

Introduction

In the past month alone, there have been four important developments relating to the prospective introduction of 'pension dashboards':

- Two new publications from the Department for Work and Pensions
- Guidance from the Pensions Regulator
- A new consultation from the Pensions Dashboards Programme team.

Together, these developments provide all the confirmation that trustees should need to recognise that pension dashboards will be introduced - **soon** - and that now is the time to prepare and get ready to connect and comply with a new digital environment.

In this update, we consider the actions that trustees should be taking but, first, a reminder of what dashboards actually are and an overview of these latest developments.



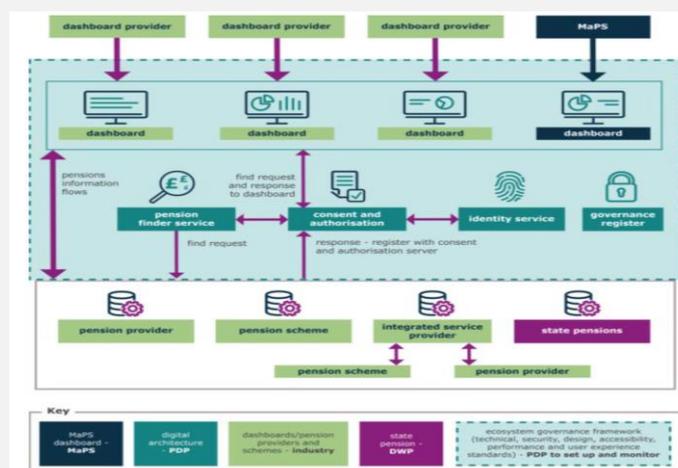
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What are pensions dashboards?

A pensions dashboard will show a user (e.g. pension scheme member) all their pensions information online, securely and all in one place. To make this work, multiple parties and technical services need to be connected – in what is being referred to as an 'ecosystem'. The ecosystem encompasses dashboards themselves, data providers' find and view interfaces to the ecosystem, and the central digital architecture.

The Pensions Dashboards Programme (PDP) is responsible for delivering the digital architecture and services, which will enable data providers and dashboard operators to inter-operate. There is no central database within the ecosystem that holds personal information supplied by users or pensions information. Instead, the ecosystem functions like a giant switchboard, connecting users with their pensions via dashboards.

The diagram below outlines how, by accessing a dashboard of their choosing, an individual will be able to make a request to find and subsequently view their pensions information.



DWP response to consultation on draft Pensions Dashboards Regulations

Also, to illustrate how it all works in practice, the PDP has put together this short video -

<https://www.youtube.com/watch?v=o27-R-EkmR8>.

DWP response to consultation on draft Pensions Dashboards Regulations

The DWP has published its response to its consultation on the draft Pensions Dashboards Regulations 2022, which set out the requirements to be met by pensions dashboard service providers and, more importantly, by trustees of 'relevant occupational pension schemes' (broadly, to begin with, schemes with at least 1,000 members).

A progressive connection of pension schemes to the digital architecture is proposed, starting with the largest schemes.

In relation to this staging timetable, the DWP has now decided to defer the deadlines for the first two staging cohorts by two months while expanding the connection window for the first cohort (to five months) so that connection may still begin from 1 April 2023.

The DWP says that the important point to take away from its consultation response is that "the government remains fully committed to making pensions dashboards happen at the earliest opportunity".

To work out the connection deadline for your scheme, see the tables in the Appendix (below).

Other points of interest to emerge from the DWP response to its original consultation include –

- Further consideration is given to data protection implications, with the response referencing the Information Commissioner's Office's response which encourages schemes to produce/update Data Protection Impact Assessments with regard to the process for matching data received from the dashboards ecosystem with that held in the scheme.
- In terms of requests for additional easements, the response states only that the DWP will provide some relaxations for schemes in Pension Protection Fund (PPF) assessment or that are winding up. That said, it is also noted that The Pensions Regulator has discretion in terms of enforcement of the requirements.

Second Consultation

The DWP has now launched a further consultation and this is focused on the dashboards available point (DAP) and ensuring the Money and Pension Service (MaPS) and The Pensions Regulator (TPR) effectively disclose information.

The DAP is when the services will be made available for all members of the public, and will be the point when the DWP believes sufficient progress has been made to demonstrate that pensions dashboards can begin working to meet the stated objectives (such as reconnecting individuals with lost pension pots).

The first consultation made it clear that the DAP could be before all schemes have reached their staging date; i.e. not all schemes will be connected to the dashboards ecosystem when it becomes accessible for member queries.

The new consultation proposes that the Secretary of State for Work and Pensions will be able to specify the date of the DAP in a notice to be given 90 days before the DAP. The consultation seeks views on whether 90 days will be sufficient notice and the initial response from the pensions industry is that six or even nine months notice would be preferable. There has also been feedback that the bigger question is not whether 90 days is adequate notice, but whether having a single 'go live' date, at which point all members of the public will be able to log onto the dashboards, might generate a volume of requests and follow up queries that the dashboards themselves or schemes will be unable to cope with.

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We should find out the government response to these concerns later this year.

The part of the consultation around disclosure of information is less controversial and aimed at ensuring the MaPS and TPR are able to collaborate effectively to establish and connect schemes to the dashboards ecosystem and to secure ongoing delivery of the service. The Dashboards Delivery Programme is part of the MaPS, and it is charged with developing, delivering and running the dashboards ecosystem. To do this task, it needs to have information from TPR about schemes and their compliance. Draft Regulations therefore include a power for the MaPS to disclose information to TPR. There will also be a statutory instrument that will allow TPR to share 'restricted information' (broadly, information obtained by TPR in the exercise of its functions and which relates to the business or other affairs of any person) with MaPS. The consultation document gives examples of why this is required. Moreover, it does not affect what pension schemes need to do.

TPR Guidance

To help trustees meet their duties, TPR has now published new Pensions dashboards guidance (based on draft regulations) which outlines their legal duties and includes a handy checklist to help schemes manage their progress (see 'What should trustee be doing?', below).

More detailed and up-to-date guidance will be published by TPR later this year, which will reflect the final regulations and technical standards being developed by the Money and Pensions Service (MaPS).

PDP Consultation

The draft regulations give the Pensions Dashboards Programme (PDP), as part of the Money and Pensions Service, the authority to set standards relating to the practical operation of pensions dashboards services and the digital infrastructure needed to support them. The standards will provide the rules and controls that will facilitate the ongoing connection to the pensions dashboards ecosystem. PDP is now consulting on these standards and has published its approach to governance of standards, the standards themselves, guidance and best practise to support their usage.

This consultation will be of particular interest to pension providers, organisations interested in setting up qualifying pensions dashboards services and organisations interested in supporting pension providers to comply with their duties.

What should trustee be doing?

In a new campaign launched by TPR, trustees are being warned they must start preparing for their pensions dashboards deadline. According to TPR, Trustees should now:

- check their connection deadline (the date by which they will be legally required to be connected to the pensions dashboards),
- have pensions dashboards firmly on their board agendas,
- be deciding how they will connect (whether they will develop a solution in house, or use a pensions administrator or integrated service provider), and
- be taking stock of and digitising their data (this is crucial so that savers are successfully matched to their pensions).

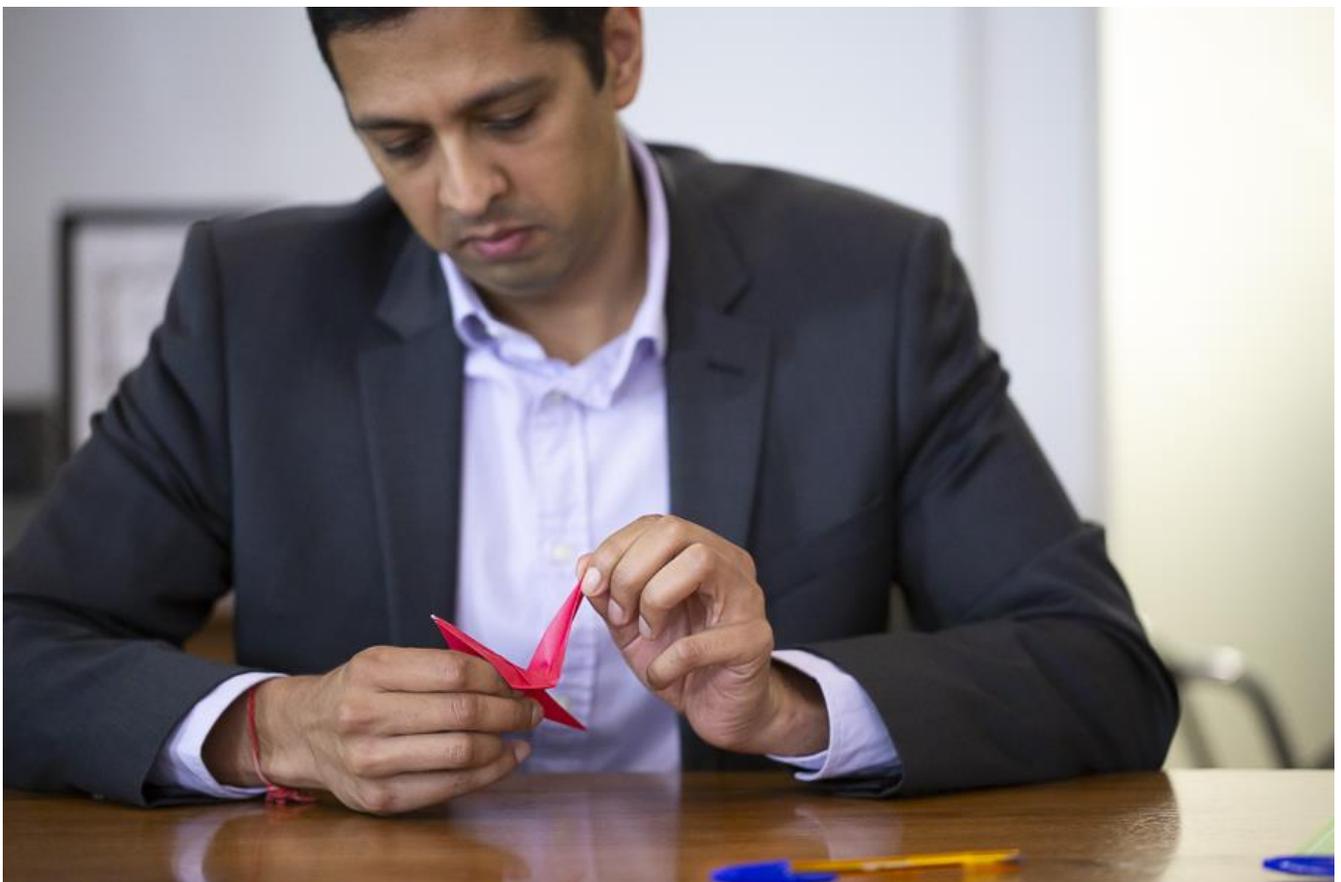
As already mentioned, it is envisaged that pension schemes will connect to the pensions dashboards through a phased approach according to size and type of pension scheme. Connecting to the dashboards means schemes must have an appropriate interface in place to receive information requests from savers and accurate data to provide them with the information they require about their pensions.

DWP response to consultation on draft Pensions Dashboards Regulations

According to TPR research, 51% of defined contribution (DC) schemes and 33% of defined benefit (DB) schemes continue to hold at least some member records non-electronically and just 4% of DC schemes and 9% of DB schemes have begun to digitise the information they hold in preparation for pensions dashboards. In addition, only 37% of DC and DB schemes have discussed pensions dashboards at their scheme's trustee board meeting, with only a similar proportion having engaged with their administrator about their scheme's data.

The largest schemes are expected to connect to the dashboards system from June next year and TPR will now begin writing to them to alert them to their connection deadline and what they need to do.

So, it really does seem as though it is 'all systems go' on pension dashboards, that there is a lot of work for schemes to do and trustees should start preparing as soon as possible.



DWP response to consultation on draft Pensions Dashboards Regulations

Appendix

Number of active and deferred members	Connection deadline
20,000 or more	31 August 2023
10,000 to 19,999	30 September 2023
5,000 to 9,999	31 October 2023
2,500 to 4,999	31 January 2024
1,000 to 2,499	29 February 2024

DC SCHEMES USED FOR AUTOMATIC ENROLMENT

Number of active and deferred members	Connection deadline
10,000 or more	30 September 2023
5,000 to 9,999	31 October 2023
2,500 to 4,999	31 January 2024
1,000 to 2,499	29 February 2024

CDC SCHEMES

Number of active and deferred members	Connection deadline
All sizes	30 April 2024

DB SCHEMES, ALL OTHER DC SCHEMES AND ALL HYBRID SCHEMES (INCLUDING HYBRID MASTER TRUSTS AND HYBRID CDCS)

Number of active and deferred members	Connection deadline
20,000 or more	30 November 2023
10,000 to 19,999	31 March 2024
5,000 to 9,999	30 June 2024
2,500 to 4,999	31 July 2024
1,500 to 2,499	31 August 2024
1,000 to 1,499	30 September 2024

Source: The Pensions Regulator ([Pensions dashboards: initial guidance](#) | [The Pensions Regulator](#))

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