



A new dawn

► **Taking on the role of PLSA chair amid the ongoing impact of a global pandemic must be challenging, so how has this impacted the handover, if at all, and how has the PLSA worked to ensure continuity during this transition?**

Yes, I'd hoped the pandemic would be 'over' by the time I took on the role of chair, but clearly we are going to be living alongside the virus and its consequences for some time to come.

PLSA, like its member organisations, has adapted well to the challenges and opportunities of remote working, and I've been very impressed at how quickly PLSA pivoted to offering digital conferences, and online board and policy board meetings. We've been able to have face-to-face strategy days and board meetings these past few months, and we've been able to stay in contact online, so the handover has been admirably smooth, and I'd like to thank Richard [*Butcher, former chair*], Julian [*Mund, CEO*] and the team for making it so.

It helps that I know the organisation and the team well, and already have a seat at the board in my role as policy board chair. I feel very privileged to be about to undertake the role of association chair, despite the challenges caused by the pandemic.

► **Pensions and Lifetime Savings Association (PLSA) incoming chair, Emma Douglas, chats with Sophie Smith about her objectives heading into the role and how the pensions industry will look forward to a post-pandemic world**

► **Broadly, what are your key goals and objectives during your tenure as PLSA chair?**

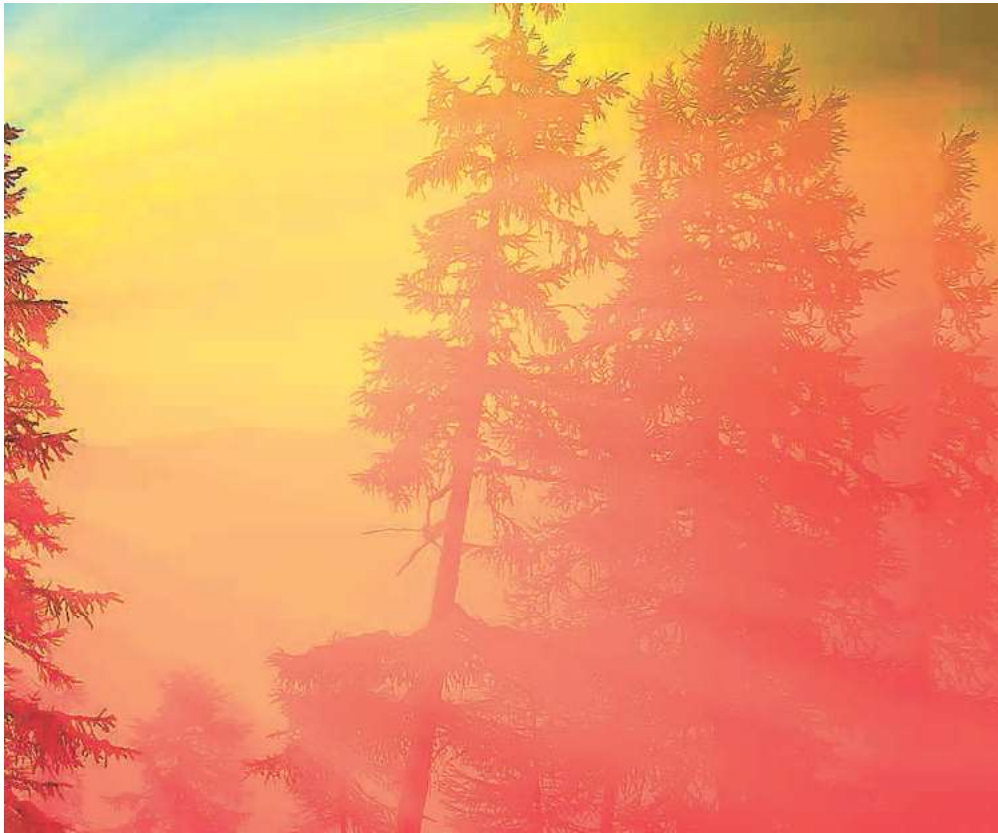
First and foremost a trade association needs to meet the needs of its members. We know that our members value PLSA for our high-quality conferences that bring the industry together and for being the 'voice of the pensions industry' both in responding to consultations and our pro-active work such as the Retirement Living Standards. This means that policy work and conferences will continue to be cornerstones of what the PLSA delivers to its members.

We already do a lot of lobbying and advocacy work and I'm keen to step up

my involvement here as that's the way we'll help to make a difference for our industry as a whole, the membership of the PLSA, and the individuals in the pension and long-term savings schemes run by our members. I'm also keen to work with the other membership organisations in our industry so that we can present a united view, where appropriate.

► **Are there any areas in particular that you think need to be prioritised as the industry looks to a post-pandemic world?**

We've seen and are seeing a huge increase in the number of consultations (we've



responded to 25 so far this year) and, as the voice of the pensions industry, it is vital that we represent the views of our members, giving our support or constructive criticism to what is being proposed. In terms of the proactive work, we have policy positions to promote across all of the big industry challenges we face.

To me, the biggest of these is the most fundamental – adequacy of contributions. If we don't see enough money going into the pension system via defined benefit (DB), defined contribution (DC) or even collective defined contribution (CDC) in the future, then individuals will really struggle to achieve anything beyond the minimum income in retirement in terms of the PLSA Retirement Living standards.

There are some big changes ahead that could transform the pensions landscape – the dashboard and small pots spring immediately to mind, but we also have the ongoing evolution in

investment strategy, with the focus on the place for illiquid investments and the evolution of environmental, social and governance (ESG) strategies.”

➤ Indeed, the climate is a particular area of focus for many at the moment, particularly ahead of COP26. Do you expect this to continue moving forward and what more still needs to be done in this area if so?

We've seen a huge surge of interest in and provision of ESG investment solutions in the last couple of years, with investment managers vying to create the best carbon-neutral, Paris-aligned, ESG-tilted funds and investment portfolios. It has been very exciting to see our whole industry take stock and action, with many of our pension fund members leading the way.

So how can the PLSA help here? There's a lot we can do now that pension funds are getting into the hard facts behind the net-zero claims, wrestling

with Taskforce on Climate-related Financial Disclosure (TCFD) reporting and sustainability disclosure requirements.

We can offer practical help to clarify what needs to be reported and we are discussing a Responsible Investment Quality Mark, which will help provide reassurance that the solutions adopted can deliver on their promises.

COP26 is serving to increase the momentum around net zero and 'build back greener' alongside the Productive Finance initiative that seeks to encourage more investment in illiquid assets for DC schemes. PLSA has an important role to play here as the voice of the pensions industry – we are keen to support innovation, but ultimately the trustees of our pension schemes need to retain their decision-making powers.

They need to be able to continue to take the decisions in the best interests of the members of the pension schemes.

➤ How do you think the industry itself will continue to shift amid the post-pandemic world, particularly in terms of the return to offices and in-person events?

I don't claim to have any particular insight in this area, but I can say that PLSA will be moving back to face-to-face events in the course of next year, and I'm very much looking forward to being able to meet in person again.

That said, there are some benefits to the digital world as we've had more members than ever join our conference sessions in the past 18 months. The benefits of online conferences are many – you don't need to take the whole three days out of your busy day job – you can pick and choose your sessions from the comfort of your home or office, without having to travel. So, our plan, like many of our pension fund and business members, is to see how much of this benefit we can retain whilst returning to the office and to face to face events. This will be an ongoing challenge for us all.

➤ Written by Sophie Smith