



Public Service Pension Schemes: Pensions Dashboards

Consultation on pension dashboards

The Pension Schemes Act 2021 (the Act) provides a framework to support pensions dashboards, and in particular gives new powers compelling schemes to provide information. The Department for Work and Pensions (DWP) has now released its promised [consultation](#) on the [regulations](#) to put these provisions into place.

At a glance...

- Schemes with more than 1,000 members (excluding pensioners) will start to connect with dashboards from April 2023, with deadlines in bands to September 2024.
- It is expected that Public Service Pension Schemes will need to connect with dashboards between October 2023 and April 2024.
- Schemes must be prepared to match data with member requests and provide specified pensions information, some of which goes beyond existing disclosure requirements.

Background – how dashboards will work

Pensions dashboards will be online platforms providing one place for individuals to access pensions information from multiple sources, including on their State Pension. The Government hopes that this will give individuals a better understanding of their pensions and support their retirement planning. As required under the Act, the Money and Pensions Service (MaPS) will develop and host its own pensions dashboard.

The aim is that an individual will submit a request to find their pensions information (confirming their identity and giving the relevant consent). A 'pension finder service' then sends this 'find request' to all pension schemes: if a pension scheme finds a match with this individual it will confirm this with the dashboard service and, if the individual then requests to view their information, the dashboard will pull the individual's data directly from the pension scheme.

Why bring you this note?

The DWP is consulting on its plans for dashboards in England, Wales and Scotland and welcomes views from the industry, including scheme managers and administrators.

It is envisaged that Northern Ireland will make corresponding legislation.

Next steps

The consultation closes on 13 March 2022.

The DWP is planning a number of consultation webinars. The Pensions Dashboards Programme (PDP) has issued initial information about the standards it will set and will consult in summer 2022 about the actual standards.

Prepared for: Public Service Pension Schemes

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Requirements for Public Service Pension Schemes

The draft regulations propose that pension schemes must connect to the digital architecture (which includes being able to respond to find and view requests) within prescribed timescales as set out below.

Schemes must identify whether information held in the 'find request' matches with an individual's pension and, if it does, return a pension identifier. Schemes should have discretion over which data elements they use to search their records for a match, but will need to minimise the risks of either not returning pensions matches or returning incorrect matches. Schemes will need to have regard to any guidance issued by the Pensions Regulator (TPR) on matching.

In December 2021, the Pensions Administration Standards Association (PASA) published [initial guidance](#) on the data conventions for matching their records.

Schemes must then return 'view data' to individuals. Much of the proposed view data is already provided by schemes under the Disclosure Regulations. However, certain 'administrative data' must also be provided such as information about the scheme and the administrator, and where relevant, the individual's employment.

Certain 'signpost data' must also be provided where relevant, via website addresses – we know there is signpost data requirements relevant to the private sector including information on member borne charges, the scheme's statement of investment principles and the scheme's implementation statement. We are seeking clarification if this would also cover the Investment Strategy Statement in the LGPS.

Schemes will also have to provide 'value data' quantifying the member's benefits. The DWP proposes, for example, that money purchase arrangements will have to provide both accrued and projected values, including annual income amounts. The guidance underlying the present money purchase illustrations (which we think will impact on members with Additional Voluntary Contributions) is to be amended to reflect and build on these new requirements—this will not be expected until October 2023, so the annualised values will not need to be provided until then. Defined benefit arrangements must show the accrued deferred benefit at the illustration date (or revalued to that date for a deferred member). Active members will also need to see a projected benefit at retirement but based on current salary.

There will be some exemptions from providing this information –it is proposed that pensioners are out of scope.

The draft regulations propose timescales for schemes to provide this information to the dashboard. Administrative data and signpost data should be provided immediately. Value data should also be provided immediately if it relates to information already prepared in a recent benefit statement and otherwise within 10 days (or 3 days if the information only includes defined contribution (i.e. AVCs) information).

Actions

Continue to get your house in order to enable your data to be 'dashboard ready'. This may include clearing a deferred backlog or clearing frozen refund cases.

Continue discussions with your software supplier and external administrator (if outsourced) on how they are preparing for dashboards

Ensure that 'preparing for Pensions Dashboards is on your Fund's Business Plan'

Intermediaries

The DWP acknowledges that scheme managers may rely on intermediaries such as administrators or software providers. However, the scheme manager remains responsible for complying with the legislation, and for ensuring that their administrators can work properly to achieve this compliance.

Requirements for pensions dashboards services

Organisations other than MaPS will be able to develop and host dashboards if they meet requirements set out in the draft regulations. They will be known as Qualifying Pensions Dashboard Services if they meet all the requirements, including authorisation from the Financial Conduct Authority, compliance with relevant standards and connection to the specified digital architecture.

Dashboards must also show an individual's State Pension: as a 'current amount' and 'forecast amount'.

Reporting and enforcement action

The DWP proposes that schemes will need to report information such as the number of find requests received, how many positive matches were notified to MaPS, and how many possible matches arose (and how soon these were resolved into full matches, or whether they resulted in a non-match or remained unresolved). They would also report on the number of view requests received, and the time taken to respond to each one.

For breaches of the requirements, TPR would have the option to issue a compliance notice to the scheme manager (or to third parties who have caused a compliance breach).

Standards

The DWP proposes that there will be a range of standards covering the legislative requirements, including: data; design and messaging; technical matters; and reporting. It is expected that MaPS will set these standards, although TPR may set the reporting standards.

Timescales for joining dashboards

All schemes in scope will have to register with the MaPS Governance Register and must then connect to the dashboard. The current proposed onboarding deadline for Public Service Pension Schemes is 30 April 2024.

There will be a limited provision for schemes to request an extension to their staging date, if they had in good faith embarked on a programme to transition data to a new administrator before staging dates were known.

Schemes can volunteer to connect to the dashboard early if permitted to do so by MaPS and TPR.

Timescales

The timescales for providing information to the dashboard are considerably shorter than current disclosure rules with value data needing to be provided within 10 days or immediately if it relates to information already prepared in a recent benefit statement.

Penalties for non-compliance

These could be up to £5,000 for individuals (£50,000 otherwise). TPR might impose them on a 'per request' basis.

McCloud

The draft regulations currently allow for Public Service Pension Schemes (excluding the LGPS) to provide more than one pension value to those members impacted by transitional protection, and this is one question where the DWP would like views on the feasibility of this suggested approach. LGPS would not need to report two different values, due to giving an automatic “underpin” approach to the McCloud remedy, rather than an options exercise.

DWP recognises the scale of the work placed on Public Service Pension Schemes in response to the McCloud Judgment, and reflects this in its proposal to stage all Public Service Pension Schemes by the end of April 2024.

DWP has also affirmed that it recognises further mitigation may be afforded to Public Service Pension Schemes following this consultation to help Public Service Pension Schemes to successfully onboard to pension dashboards in line with their staging principles.

**Jun
2023**

Large private schemes

Large schemes (1,000+ members) and Master trusts have staging deadlines between June 2023 and September 2024, depending on type and whether used for automatic enrolment. See the table.

**Apr
2024**

Public service and CDC

Public service and collective defined contribution (CDC) schemes stage by April 2024.

**Oct
2024**

Medium schemes

Medium schemes (100-999 members) have deadlines between October 2024 and October 2025.

2026

Small schemes

The DWP expects small schemes (99 or fewer members) to have to comply by 2026.



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