the drop in the response rate that could be expected if this chase stage was not included would be unlikely to cause a substantial increase in non-response bias.

However, non-response bias is not really the issue here. If a mainstage employer survey is conducted, it will be important to maximise the number of questionnaires received from employers in order to maximise the number of WAS respondents for whom employer data is available.

This telephone chase stage is relatively costly (compared to postal reminders), but it did have an impact on the response rate, and so may be worth including in any mainstage of the employer follow-up survey.

6.3.6 **Cross-sectional or longitudinal**

If an employer follow-up survey is to be conducted, we would recommend that it was undertaken longitudinally. It is not uncommon for people to change their pension arrangements, or even their job over the course of two years, so information collected from employers at previous waves may become out of date.

Making the survey longitudinal would mean employers were re-contacted about each WAS respondent once every two years, which does not seem over-
burdensome. It is possible that after the first wave the questionnaire could be reduced – for example, if the employee’s pension details had not changed since the previous wave employers could indicate this rather than having to complete details again. Another alternative: if WAS respondents said their pension details had not changed since the previous wave, there would be no need to contact their employer again.

There would of course be cases where WAS respondents were working for a different employer at the second wave of the study than they were at the first. These cases would probably need treating differently. For example, new employers could be sent a fuller questionnaire.
Appendix A
Screening questionnaire

INTRO1: Good morning/afternoon. My name is … calling from BMRB Social Research, an independent research organisation. I am calling on behalf of the Department for Work and Pensions and I am looking for the person at <ORG NAME> (+ READ OUT ORG ADDRESS IF NECESSARY) who is responsible for PENSION arrangements for employees.

1. Do you know who that person would be?

IF DO NOT MAKE PROVISION SAY

Although you do not have any pension provision we would still like to speak to the person who makes the decisions about whether or not to offer any pension arrangements to employees (REPEAT QUESTION)

IF MORE THAN ONE PERSON RESPONSIBLE FOR PENSION ARRANGEMENTS, ASK FOR THE MORE SENIOR PERSON INITIALLY.

Yes – me GO TO INTRO2

Yes – someone else GO TO Q7

No IF <50 EMPLOYEES GO TO Q13, IF >49 EMPLOYEES OR NUMBER OF EMPLOYEES UNKNOWN GO TO Q14 (number of employees taken from WAS data)

IF YES – ME AT Q1

INTRO 2: BMRB Social Research have been commissioned by the Department for Work and Pensions to conduct some research into the types of pension provision made by employers for their employees. At this stage we would just like to collect some name and address details from you, so that we can send you some more details about the research…
ADD IF NECESSARY: One of your employees took part in an interview last year, and gave their permission to contact you. This study is just to get some additional information to help us with that survey.

The letters will be sent in the next few weeks

2. Can you tell me your name? (Respondents name will be collected over 3 screens to improve accuracy for mailout)
   
   Yes GO TO Q3 (AFTER COLLECTING NAME)
   
   No END INTERVIEW (UNSUCCESSFUL)

ENTER TITLE
ENTER FIRST NAME
ENTER LAST NAME

3. And can you tell me what your job title is?

ENTER JOB TITLE GO TO Q4
Refused GO TO Q4

4. Can I confirm that you are based at the following address?

INSERT ADDRESS HERE GO TO Q5
Refused GO TO Q5

5. And can you tell me your telephone number?

INSERT TELEPHONE NUMBER HERE. GO TO Q6
Refused GO TO Q6

6. And can I take your email address please?

INSERT EMAIL ADDRESS HERE. END INTERVIEW (SUCCESSFUL)
Refused END INTERVIEW (SUCCESSFUL)

IF YES – SOMEONE ELSE AT Q1 ASK Q7

7. Could you put me through to him/her (the person who is responsible for pension arrangements for employees at <ORG NAME>)?

DO NOT CODE ‘YES’ UNTIL YOU ARE SPEAKING TO THEM (THE PERSON WHO IS RESPONSIBLE FOR PENSION ARRANGEMENTS)

Yes GO TO Q17

No TAKE CONTACT DETAILS AND ARRANGE TO CALL BACK (CALL BACK STARTS AT INTRO1). IF ATTEMPTED TO CONTACT >3 TIMES THEN GO TO Q8.
IF Q7 = No OR Q13 = No AND HAVE ATTEMPTED CONTACT >3 TIMES.

8. Could I take his/her name, we would like to write to him/her about some research we are conducting for the Department for Work and Pensions on pension provision for employees? (Respondents name will be collected over 3 screens to improve accuracy for mailout)

IF NECESSARY SAY: BMRB Social research have been commissioned by the Department for Work and Pensions to conduct some research into the types of pension provision made by employers for their employees. We would like to send him/her some more details about the research…

ADD IF NECESSARY: One of your employees took part in an interview last year, and gave their permission to contact you. This study is just to get some additional information to help us with that survey.

Yes GO TO Q9 (AFTER COLLECTING NAME)

No GO TO Q16

ENTER TITLE
ENTER FIRST NAME
ENTER LAST NAME

9. And can you tell me what his/her job title is?

ENTER FULL JOB TITLE GO TO Q10
Don’t know GO TO Q10
Refused GO TO Q10

10. Can I confirm that he/she is based at the following address?

INSERT ADDRESS HERE GO TO Q11
Don’t know GO TO Q11
Refused GO TO Q11

11. And can you tell me his/her telephone number?

ENTER NUMBER HERE. GO TO Q12
Don’t know GO TO Q12
Refused GO TO Q12

12. And can you tell me his/her email address please?

ENTER EMAIL ADDRESS HERE. END INTERVIEW (SUCCESSFUL)
Don’t know END INTERVIEW (SUCCESSFUL)
Refused END INTERVIEW (SUCCESSFUL)
IF NO AT Q1 AND COMPANY HAS 49 OR LESS EMPLOYEES

13. Please could you put me through to the Owner or Managing Director of the company?

IF NECESSARY SAY: BMRB Social research have been commissioned by the Department for Work and Pensions to conduct some research into the types of pension provision made by employers for their employees. We would like to send him/her some more details about the research…

Yes GO TO INTRO1

No TAKE CONTACT DETAILS OF OWNER/MANAGING DIRECTOR AND ARRANGE TO CALL BACK (CALL BACK STARTS AT INTRO1). IF ATTEMPTED TO CONTACT >3 TIMES THEN GO TO Q8.

IF NO AT Q1 AND COMPANY HAS 50+ EMPLOYEES OR NUMBER OF EMPLOYEES UNKNOWN

14. Do you know which department deals with pension provision for employees at <ORG NAME>?

Yes GO TO Q15

No GO TO Q16

IF YES AT Q14 ASK Q15

15. Please may I speak to someone within that department?

Yes GO TO INTRO1

No END OF INTERVIEW (UNSUCCESSFUL)

IF NO AT Q14 OR NO AT Q8 ASK Q16

16. Please may I speak to somebody within your Human Resources or Finance department (or someone with responsibility for Human Resources or Finance)?

Yes GO TO INTRO1

No END OF INTERVIEW (UNSUCCESSFUL)

IF Q7 = Yes ASK Q17

17. Good morning/afternoon. My name is … calling from BMRB Social Research, an independent research organisation. We are calling on behalf of the Department for Work and Pensions and I am looking for the person who is responsible for pension arrangements for employees at <ORG NAME> (+ READ OUT ORG ADDRESS IF NECESSARY). I’m told that you are the person who arranges pensions in your company, is that correct?

Yes GO TO INTRO2

No GO TO Q1
Appendix B
Main employer questionnaire (postal)
When the questionnaire refers to “the employee” this means <NAME>.
When the questionnaire refers to “the organisation” this means <ORG NAME>.
When the questionnaire refers to “reference date” this means <DATE OF INT>.

How to fill in this questionnaire:
Please put a cross in the appropriate box to indicate your answer [☑]. If you have made a mistake in your answer, please completely fill a box to show the mistake [●] and then cross the correct answer.
You will need to use blue or black ink.
Your answers will be treated in the strictest confidence and all findings will be made anonymous in the reporting of results so that responses cannot be traced back to individuals.

Please answer the following questions about the employee’s employment and pension arrangements on the reference date. If you are unable to provide information that relates exactly to this date, please provide information for nearest possible date, and record the date below.

The information I’m providing refers to:

- ☐ the reference date
- ☐ to another date

Today’s date is ______________________ (DD/MM/YYYY)

SECTION A – Employee’s service at your organisation

A1 Can you confirm that the employee was employed by the organisation on the reference date?
☐ Yes → GO TO A2  ☐ No → GO TO D1

A2 Is the employee still working for the organisation?
☐ Yes ☐ No

A3 How many hours a week was the employee contracted to work on the reference date?

☐ ______________________ HOURS

A4 Was the employee employed on a permanent basis on the reference date?
A permanent contract is one for which the actual duration of the contract has not been agreed in advance.
☐ Yes ☐ No

SECTION B – Employee’s pension arrangements

B1 On the reference date, did the organisation offer access to one or more pension or superannuation schemes for any employee?
☐ Yes → GO TO B2  ☐ No → GO TO SECTION D

B2 Was the employee a member of one of the organisation’s pension schemes at the reference date?
☐ Yes → GO TO B3  ☐ No → GO TO B17

B3 In which year did the employee join their main pension scheme?
If the employee has transferred rights from another scheme, state the year they joined that scheme if known.

☐ ______________________ (year)

B4 Was the employee contracted out of the state second pension at the reference date? When contracted out, the employer and employee pay lower national insurance contributions
☐ Yes ☐ No
B5 What was the employee’s main type of pension provision?

- Defined benefit or salary-related occupational pension  → GO TO B6
  - An occupational pension where retirement benefits are based on length of service and salary
- Defined contribution or money purchase occupational pension  → GO TO B11
  - An occupational pension where benefits are based on contributions made and investment returns during membership
- A hybrid occupational pension scheme  → GO TO B6
  - Where benefits are calculated using defined benefit and defined contribution methods
- Group personal pension scheme  → GO TO B11
  - A personal pension plan arranged with a bank or building society for a group of employees
- Stakeholder pension  → GO TO B11
  - A form of personal pension arranged between an individual and pension provider such as a bank. Launched in April 2001

Pension scheme members

Answer these questions if the employee’s main pension scheme is defined benefit or hybrid.

B6 At the reference date, did the employee have transferred pension rights from another scheme for their main pension?

- Yes
- No

B7 How many years had the employee built up in their main pension scheme at that time? Include any years that have been transferred from another scheme, and added years that the employee has bought

[ ] _______ years

B8 Which of these best describes how the employee’s pension will be calculated? Will it be some fraction of...?

- Their FINAL year’s salary
- Career average earnings
- Their salary from ALL years that they have been in the scheme
- Their LAST 3 years salary
- Their LAST 5 years salary
- Their BEST 3 years salary in the last 10 years
- Something else (WRITE IN)

B9 At the reference date, what was the accrual rate for this salary-related (or defined benefit) scheme or section of the scheme?

- One 60th
- One 80th
- Other (PLEASE SPECIFY)

B10 Did the scheme have a defined contribution (money purchase) element?

- Yes  → GO TO B11
- No  → GO TO SECTION C

Office Use Only

Pension scheme members

Answer these questions if the employee’s main pension scheme is defined contribution, hybrid, a Group Personal Pension or a Stakeholder Pension.

B11 Was the organisation making a contribution to the employee’s pension at the reference date?

- Yes  → GO TO B12
- No  → GO TO B13
**B12** How much was the organisation contributing to the employee's main pension at that time? Please answer as either a rate/percentage or amount. If unsure please give a best estimate.

<table>
<thead>
<tr>
<th>Rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>£</td>
</tr>
</tbody>
</table>

Was this a percentage of the employee's earnings before or after tax?

- [ ] Before tax - Gross pay
- [ ] After tax - Net pay

What period does this amount cover?

- [ ] One week
- [ ] 4 weeks
- [ ] Calendar month
- [ ] Year
- [ ] Other (SPECIFY)

Is this amount an estimate?

- [ ] Yes
- [ ] No

**B13** Was the employee contributing to their main pension scheme on the reference date?

- [ ] Yes
- [ ] No, but had contributed in the 12 months leading up to the reference date
- [ ] No, and had not contributed at all in the 12 months leading up to the reference date

GO TO B14

**B14** How much was the employee contributing to the pension scheme excluding any additional payments? Please answer as either a rate/percentage or amount. If unsure please give a best estimate.

<table>
<thead>
<tr>
<th>Rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>£</td>
</tr>
</tbody>
</table>

Was this a percentage of their earnings before or after tax?

- [ ] Before tax - Gross pay
- [ ] After tax - Net pay

What period does this amount cover?

- [ ] One week
- [ ] 4 weeks
- [ ] Calendar month
- [ ] Year
- [ ] Other (SPECIFY)

Is this amount an estimate?

- [ ] Yes
- [ ] No

**B15** Did the employee make any additional payments in the 12 months preceding the reference date, e.g. additional voluntary contributions (AVCs) or added years?

- [ ] Yes (enter amount) £
- [ ] No

GO TO SECTION C

**B16** How much did the employee contribute in these 12 months? Enter the amount rounded to the nearest whole pound.

<table>
<thead>
<tr>
<th>AMOUNT</th>
<th>£</th>
</tr>
</thead>
</table>

GO TO SECTION C
Non-members of pension schemes
Answer these questions if the employee was not a member of one of the organisation's pension's schemes

B17 **Was the employee eligible to be a member of one of the organisation’s pension schemes on the reference date?**
- Yes  - GO TO B18
- No  - GO TO B24

B18 **What type of pension scheme was the employee eligible to join?** If more than one, please give the scheme with the largest number of members.
- Defined benefit or salary-related occupational pension  →  GO TO B19
  - An occupational pension where retirement benefits are based on length of service and salary
- Defined contribution or money purchase occupational pension  →  GO TO B22
  - An occupational pension where benefits are based on contribution made and investment returns during membership
- A hybrid occupational pension scheme  →  GO TO B19
  - Where benefits are calculated using defined benefit and defined contribution methods
- Group personal pension scheme  →  GO TO B22
  - A personal pension plan arranged with a bank or building society for a group of employees
- Stakeholder pension  →  GO TO B22
  - A form of personal pension arranged between an individual and pension provider such as a bank. Launched in April 2001

B19 **Which of these best describes how each employee’s pension will be calculated? Will it be some fraction of...?**
- Their FINAL year’s salary
- Career average earnings
- Their salary from ALL years that they have been in the scheme
- Their LAST 3 years salary
- Their LAST 5 years salary
- Their BEST 3 years salary in the last 10 years
- Something else (WRITE IN)  

B20 **What was the accrual rate for this salary-related (or defined benefit) scheme or section of the scheme?**
- One 60th
- One 80th
- Other (PLEASE SPECIFY)  

B21 **Did the scheme have a defined contribution (money purchase) element?**
- Yes  - GO TO B22
- No  - GO TO B23

B22 **How much was the organisation contributing to the scheme for each member on average?** If contributions vary for different sections of the scheme, answer with reference to the largest group of scheme members. Use the box below if the organisation did not make contributions; otherwise specify the average contribution as either a rate or an amount.
- No employer contributions

<table>
<thead>
<tr>
<th>Rate</th>
<th>Amount per member</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>£</td>
</tr>
</tbody>
</table>

Was this a percentage of earnings before or after tax?
- Before tax  -  Gross pay
- After tax  -  Net pay

What period does this amount cover?
- One week
- 4 weeks
- Calendar month
- Year
- Other (SPECIFY)  

B23 **Did the organisation have any other current schemes that employees could join?**
- Yes  →  GO TO B25
- No  →  GO TO SECTION C
B24 Why was the employee eligible to join the organisation's main pension scheme? Was it because of their....  
Please consider the scheme with the largest number of members. Tick all that apply:

- [ ] Length of service
- [ ] Seniority within the organisation (e.g. restricted to senior management only)
- [ ] Occupation/type of job
- [ ] Age
- [ ] The particular subsidiary/group/activity in which they worked
- [ ] Contractual status (permanent contract only)
- [ ] Something else (WRITE IN)

→ GO TO B26

B25 What other types of pension provision did the organisation offer at the reference date? 
Tick all that apply:

- [ ] Defined benefit (salary-related) occupational pension scheme
- [ ] Defined contribution (money purchase) occupational pension scheme
- [ ] A hybrid occupational pension scheme, where benefits are calculated using defined benefit and defined contribution methods
- [ ] Group personal pension scheme
- [ ] Stakeholder pension
- [ ] No pension provision

B26 What was the organisation's main type of pension provision at the reference date? 
Please give the scheme with the largest number of members:

- [ ] Defined benefit (salary-related) occupational pension scheme
- [ ] Defined contribution (money purchase) occupational pension scheme
- [ ] A hybrid occupational pension scheme, where benefits are calculated using defined benefit and defined contribution methods
- [ ] Group personal pension scheme
- [ ] Stakeholder pension
- [ ] No pension provision

→ GO TO SECTION C
**SECTION C – Organisation pension arrangements**

If the employee was a member of an organisational pension scheme on the reference date, please give details of their main scheme.

If the employee was not a member of an organisational pension scheme but was eligible to join a scheme, please give details of the largest scheme that they could join.

If the employee was not eligible to join a scheme, please give details of the largest scheme offered by the organisation.

C1  **At the reference date, what was the normal pension age for scheme members?** The age when a scheme member can draw their pension without penalties.

   Men [ ]  Women [ ]

C2  **Was the scheme open for new members to join at the reference date?**

   [ ] Yes  [ ] No

C3  **In the calendar year preceding the reference date, did the organisation (or your pension provider) provide employees with any of the following types of information and advice about joining the pension scheme?**

   Tick all that apply

   - Paper based information (leaflets, posters, staff newsletters etc.)
   - Staff presentations
   - Electronic information
   - One to one information session
   - One to one advice from an IFA
   - Other (WRITE IN) ………………………………………………………..
   - Did not provide information or advice

**SECTION D - About the organisation**

D1  **Is the organisation in…?**

   [ ] The private sector
   [ ] The public sector
   [ ] Or the voluntary sector?

D2  **At the reference date, how many employees worked at the site or location where the employee worked?** An employee is someone with a contract of employment, including outworkers. *Exclude* any employees of other organisations working at your premises and employees of your organisation based at another site, e.g. another branch within the same city.

   1 to 10  [ ] 50 to 249
   11 to 24  [ ] 250 to 499
   25 to 49  [ ] 500 or more

D3  **And at the reference date, how many employees worked in the organisation as a whole?** An employee is someone with a contract of employment, including outworkers. *Include* all employees working for the organisation at any site.

   1 to 10  [ ] 50 to 249
   11 to 24  [ ] 250 to 499
   25 to 49  [ ] 500 or more
SECTION E – Completing this survey. It would help us very much if you could give us some feedback on completing this survey.

E1. How many people helped to answer the questions?
   - 1 only (just you)
   - 2
   - 3 or more

E2. What are the job titles of the people who helped to answer the questions?
   If more than 3 people have helped, please give the job titles of the 3 main people that were involved, including you.
   Your Job title .................................................................
   Person 2 ...............................................................................  
   Person 3 ............................................................................... 

E3. For which questions did you need to consult records or documentation?

<table>
<thead>
<tr>
<th>Section</th>
<th>All</th>
<th>Some</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>A - Employee’s service at your org</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B - Employee’s pension arrangements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C - Organisation pension arrangements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D - About the organisation</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

E4. Did you have problems finding the appropriate information or in answering any of the questions? Please specify question numbers below.

<table>
<thead>
<tr>
<th>Section</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A - Employee’s service at your org</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B - Employee’s pension arrangements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C - Organisation pension arrangements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D - About the organisation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

E5. Please enter your name and contact details below

<table>
<thead>
<tr>
<th>Name</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telephone number</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Email</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Section F - Comments Box. If you have any comments, please write them in the box below.

THANK YOU FOR YOUR HELP
Types of pension scheme

**Occupational schemes** are organised by the employer to provide employees with a pension and/or benefits when they retire from work. Usually employers make contributions for each employee who joins the scheme. There are two types of occupational schemes: Defined Benefit (or salary related) and defined contribution (or money purchase).

**Stakeholder pensions** are a form of personal pension arranged between an individual and a pension provider such as an insurance company or a bank. This may be a scheme to which the employer does or does not make contributions.

**Group personal pensions** are personal pension plans that an employer has organised with an insurance company, building society or bank for a group of employees. Group personal pensions are not private personal pensions, stakeholder pensions or occupational schemes. They are *collections of personal pensions arranged by the employer for a group of employees*.

**Private personal pensions** are a form of private pension arrangement between an individual and a pension provider. These are personal pensions that are NOT a stakeholder or part of a group personal pension.

Contributory schemes

**Contributory schemes** should be defined as those where members pay contributions into the scheme, other than for additional voluntary contributions (AVCs) or optional benefits.

Salary Related and Money-Purchase Schemes

In **salary-related** (or defined benefit) schemes, benefits are usually based on length of service and final salary. In **money-purchase** (or defined contribution) schemes, benefits are based on contributions made and investment returns during membership.

Accrual rate

**Accrual rate** is the speed at which pension benefits accrue within a defined benefit occupational pension scheme for each year in service.
Appendix C
Example screens from online employer questionnaire
Appendices – Example screens from online employer questionnaire

What was the employer's main type of pension provision?

- Defined benefit or salary-related occupational pension (where retirement benefits are based on length of service and salary)
- Defined contribution or money purchase occupational pension (where benefits are based on contributions made and investment returns during membership)
- A hybrid occupational pension scheme (where benefits are calculated using defined benefit and defined contribution methods)
- Group personal pension scheme (a personal pension plan arranged with a bank or building society for a group of employees)
- Stakeholder pension (a form of personal pension arranged between an individual and pension provider such as a bank, launched in April 2001)

Which of these best describes how the employee's pension will be calculated? Will it be some fraction of...?

- Their final years salary
- Their average years earnings
- Their salary from all years that they have been in the scheme
- Their last 3 years salary
- Their last 5 years salary
- Their best 3 years salary in the last 10 years
- Other: [Enter salary in the last 10 years]
Appendices – Example screens from online employer questionnaire

![Example screen from online employer questionnaire](image_url)

### For which questions did you need to consult records or documentation?

<table>
<thead>
<tr>
<th>Questions on employee's service at your organisation</th>
<th>Yes - all</th>
<th>Yes - some</th>
<th>No - none</th>
</tr>
</thead>
<tbody>
<tr>
<td>Questions on employee's pension arrangements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Questions on organisation's pension arrangements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Questions about the organisation</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CONTINUE
Appendix D
Script for telephone chase stage

INTRO
Hello, my name is ... calling from BMRB Social Research on behalf of the Department for Work and Pensions. In July, you should have received a questionnaire/questionnaires about <NUMBER> of your employees as part of the Government’s Household Assets Survey. So far, we have not received a completed questionnaire from you, and I wanted to check if you are able to complete the questionnaire(s).

IF SAY CANNOT TRACE EMPLOYEE(S) – The only other information we have to help you trace the employee(s) is their date of birth. I don’t have this information to hand, but I can ask one of my colleagues to call or email you with the employee’s date of birth. RECORD SERIAL NUMBER, RESPONDENT’S NAME AND EMAIL ADDRESS/TELEPHONE NUMBER AND PASS TO RESEARCH, THEN CODE “NEED DATE OF BIRTH”. (IF DOB NOT SUFFICIENT TO TRACE EMPLOYEE THEN CODE AS REFUSED).

Outcome codes:
• Proceed with interview
• Engaged
• Answer machine
• No answer
• New number
• Business closed down
• Refused
• GCB
• Named individual not appropriate respondent
• Already completed and returned postal/web questionnaire
• Need date of birth

If refused:
COLLECT REASON FOR REFUSAL
• Questionnaire too long/too complicated
• Don’t have time
• Asked to do too many surveys
• Surveys are against company policy
• Have not heard of employee/cannot trace them
• Need employee’s permission/did not receive permission form
• Won’t take part without incentive
• Other (specify)

END OF INTERVIEW (UNSUCCESSFUL)

If named individual not appropriate respondent:

Did you pass the questionnaire we sent you onto someone else to complete? (IF RESPONDENT SAYS THEY HAVE NOT RECEIVED THE QUESTIONNAIRE, CODE “NO”).

• Yes
• No

If yes

Could I take their name and telephone number?

COLLECT NAME, JOB TITLE AND PHONE NUMBER AND THEN CALL THIS NEW PERSON TO CHASE QUESTIONNAIRE.

If no (did not pass on questionnaire)

Could you give me the name and contact details of a more appropriate person to answer the questionnaire?

• Yes
• No – END OF INTERVIEW (UNSUCCESSFUL)
If yes

COLLECT NAME, JOB TITLE, ADDRESS AND TELEPHONE NUMBER OF THIS PERSON. WILL THEN DESPATCH A POSTAL QUESTIONNAIRE TO THEM.

If proceed with interview:

Do you have a copy of the questionnaire(s)? (IF RESPONDENT IS UNSURE, PLEASE CODE “NO”)

- Yes
- No

IF RESPONDENT SAID THEY NEVER RECEIVED THE QUESTIONNAIRE AND KNOW NOTHING ABOUT THE SURVEY SAY: The Household Assets Survey is a major new Government survey, <NUMBER> of your employees has/have been interviewed at home as part of this survey, and they gave permission for their employer to be contacted about their pension arrangements. The Department for Work and Pensions has commissioned BMRB Social Research to undertake some follow up research amongst employers to help get a complete and accurate picture of employees’ pension arrangements.

If no:

Can we send you another copy of the questionnaire(s) by post, email or fax? 

If you would like to complete the paper questionnaire and send it back to us, then we will need to post it to you, but if you would rather complete the survey over the phone, or over the internet, then we can fax or email you a copy of the questionnaire to look at in advance.

- Yes – post (COLLECT NAME, JOB TITLE AND POSTAL ADDRESS)
- Yes – email (COLLECT NAME AND EMAIL ADDRESS, THEN ARRANGE A TIME TO CALL BACK TO GO THROUGH QUESTIONNAIRE)
- Yes – fax (COLLECT NAME AND FAX NUMBER, THEN ARRANGE A TIME TO CALL BACK TO GO THROUGH QUESTIONNAIRE)
- No – refused (RECORD REASON FOR REFUSAL) – END OF INTERVIEW (UNSUCCESSFUL)

If yes (have a copy of the questionnaire):

Can you fill in the questionnaire and return it to us within the next two weeks?

IF NO: If you can’t complete the questionnaire in the next two weeks, would you be able to return it to us by 1 October?
Alternatively I can go through the questions with you over the phone. Some of the questions ask for information you may need to look up about <EMPLOYEE NAME>. If you have this information to hand, I can go through the questions now, otherwise I can arrange a time for myself or one of my colleagues to call back once you have looked up the information.

- Will complete and return online/postal questionnaire in next two weeks (MAKE GCB FOR 2.5 WEEKS TIME).
- Will complete and return online/postal questionnaire by 1st October
- Do the telephone interview now (GO TO MAIN INTERVIEW)
- Do the telephone interview later (MAKE APPOINTMENT TIME TO CALL BACK AND COMPLETE THE INTERVIEW)
- Refused (RECORD REASON FOR REFUSAL) – END OF INTERVIEW (UNSUCCESSFUL)
Appendix E
Covering letter sent with single questionnaire

9th July 2007

Dear <Title> <Surname>

I am writing to ask for your help in a survey on pensions. In <Month> last year one of your employees was interviewed at home as part of the Household Assets Survey, a major new survey commissioned by a group of government departments including the Department for Work and Pensions (DWP).

The employee in question was: <Employee name>

And they were based at the following workplace:

<Organisation name>
<Workplace address 1>
<Workplace address 2>
<Workplace address 3>
<Workplace address 4>
<Workplace address 5>

This employee gave permission for their employer to be contacted to gather further information on their pension arrangements. Enclosed is a copy of the permission form that they signed.

DWP has commissioned BMRB Social Research, an independent research agency, to undertake some follow up research amongst employers to help us get a complete and accurate picture of employees’ pension arrangements.

I would very much appreciate if you would complete the enclosed short questionnaire about the employee named above. By taking part in this survey, you will help us to produce statistics to monitor and inform government policy on pensions which affect individuals and businesses alike.
Once completed, please return the questionnaire, using the enclosed reply paid envelope, to Kantar Operations (which handles the operational aspects of BMRB’s research) by Friday 20th July.

Alternatively, you can complete this survey online by going to http://s2.ktrmr.com/projects/GFK8Y Your unique password for the online survey is: <PASSWORD>

The information you provide will be treated with the strictest confidence by the research teams at BMRB and DWP. It will only be used to produce anonymous statistics for decision making in government and for genuine research purposes. Your identity will not be disclosed in any reports on the findings of the survey.

If you have any queries about this survey you can contact Hannah Carpenter at BMRB on 0208 433 4040.

Yours sincerely,

Angela Donkin
Department for Work and Pensions
Appendix F
Covering letter sent with two to four questionnaires

9th July 2007

Dear <Title> <Surname>

I am writing to ask for your help in a survey on pensions. In July to October last year <NUMBER> of your employees were interviewed at home as part of the Household Assets Survey, a major new survey commissioned by a group of government departments including the Department for Work and Pensions (DWP).

The employees in question and details of their workplaces are listed overleaf. These employees gave permission for their employer to be contacted to gather further information on their pension arrangements. Enclosed are copies of the permission forms that they signed.

DWP has commissioned BMRB Social Research, an independent research agency, to undertake some follow up research amongst employers to help us get a complete and accurate picture of employees’ pension arrangements.

I would very much appreciate if you would complete the enclosed short questionnaires about the employees named overleaf. There is no need to complete sections D and E on each questionnaire, they can just be completed once. By taking part in this survey, you will help us to produce statistics to monitor and inform government policy on pensions which affect individuals and businesses alike.

Once completed, please return the questionnaires, using the enclosed reply paid envelope, to Kantar Operations (which handles the operational aspects of BMRB’s research) by Friday 20th July.
Alternatively, you can complete this survey online by going to http://s2.ktrmr.com/projects/GFK8Y. You will need a unique password to enter the online survey for each employee, these are listed overleaf along with the employees’ details.

The information you provide will be treated with the strictest confidence by the research teams at BMRB and DWP. It will only be used to produce anonymous statistics for decision making in government and for genuine research purposes. Your identity will not be disclosed in any reports on the findings of the survey.

If you have any queries about this survey you can contact Hannah Carpenter at BMRB on 0208 433 4040.

Yours sincerely,

Angela Donkin
Department for Work and Pensions
Appendix G
Covering letter sent with five or more questionnaires

9th July 2007

Dear <Title> <Surname>

I am writing to ask for your help in a survey on pensions. In July to October last year <NUMBER> of your employees were interviewed at home as part of the Household Assets Survey, a major new survey commissioned by a group of government departments including the Department for Work and Pensions (DWP).

The employees in question and details of their workplaces are listed overleaf. These employees gave permission for their employer to be contacted to gather further information on their pension arrangements. Enclosed are copies of the permission forms that they signed.

DWP has commissioned BMRB Social Research, an independent research agency, to undertake some follow up research amongst employers to help us get a complete and accurate picture of employees’ pension arrangements.

I would very much appreciate if you would complete the enclosed short questionnaires about the employees named overleaf. I appreciate that this may involve time and effort on your part, because of the number of employees involved. However, in the interests of fairness and completeness, we thought it was more appropriate to send you questionnaires for all participating employees rather than just a selection. If you could find the time to complete the information on all of these employees we would be grateful as this would ensure that selection bias is not introduced into our findings. Note that there is no need to complete sections D and E on each questionnaire, they can just be completed once. Additionally, depending on the type of scheme your organisation offers it is unlikely...
that you will be asked to complete all of section B for each employee. By taking part in this survey, you will help us to produce statistics to monitor and inform government policy on pensions which affect individuals and businesses alike.

Once completed, please return the questionnaires, using the enclosed reply paid envelope, to Kantar Operations (which handles the operational aspects of BMRB’s research) by Friday 20th July if possible.

Alternatively, you can complete this survey online by going to http://s2.ktrmr.com/projects/GFK8Y. You will need a unique password to enter the online survey for each employee, these are listed overleaf along with the employees’ details.

The information you provide will be treated with the strictest confidence by the research teams at BMRB and DWP. It will only be used to produce anonymous statistics for decision making in government and for genuine research purposes. Your identity will not be disclosed in any reports on the findings of the survey.

If you have any queries about this survey you can contact Hannah Carpenter at BMRB on 0208 433 4040.

Yours sincerely,

Angela Donkin
Department for Work and Pensions
Appendix H
Blank WAS respondent permission form

Form EP

AREA         ADD     HH  PERSON       PENSION No.

Household Assets Survey 2006-2007

The Office for National Statistics (ONS) and our research partners at the Department for Work and Pensions (DWP) would like your permission to contact your employer to find out more about the pension scheme that your employer offers and, where relevant, about your pension provision and pension entitlement. We would like to add this information to your survey information to help us to improve the quality and usefulness of the information you have given us about pensions.

If you are willing for this to happen, we need your written permission to pass on some of your survey information to DWP, to the research organisation commissioned to carry out this work and to your employer. The information required is your name, address, sex, date of birth and your employer’s name and address. These will be seen only by the individuals carrying out the work and by your employer. We also need your permission to add the information supplied by your employer and/or pension provider to your survey information. Like the answers you have given us, the information collected in this way will be completely confidential to ONS, DWP and the other government departments involved in the survey, and used for statistical purposes only. Names and addresses are never included in the
results and individuals cannot be identified.

You can withdraw your permission at any time, by contacting ONS on 0800 298 5313. If you do this we will not subsequently contact your employer.

Please ask the interviewer if you would like more information.

Declaration

I have read or heard the contents of this form. I understand that all the information about me will be treated in strict confidence and used solely for research purposes and statistics.

I give permission for the information listed above to be passed to DWP and to another research organisation in order to carry out this study.

I authorise my employer and/or pension provider to give DWP information about the pension scheme my employer offers and where relevant, about my pension provision and entitlement and I give permission for this information to be added to my survey information.

I understand that I may withdraw my consent at any time.

Signature __________________________ Date ______________

Print name __________________________
Appendix I
Item non-response on employer questionnaire

Table I.1  Item non-response for each question on the employer questionnaire

<table>
<thead>
<tr>
<th>Question</th>
<th>Paper questionnaires – item non-response</th>
<th>Web questionnaires – item non-response</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number not answering</td>
<td>Percentage not answering*</td>
</tr>
<tr>
<td>A1</td>
<td>16</td>
<td>2</td>
</tr>
<tr>
<td>A2</td>
<td>10</td>
<td>1</td>
</tr>
<tr>
<td>A3</td>
<td>19</td>
<td>3</td>
</tr>
<tr>
<td>A4</td>
<td>16</td>
<td>2</td>
</tr>
<tr>
<td>B1</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>B2</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td>B3</td>
<td>20</td>
<td>3</td>
</tr>
<tr>
<td>B4</td>
<td>17</td>
<td>3</td>
</tr>
<tr>
<td>B5</td>
<td>2</td>
<td>*</td>
</tr>
<tr>
<td>B6</td>
<td>34</td>
<td>7</td>
</tr>
<tr>
<td>B7</td>
<td>78</td>
<td>17</td>
</tr>
<tr>
<td>B8</td>
<td>9</td>
<td>2</td>
</tr>
<tr>
<td>B9</td>
<td>10</td>
<td>2</td>
</tr>
<tr>
<td>B10</td>
<td>18</td>
<td>4</td>
</tr>
<tr>
<td>B11</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>B12</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>B13</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>B14</td>
<td>4</td>
<td>2</td>
</tr>
</tbody>
</table>

Continued
### Table I.1  Continued

<table>
<thead>
<tr>
<th>Question</th>
<th>Paper questionnaires – item non-response</th>
<th>Web questionnaires – item non-response</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number not answering</td>
<td>Percentage not answering*</td>
</tr>
<tr>
<td>B15</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>B16</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>B17</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>B18</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>B19</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>B20</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>B21</td>
<td>5</td>
<td>16</td>
</tr>
<tr>
<td>B22</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>B23</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>B24</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>B25</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>B26</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>C1</td>
<td>72</td>
<td>10</td>
</tr>
<tr>
<td>C2</td>
<td>28</td>
<td>4</td>
</tr>
<tr>
<td>C3</td>
<td>34</td>
<td>5</td>
</tr>
<tr>
<td>C4</td>
<td>31</td>
<td>4</td>
</tr>
<tr>
<td>D1</td>
<td>38</td>
<td>5</td>
</tr>
<tr>
<td>D2</td>
<td>118</td>
<td>16</td>
</tr>
<tr>
<td>D3</td>
<td>51</td>
<td>7</td>
</tr>
</tbody>
</table>
Appendix J
Crosstabs of employee data compared to employer data

NB: the tables in this appendix show numbers rather than percentages.

Table J.1  Year in which the employee joined the pension scheme

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-1980</td>
<td>55</td>
<td>6</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>62</td>
</tr>
<tr>
<td>1980 – 1989</td>
<td>7</td>
<td>76</td>
<td>5</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>93</td>
</tr>
<tr>
<td>1990 – 1999</td>
<td>8</td>
<td>15</td>
<td>150</td>
<td>10</td>
<td>2</td>
<td>4</td>
<td>189</td>
</tr>
<tr>
<td>2000 – 2002</td>
<td>1</td>
<td>6</td>
<td>19</td>
<td>84</td>
<td>6</td>
<td>1</td>
<td>117</td>
</tr>
<tr>
<td>2003 – 2004</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>13</td>
<td>61</td>
<td>8</td>
<td>90</td>
</tr>
<tr>
<td>2005 – 2006</td>
<td>2</td>
<td>2</td>
<td>5</td>
<td>8</td>
<td>12</td>
<td>70</td>
<td>99</td>
</tr>
<tr>
<td>2007</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>76</strong></td>
<td><strong>107</strong></td>
<td><strong>183</strong></td>
<td><strong>118</strong></td>
<td><strong>83</strong></td>
<td><strong>85</strong></td>
<td><strong>652</strong></td>
</tr>
</tbody>
</table>
### Table J.2  Employee’s main type of pension provision

<table>
<thead>
<tr>
<th></th>
<th>Defined Benefit</th>
<th>Defined Contribution</th>
<th>Hybrid</th>
<th>Don’t know</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer data</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defined benefit</td>
<td>451</td>
<td>43</td>
<td>2</td>
<td>14</td>
<td>510</td>
</tr>
<tr>
<td>Defined contribution</td>
<td>17</td>
<td>59</td>
<td>0</td>
<td>1</td>
<td>77</td>
</tr>
<tr>
<td>Hybrid</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Group Personal Pension</td>
<td>18</td>
<td>48</td>
<td>0</td>
<td>7</td>
<td>73</td>
</tr>
<tr>
<td>Stakeholder pension</td>
<td>6</td>
<td>11</td>
<td>0</td>
<td>0</td>
<td>17</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>491</strong></td>
<td><strong>160</strong></td>
<td><strong>2</strong></td>
<td><strong>22</strong></td>
<td><strong>675</strong></td>
</tr>
</tbody>
</table>

### Table J.3  Number of years employee had built up in pension scheme

<table>
<thead>
<tr>
<th></th>
<th>Data missing</th>
<th>0 – 4</th>
<th>5 – 9</th>
<th>10 – 14</th>
<th>15 – 19</th>
<th>20 – 24</th>
<th>25+</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer data</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Data missing</td>
<td>0</td>
<td>20</td>
<td>12</td>
<td>9</td>
<td>8</td>
<td>10</td>
<td>12</td>
<td>71</td>
</tr>
<tr>
<td>0 – 4</td>
<td>1</td>
<td>75</td>
<td>11</td>
<td>3</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>96</td>
</tr>
<tr>
<td>5 – 9</td>
<td>0</td>
<td>5</td>
<td>64</td>
<td>9</td>
<td>6</td>
<td>2</td>
<td>1</td>
<td>87</td>
</tr>
<tr>
<td>10 – 14</td>
<td>0</td>
<td>1</td>
<td>3</td>
<td>42</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>60</td>
</tr>
<tr>
<td>15 – 19</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>4</td>
<td>29</td>
<td>6</td>
<td>2</td>
<td>43</td>
</tr>
<tr>
<td>20 – 24</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>4</td>
<td>22</td>
<td>3</td>
<td></td>
<td>30</td>
</tr>
<tr>
<td>25+</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>65</td>
<td>68</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1</strong></td>
<td><strong>102</strong></td>
<td><strong>92</strong></td>
<td><strong>68</strong></td>
<td><strong>57</strong></td>
<td><strong>47</strong></td>
<td><strong>88</strong></td>
<td><strong>455</strong></td>
</tr>
</tbody>
</table>
Table J.4  How employee’s defined benefit pension will be calculated

<table>
<thead>
<tr>
<th>Employee data</th>
<th>Final years salary</th>
<th>Salary from all years have been in scheme</th>
<th>Last three years salary</th>
<th>Last five years salary</th>
<th>Best three years salary in the last ten years</th>
<th>Other</th>
<th>Don’t know</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer data</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Final years salary</td>
<td>153</td>
<td>20</td>
<td>35</td>
<td>5</td>
<td>6</td>
<td>5</td>
<td>46</td>
<td>270</td>
</tr>
<tr>
<td>Career average earnings</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Last three years salary</td>
<td>30</td>
<td>9</td>
<td>18</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>11</td>
<td>74</td>
</tr>
<tr>
<td>Last five years salary</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Best three years salary in the last ten years</td>
<td>32</td>
<td>3</td>
<td>7</td>
<td>1</td>
<td>6</td>
<td>2</td>
<td>8</td>
<td>59</td>
</tr>
<tr>
<td>Best years salary in the last three years</td>
<td>17</td>
<td>3</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>13</td>
<td>41</td>
</tr>
<tr>
<td>Other</td>
<td>23</td>
<td>4</td>
<td>7</td>
<td>0</td>
<td>1</td>
<td>3</td>
<td>9</td>
<td>47</td>
</tr>
<tr>
<td>Total</td>
<td>230</td>
<td>39</td>
<td>63</td>
<td>7</td>
<td>14</td>
<td>15</td>
<td>80</td>
<td>448</td>
</tr>
</tbody>
</table>

Table J.5  Accrual rate of defined benefit pension

<table>
<thead>
<tr>
<th>Employee data</th>
<th>One 60th</th>
<th>One 80th</th>
<th>Other</th>
<th>Don’t know</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer data</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>One 60th</td>
<td>72</td>
<td>11</td>
<td>12</td>
<td>34</td>
<td>129</td>
</tr>
<tr>
<td>One 80th</td>
<td>38</td>
<td>111</td>
<td>5</td>
<td>131</td>
<td>285</td>
</tr>
<tr>
<td>Other</td>
<td>11</td>
<td>7</td>
<td>7</td>
<td>11</td>
<td>36</td>
</tr>
<tr>
<td>Total</td>
<td>121</td>
<td>128</td>
<td>24</td>
<td>175</td>
<td>448</td>
</tr>
</tbody>
</table>
### Table J.6  Yearly amount of employer’s contributions to pension scheme

<table>
<thead>
<tr>
<th>Employer data</th>
<th>Employee data</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Under £500</td>
</tr>
<tr>
<td>Under £500</td>
<td>6</td>
</tr>
<tr>
<td>£500 - £999</td>
<td>5</td>
</tr>
<tr>
<td>£1,000 - £1,999</td>
<td>0</td>
</tr>
<tr>
<td>£2,000 - £2,999</td>
<td>0</td>
</tr>
<tr>
<td>£3,000 - £4,999</td>
<td>0</td>
</tr>
<tr>
<td>£5,000+</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>11</td>
</tr>
</tbody>
</table>

### Table J.7  Yearly amount of employee’s contributions to pension scheme

<table>
<thead>
<tr>
<th>Employee data</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Under £500</td>
</tr>
<tr>
<td>£500 - £999</td>
</tr>
<tr>
<td>£1,000 - £1,999</td>
</tr>
<tr>
<td>£2,000 - £2,999</td>
</tr>
<tr>
<td>£3,000 - £4,999</td>
</tr>
<tr>
<td>£5,000+</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>