NatCen
National Centre for Social Research

Wave 2 Pension Grid

User Guide

Version 2

The complex routing structure of the questions asked in Wave 2 relating to individuals' private pension schemes means that the variables included in the main individual-level dataset (wave_2_core_data_v2) can be difficult to use. Therefore, a separate pension-level dataset has been created for Wave 2. This includes one record for each private pension mentioned in Wave 2. This dataset therefore contains multiple observations for some respondents, while for others (who have never had any private pensions) there are no observations at all.

Differences between wave_2_pension_grid and wave_2_pension_grid_v2

There are two main differences between the first and second release of the Wave 2 pensions grid.

1. *Renamed variable:* the identifier variable "pentype" has been renamed "pentype_wave2" in the second release. This variable identifies different types of pensions, as defined by (for example) whether or not they were mentioned at Wave 1. This is discussed in more detail below. The variable has been renamed to distinguish it from the variable (pentype_wave1) which now appears in the Wave 1 pension grid which contains different categories of pension classification. The categorisation of pensions in pentype_wave2 remains the same.
2. *Additional observations:* 487 pensions were incorrectly omitted from the Wave 2 pension grid in the first release (though these pensions do appear in the Wave 2 core data). 398 of these were pentype_wave2=1, 63 were pentype_wave2=2, 26 were pentype_wave2=3. These pensions have been added back in to the second release of the Wave 2 pensions grid.

1 Data structure in the pension grid

The excel spreadsheet 'pengrid_var_correspondence.xls' (which is also available as part of the ELSA Wave 2 documentation) shows how the variables in the pension-level dataset relate to those contained in the main individual-level dataset. In most cases several variables with the same name stem but different numerical suffixes will have been combined into one single variable. For example, in the individual-level dataset there are three variables with the stem wpsps: wpsps, wpsps2 and wpsps3. These relate to pension types 1, 2 and 3 respectively (see table 2 below for a description of each pension type). Each of these variables was not applicable (i.e. took the value -1) for all other pension types (e.g. wpsps2 was "not applicable" unless pentype_wave2=2). Therefore, these three variables have been combined into the single variable called wpsps in the pension-level dataset. Table 1a shows an example of how some of the data is structured in the individual-level dataset (elsa_wave2_archive_v2.dta), while table 1b shows how the same data is structured in the pension-level dataset.

1.1 Table 1a: Example of data structure in the main individual-level dataset

idauniq	wpsps	wpsrul	wpsps2	wpsrul2	wpsps3	wpsrul3
100001	1	1	-1	-1	-1	-1
100002	1	1	1	3	1	2

Note: "-1" denotes that the question is "not applicable".

1.2 Table 1b: Example of data structure in the pension-level dataset

idauniq	pennum	pentype_wave2	wpsps	wpsrul

100001	1	1	1	1
100002	1	1	1	1
100002	2	2	1	3
100002	3	3	1	2

2 Identifiers for each observation in the pension grid

The main identifiers in this dataset are:

idauniq – unique individual identifier

pennum – pension number within each respondent

pentype_wave2 – type of pension to which the record refers

The combination of idauniq and pennum uniquely identifies each pension recorded in the pension grid. The different types of pensions (pentype_wave2) are described in table 2 below. The pensions have been categorised into 15 groups. Each of the pensions within a particular category was routed through the same series of questions.

3 Distinctions between pension types

The main distinctions between the 15 categories of pensions are as follows:

Pensions mentioned at Wave 1 vs. those not mentioned at Wave 1

Pension types 1-3 and 7-12 were all mentioned by respondents in Wave 1. Consequently, in Wave 2 further details of these pension schemes were collected only if the rules of/contributions to/income received from these pension schemes had changed. Any information about the pension that had not changed since Wave 1 was not collected again.

Pension types 4-6 and 13-15 were not mentioned when the respondent was interviewed in Wave 1 (this is generally because the respondent joined these schemes between Waves 1 and 2 or, in a few cases, because they were not interviewed in Wave 1).

Current vs. past pensions

Pensions recorded in the pension grid are either:

(i) ones which the individual is currently contributing to or to which they could contribute if they wanted (these will be referred to as “current pensions” in the remainder of this document), or

(ii) ones which the individual can no longer contribute to (these will be referred to as “past pensions” for the remainder of this document).

Pension types 1-6 are current pensions and pension types 7-15 are past pensions.

In receipt vs. retained rights

In the case of past pensions mentioned at Wave 1, there is a distinction in terms of the question routing in Wave 2 between:

(i) pensions from which the individual was receiving a pension at the time of the Wave 1 interview ("in receipt") and

(ii) pensions from which no income was being received at the time of the Wave 1 interview but to which the individual has retained rights ("retained rights", i.e. they will receive an income from the pension at some point in the future).

Pension types 7-9 are pensions to which the individual had retained rights at the time of the Wave 1 interview, pension types 10-12 are pensions which were in receipt at the time of the Wave 1 interview.

The current status of past pensions in relation to receipt/retained rights at the time of the Wave 2 interview are recorded in variables wprecn and wprghx (for pentype_wave2=7,8,9), wprecs and wprghx (for pentype_wave2=10,11,12), wprec and wprgh (for pentype_wave2=13,14,15).

3.2 Table 2: Categories of private pensions

pentype _wave2	Mentioned in Wave 1?	Current pension in Wave 1?	Current pension in Wave 2?	Receiving a pension from scheme in Wave 1?	Had retained rights in the scheme in Wave 1?
1	✓	✓	?	×	×
2	✓	✓	?	×	×
3	✓	✓	?	×	×
4	×	?	✓	×	×
5	×	?	✓	×	×
6	×	?	✓	×	×
7	✓	×	×	×	✓
8	✓	×	×	×	✓
9	✓	×	×	×	✓
10	✓	×	×	✓	×
11	✓	×	×	✓	×
12	✓	×	×	✓	×
13	×	×	×	?	?
14	×	×	×	?	?
15	×	×	×	?	?

Note: "?" in this table denotes that the statement in the relevant column heading could be either true or false for this pension type. For example, the "?" in the third column of the first row indicates that in Wave 2 the individual could either still be a member of the scheme (✓) or could no longer be a member of the scheme (×).

4 Linking pensions reported in Wave 1 to those reported in Wave 2

Pensions which individuals reported in Wave 1 were asked about again in Wave 2. It is therefore useful to be able to link together the information about a pension from Wave 1 with the additional information about the same pension collected in Wave 2. Table 3 shows how pensions reported in Wave 1 relate to those in the Wave 2 pension-level dataset.

4.1 Table 3. Relationship between Wave 1 and Wave 2 pensions

pentype_wave2	Wave 1 question(s) which identify this same pension
1	wpps = 1
2	wpkp > 0
3	wpkp2 > 0
7	wprec = 2 AND wprgh = 1
8	wprec2 = 2 AND wprgh2 = 1
9	wprec3 = 2 AND wprgh3 = 1
10	wprec = 1
11	wprec2 = 1
12	wprec3 = 1

Note: pentypes 4-6 and 13-15 were not mentioned at Wave 1 and so the only information collected about these pensions will be that collected in Wave 2.

5 Derived variables

In addition to the variables which also appear in the Wave 2 core data (described above), three derived variables are included in the Wave 2 pension grid to summarise the status of each pension. The Stata syntax for creating these variables can be found in the annex to this document (this is somewhat more complicated than the equivalent code for Wave 1 derived variables as some information has to be fed forward from Wave 1 to create these variables). These variables are as follows:

demppen

"Is/was this pension provided by your employer?"

This variable identifies whether or not the pension is or was operated by the individual's employer. It is derived from various raw variables depending on the particular pension type – for further details please refer to the syntax provided in the annex.

ddbdc

"Is/was this pension defined benefit or defined contribution?"

This variable identifies whether the pension is defined benefit or defined contribution in nature. Defined benefit pensions are ones in which the pension received is based on a formula involving age, years of service and salary. Defined contribution pensions are ones in which the pension contributions are put into a fund which grows over time and from which the pension received will depend on the size of the fund at the point of retirement. This variable is derived from various raw variables depending on the particular pension type – for further details please refer to the syntax provided in the annex.

The status of a pension may differ from that at Wave 1 if an individual reported that he scheme rules had changed between Wave 1 and Wave 2 (see variable wpsrul). For those individuals who did not know if the scheme rules had changed, we have assumed for the purposes of deriving the variable ddbdc that they have not – consequently ddbdc will take the same values in Wave 2 as it did in Wave 1 if wpsrul= "don't know".

In the case of some employer-provided pensions, follow-up questions were not asked to ascertain whether this pension was DB or DC. Therefore, for these pensions, the DB/DC distinction is unavailable (coded -6 in the variable ddbdc).

dcurpen

"Status of pension scheme membership"

This variable indicates whether the individual was currently contributing to the pension, receiving an income from it, or had retained rights to it in Wave 2. This variable identifies those pensions we would expect to have been followed up at Wave 3 (all those for which dcurpen takes the values 1, 2 or 3). Other pensions (in particular those from which the individual had received a lump-sum refund of contributions or from which he had transferred the funds to a different pension scheme) were not followed up at Wave 3.

6 Problems with Wave 2 feed-forward data

There are 61 individuals who were interviewed in Wave 1 and again in Wave 2 who appear not to have been routed through the correct series of questions in Wave 2 given the pensions they reported in Wave 1. The affected cases are listed in table 4. The first column of table 4 gives the individual identifier (idauniq), the second column lists all pension types that the individual ought to have been asked about but was not and the final column lists all the pension types that the individual ought not to have been asked about but was. In virtually all cases, it is only past pensions (pentype_wave2 = 7 and above) that are affected. The answers to the incorrectly asked questions are, nonetheless, included in the pensions grid. In these 61 cases, data users will generally not be able to coherently link the pension information collected in Wave 1 to that collected in Wave 2.

6.1 Table 4. Cases in which there was a problem with the question routing in Wave 2

Individual identifier (idauniq)	pentype_wave2 incorrectly not asked	pentype_wave2 incorrectly asked
100072	2, 10	none
104303	10	none
104309	10	none
104330	2	none
104416	10	none
104428	1	none
104449	none	10
104456	10	none
104469	2	none
104833	10	none
105523	1	none
105669	7	9, 10, 11
106094	10	none
106427	10	none
106485	10	none
106546	10	none
106578	10	none
106810	10	none
107381	10, 11	none
107691	10	none
107746	none	10
107878	10	none
108015	10	none
108317	10	none
108410	9, 10, 11	7
108547	10	none
108590	10	none

108716	2	1, 7
108767	10	none
111036	10	none
111082	none	11
111097	2, 7	none
111155	2	none
111256	10	none
111406	10	none
111457	7	10
111528	10	7
111854	2	1
111922	10	none
111929	none	2
112090	1	2
112312	2	none
112475	11	none
112709	1	none
112811	10	none
112895	1	none
112926	2	none
116787	10	none
116860	2	none
117309	10	none
117508	10	none
117757	7	none
117815	1	none
117867	10, 11	none
118135	1, 10	none
118312	10	none
118675	10	none
118757	2	none
119011	10	none
119609	7	none
119641	2, 7, 8, 9	none
119865	7	none
120530	1	none
120643	1	none
120676	10, 11, 12	none
120766	10	none
120903	10	none
121031	1	none
121098	none	1

7 Appendix – Stata code for derived variables

```
generate dcurpen=.;
generate demppen=.;
generate ddbdc=.;
replace dcurpen =  1 if pentype_wave2<4 & wpsps==1;
replace dcurpen =  2 if pentype_wave2<4 & wppstr==1;
replace dcurpen =  3 if pentype_wave2<4 & wppstr==2 & wprghb==1;
replace dcurpen =  4 if pentype_wave2<4 & wppstr==2 & wprghb==2;
replace dcurpen =  5 if pentype_wave2<4 & wppstr==2 & wprghb==3;
replace dcurpen =  6 if pentype_wave2<4 & wppstr==2 & wprghb==4;
replace dcurpen = -8 if pentype_wave2<4 & wppstr==-8;
replace dcurpen = -9 if pentype_wave2<4 & wppstr==-9;
replace dcurpen = -8 if pentype_wave2<4 & wppstr==2 & wprghb==-8;
```

```
replace dcurpen = -9 if pentype_wave2<4 & wppstr==2 & wprghb==-9;
replace dcurpen =  1 if (pentype_wave2==2|pentype_wave2==3) & wpkps==1;
replace dcurpen =  2 if pentype_wave2>6 & pentype_wave2<10 & wprecn==1;
replace dcurpen =  2 if pentype_wave2>9 & pentype_wave2<13 & wprecs==1;
replace dcurpen = 3 if pentype_wave2>6 & pentype_wave2<10 & wprecn==2 &
wprghx==1;
replace dcurpen = 4 if pentype_wave2>6 & pentype_wave2<10 & wprecn==2 &
wprghx==2;
replace dcurpen = 5 if pentype_wave2>6 & pentype_wave2<10 & wprecn==2 &
wprghx==3;
replace dcurpen = 6 if pentype_wave2>6 & pentype_wave2<10 & wprecn==2 &
wprghx==4;
replace dcurpen = 3 if pentype_wave2>9 & pentype_wave2<13 & wprecs==2 &
wprghx==1;
replace dcurpen = 4 if pentype_wave2>9 & pentype_wave2<13 & wprecs==2 &
wprghx==2;
replace dcurpen = 5 if pentype_wave2>9 & pentype_wave2<13 & wprecs==2 &
wprghx==3;
replace dcurpen = 6 if pentype_wave2>9 & pentype_wave2<13 & wprecs==2 &
wprghx==4;
replace dcurpen = -8 if pentype_wave2>6 & pentype_wave2<10 & wprecn==-8;
replace dcurpen = -9 if pentype_wave2>6 & pentype_wave2<10 & wprecn==-9;
replace dcurpen = -8 if pentype_wave2>9 & pentype_wave2<13 & wprecs==-8;
replace dcurpen = -9 if pentype_wave2>9 & pentype_wave2<13 & wprecs==-9;
replace dcurpen = -8 if pentype_wave2>6 & pentype_wave2<10 & wprecn==2 &
wprghx==-8;
replace dcurpen = -9 if pentype_wave2>6 & pentype_wave2<10 & wprecn==2 &
wprghx==-9;
replace dcurpen = -8 if pentype_wave2>9 & pentype_wave2<13 & wprecs==2 &
wprghx==-8;
replace dcurpen = -9 if pentype_wave2>9 & pentype_wave2<13 & wprecs==2 &
wprghx==-9;
replace dcurpen =  1 if pentype_wave2>3 & pentype_wave2<7;
replace dcurpen =  2 if pentype_wave2>12 & wprec==1;
replace dcurpen = -8 if pentype_wave2>12 & wprec==-8;
replace dcurpen = -9 if pentype_wave2>12 & wprec==-9;
replace dcurpen =  3 if pentype_wave2>12 & wprgh==1;
replace dcurpen =  4 if pentype_wave2>12 & wprgh==2;
replace dcurpen =  5 if pentype_wave2>12 & wprgh==3;
replace dcurpen =  6 if pentype_wave2>12 & wprgh==4;
replace dcurpen = -8 if pentype_wave2>12 & wprgh==-8;
replace dcurpen = -9 if pentype_wave2>12 & wprgh==-9;
replace dcurpen = -8 if pentype_wave2>12 & wprec==2 & wprgh==-1;

replace demppen = demppen_w1 if pentype<4|(pentype>6 & pentype<13);
replace demppen =  1         if pentype==4;
replace demppen =  1         if (pentype_wave2==5|pentype_wave2==6) & wpkp==1;
replace demppen =  0           if (pentype_wave2==5|pentype_wave2==6) & wpkp~=1 &
wpkp>-1;
replace demppen = -8         if (pentype_wave2==5|pentype_wave2==6) & wpkp==-8;
replace demppen = -9         if (pentype_wave2==5|pentype_wave2==6) & wpkp==-9;
replace demppen = 1                                                 if
(pentype_wave2==13|pentype_wave2==14|pentype_wave2==15) & wpmsc==1;
replace demppen = 0                                                 if
(pentype_wave2==13|pentype_wave2==14|pentype_wave2==15) & wpmsc~=1 & wpmsc>-1;
replace demppen = -8                                                if
(pentype_wave2==13|pentype_wave2==14|pentype_wave2==15) & wpmsc==-8;
```

```
replace     demppen     =     -9                                                    if
(pentype_wave2==13|pentype_wave2==14|pentype_wave2==15) & wpmsc==-9;
/* special cases */
replace demppen = -8 if (idauniq==104449 & pentype_wave2==10)|
                        (idauniq==105669 & pentype_wave2==9 )|
                        (idauniq==105669 & pentype_wave2==10)|
                        (idauniq==105669 & pentype_wave2==11)|
                        (idauniq==107746 & pentype_wave2==10)|
                        (idauniq==111082 & pentype_wave2==11)|
                        (idauniq==111457 & pentype_wave2==10)|
                        (idauniq==111929 & pentype_wave2==2 )|
                        (idauniq==112090 & pentype_wave2==2 );
replace demppen = 1 if idauniq==108716 & pentype_wave2==7;
replace demppen = 1 if idauniq==108410 & pentype_wave2==7;
replace demppen = 1 if idauniq==111528 & pentype_wave2==7;
replace demppen = 1 if (idauniq==108716 & pentype_wave2==1 )|(idauniq==111854 &
pentype_wave2==1 )| (idauniq==121098 & pentype_wave2==1 );

replace  ddbdc  =    1  if  pentype_wave2<4  &  demppen_w1==1  &  wpsps==1  &
(wpsrul==1|wpsrul==3) & wpdpsn== 1;
replace  ddbdc  =    2  if  pentype_wave2<4  &  demppen_w1==1  &  wpsps==1  &
(wpsrul==1|wpsrul==3) & wpdpsn== 2;
replace  ddbdc  =   -8  if  pentype_wave2<4  &  demppen_w1==1  &  wpsps==1  &
(wpsrul==1|wpsrul==3) & wpdpsn==-8;
replace  ddbdc  =   -8  if  pentype_wave2<4  &  demppen_w1==1  &  wpsps==1  &
(wpsrul==1|wpsrul==3) & wpdpsn== 3;
replace  ddbdc  =   -9  if  pentype_wave2<4  &  demppen_w1==1  &  wpsps==1  &
(wpsrul==1|wpsrul==3) & wpdpsn==-9;
replace  ddbdc  =    1  if  pentype_wave2<4  &  demppen_w1==1  &  wpsps==1  &
(wpsrul==2|wpsrul==-8) & wpdsnb== 1;
replace  ddbdc  =    2  if  pentype_wave2<4  &  demppen_w1==1  &  wpsps==1  &
(wpsrul==2|wpsrul==-8) & wpdsnb== 2;
replace  ddbdc  =   -8  if  pentype_wave2<4  &  demppen_w1==1  &  wpsps==1  &
(wpsrul==2|wpsrul==-8) & wpdsnb==-8;
replace  ddbdc  =   -8  if  pentype_wave2<4  &  demppen_w1==1  &  wpsps==1  &
(wpsrul==2|wpsrul==-8) & wpdsnb== 3;
replace  ddbdc  =   -9  if  pentype_wave2<4  &  demppen_w1==1  &  wpsps==1  &
(wpsrul==2|wpsrul==-8) & wpdsnb==-9;
replace ddbdc =  1 if pentype_wave2<4 & demppen_w1==1 & wppstr==1 & wpdsnc==1;
replace ddbdc =  2 if pentype_wave2<4 & demppen_w1==1 & wppstr==1 & wpdsnc==2;
replace ddbdc = -8 if pentype_wave2<4 & demppen_w1==1 & wppstr==1 & wpdsnc==-8;
replace  ddbdc  =  ddbdc_w1  if  pentype_wave2<4  &  demppen_w1==1  &  wppstr==1  &
wpdsnc==-1;
replace  ddbdc  =  ddbdc_w1  if  pentype_wave2<4  &  demppen_w1==1  &  wppstr~=1  &
wppstr~=-1;
replace    ddbdc    =    ddbdc_w1    if    (pentype_wave2<4|(pentype_wave2>6    &
pentype_wave2<13)) & demppen_w1~=1;
replace ddbdc =  1 if pentype==4 & wpdps==1;
replace ddbdc =  2 if pentype==4 & wpdps==2;
replace ddbdc = -8 if pentype==4 & (wpdps==-8|wpdps==3);
replace ddbdc = -9 if pentype==4 & wpdps==-9;
replace ddbdc =  1 if (pentype==5|pentype==6) & wppdes==1;
replace ddbdc =  2 if (pentype==5|pentype==6) & wppdes==2;
replace ddbdc = -8 if (pentype==5|pentype==6) & (wppdes==3|wppdes==-8);
replace ddbdc = -9 if (pentype==5|pentype==6) & wppdes==-9;
replace ddbdc = -8 if (pentype==5|pentype==6) & wpkp==1 & wppdes==-1;
replace ddbdc =  1 if (pentype==5|pentype==6) & wpkp>1;
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```
replace ddbdc = -8 if (pentype==5|pentype==6) & wpkp==-8;
replace ddbdc = -9 if (pentype==5|pentype==6) & wpkp==-9;
replace ddbdc = -6 if pentype_wave2>12 & demppen==1;
replace ddbdc =  1 if pentype_wave2>12 & wpmsc>1;
replace ddbdc = -8 if pentype_wave2>12 & wpmsc==-8;
replace ddbdc = -9 if pentype_wave2>12 & wpmsc==-9;
replace ddbdc =  1 if pentype_wave2>6 & pentype_wave2<10 & demppen_w1==1 &
wpdsnd==1;
replace ddbdc =  2 if pentype_wave2>6 & pentype_wave2<10 & demppen_w1==1 &
wpdsnd==2;
replace ddbdc = -8 if pentype_wave2>6 & pentype_wave2<10 & demppen_w1==1 &
(wpdsnd==-8|wpdsnd==3);
replace ddbdc = -9 if pentype_wave2>6 & pentype_wave2<10 & demppen_w1==1 &
wpdsnd==-9;
replace ddbdc = ddbdc_w1 if pentype_wave2>9 & pentype_wave2<13 & demppen_w1==1;
/* special cases */
replace ddbdc =  2 if idauniq==108716 & pentype_wave2==1;
replace ddbdc =  2 if idauniq==121098 & pentype_wave2==1;
replace ddbdc = -8 if idauniq==111854 & pentype_wave2==1;
replace ddbdc = -8 if idauniq==111929 & pentype_wave2==2;
replace ddbdc = -8 if idauniq==112090 & pentype_wave2==2;
replace ddbdc = -6 if idauniq==104449 & pentype_wave2==10;
replace ddbdc = -6 if idauniq==105669 & pentype_wave2==10;
replace ddbdc = -6 if idauniq==105669 & pentype_wave2==11;
replace ddbdc = -8 if idauniq==105669 & pentype_wave2==9;
replace ddbdc = -6 if idauniq==107746 & pentype_wave2==10;
replace ddbdc = -8 if idauniq==108410 & pentype_wave2==7;
replace ddbdc =  2 if idauniq==108716 & pentype_wave2==7;
replace ddbdc = -6 if idauniq==111082 & pentype_wave2==11;
replace ddbdc = -6 if idauniq==111457 & pentype_wave2==10;
replace ddbdc = -8 if idauniq==111528 & pentype_wave2==7;
```