Bugler's Notes on this Appointment

Clearly both Ms.Titcomb and Ms. Parish have received a very 'encouraging' brief from the SelCom W&P following the BHS debacle.

Nicola Parish said on her appointment : "I relish the challenge of bringing together our front-line regulatory teams, enabling TPR to use its collective resources as effectively as possible to respond to the emerging risks in the pensions sector. Having worked in regulation for 20 years, I strongly believe in the role that TPR plays supporting pension trustees, sponsoring employers and retirement savers, and I can't wait to get on with the job.".

TPR's Quotes...

1. Nicola Parish's appointment is with the approval of DWP ministers, following an open and robust competition.
2. Previously she was appointed by TPR as Director of Case Management of TPR in November 2015, having worked as Director of Legal services and Enterprise Risk Management. She began her career in the City as a litigation lawyer for Denton Hall. In 1996 she joined the Securities and Futures Authority as a senior prosecutions lawyer. She later worked in the Enforcement Division of the Financial Services Authority for eight years before joining TPR in 2008 as a litigator.
3. The Front-Line Regulation Directorate was created as part of a number of changes made to TPR's structure last autumn [once more at the 'encouragement ' of SelCom W&P] in order to increase accountability at senior level for delivering policy and case-based regulatory interventions and improve TPR's agility and effectiveness as an organisation.
   Front-Line Regulation has been overseen on an interim basis by the Chief Executive whilst TPR recruited a new Executive Director.
4. TPR is the regulator of work-based pension schemes in the UK. We have objectives to: protect members' benefits; reduce the risk of calls on the Pension Protection Fund (PPF); to promote, and to improve understanding of, the good administration of work-based pension schemes; to maximise employer compliance with automatic enrolment duties; and to minimise any adverse impact on the sustainable growth of an employer (in relation to the exercise of TPR's functions under Part 3 of the Pensions Act 2004 only).

Recent front-page news involving pension schemes means more people than ever are aware of TPR.

Most eye-catching is the fact that we have powers to prevent employers from trying to avoid paying for their pension scheme. Although the headlines are often about household names, we can use these powers across the board – from smaller companies to large multi-national groups.

Our powers are all designed to achieve the objectives parliament has given us. These include protecting members' benefits, reducing calls on the 'pensions lifeboat', more properly called the Pension Protection Fund (PPF), and promoting high standards in all aspects of pension scheme management.

Our general approach is to help the trustees and managers of pension schemes to do the right thing.

We work hard to help them comply with the law by issuing guidance and other support tools, and in most of our cases we succeed in achieving the right thing through discussion and negotiation. In fact, more often than not, our powers act as a deterrent against people avoiding their obligations. However, we do use our powers where we believe it is the only way to protect the members and the PPF.

Many of the recent headlines have been about our 'anti-avoidance' powers. These are some of our most powerful regulatory tools and have led to the recovery of over £650 million for pension schemes, including through settlements where the mere threat of these powers has been enough to achieve the best outcome. For example, our recent involvement with the Coats scheme resulted in payment of £255 million from Coats Group Plc, helping to protect the pension benefits of around 24,000 members.

Sometimes though, we do have to go to court. Just last week, we were successful in a long-standing anti-avoidance case when a group of claimants failed to obtain permission to bring judicial review proceedings against us concerning the Silentnight Group.

As well as the high-profile cases you'll have read about, we also have a whole range of other powers available to us – some of which are just as effective but not as widely known about. We can, and do, replace and prohibit trustees who are not fit for the job. We can also require a pension scheme to be funded to a particular level or in a particular way, and we can require improvements to be made to a scheme – for example in the way the scheme is managed.

Furthermore, the new legislation before parliament, the Pensions Schemes Bill, will give us a range of new powers to regulate a type of scheme called a 'master trust'. If this proposed legislation passes into law, and in a dramatic departure from the way that any other type of pension scheme is established, no master trust will be able to open for business without our prior approval. This will substantially improve consumer protection in this section of the pensions market.

But it's not all about the use of our more eye-catching powers. We are just as concerned about how schemes are run on a day-to-day basis. And my message is that it's time for schemes to shape up.

We're currently focusing on ensuring that all pension schemes – no matter how big or small – comply with the basic legal requirements. Our recent regulatory intervention report (PDF, 77kb, 5 pages) details how we've issued our first fines against a number of master trust schemes for failing to complete a chair's statement.

We've also fined more trustees who have failed to complete their scheme return and we'll continue to take action where trustees do not comply with their basic duties.

All trustees need to be aware that not completing these necessary, basic tasks is a breach of the law and we will take this seriously. We regard these failures as significant because they are often a symptom of more serious failings. We'll continue to educate those running schemes to make sure they're run to the high standards we expect – and we will take action when they're not.

As we start 2017, my message to trustees is to ensure that they tackle the basics and are on top of their scheme management. This will help them avoid action from us – and more importantly, it will make sure that consumers' and scheme sponsors' money is looked after to the standard they have a right to expect.

Those running pension schemes should be aware that we ***will*** use our powers where needed, to ensure better outcomes for savers and sponsors now, and in the years to come.

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