Pensions Dashboards Programme

Pensions Dashboards:
staging call for input

Call for input from pension providers, consumer groups and other stakeholders

May 2021

Contents

Executive summary

Pensions dashboards will allow consumers to see their pensions in one secure place online. Legislation and rules will introduce a legal requirement on pension providers to connect into the pensions dashboards ecosystem and make pensions information available to savers through dashboards. But for practical reasons, this will need to be 'staged' - introduced gradually rather than all at once.

The Pensions Dashboards Programme (PDP) has worked with our regulatory and government partners to develop an initial set of draft recommendations for how this staging should work. The PDP's recommendations are not currently government policy. Ultimately it will be government regulations and Financial Conduct Authority (FCA) rules that stipulate by when pension providers will be required to meet obligations in respect of dashboards. The draft recommendations in this call for input do not prejudice the policy consultations that will be conducted by the government and FCA in due course. Rather, we are publishing them so that we can gather stakeholders' feedback, evidence and insights, specifically to inform government and FCA's policy development.

Based on our analysis of the evidence in line with our staging principles (which focus on achieving the widest coverage of pensions as soon as possible, considering industry, regulatory and PDP deliverability), we recommend that staging should comprise of three waves:

- wave one: largest schemes (1000+ memberships)
- wave two: medium schemes (100 to 999 memberships)
- wave three: small and micro schemes (99 or less memberships)

Memberships refers to the total number of the pension provider's members (active, deferred and pensioner).

Wave one would start in April 2023 and run for up to two years. In this wave, we recommend three distinct cohorts:

1. Cohort one: master trusts and FCA regulated providers of personal pensions (see Glossary), starting spring 2023
2. Cohort two: defined contribution (DC) schemes used for Automatic Enrolment (AE), during 2023
3. Cohort three: All remaining occupational schemes with 1,000+ memberships (in order of size) with the largest defined benefit (DB) schemes to onboard in 2023

Wave two would not commence until the bulk of large schemes have successfully connected (this would be unlikely to be before 2024), allowing more time for the integrated service provider (ISP) market to emerge (which will be critical to onboarding smaller schemes) and enabling learning from the first wave to inform the approach to subsequent waves. Timing for wave three should be determined in line with the ISP market forming.

This proposed approach is ambitious – potentially delivering 99% coverage of pensions in scope for dashboards within two years from the first staging date. Taking into account the available evidence about varying levels of preparedness and challenges across industry, we also consider it to be realistic.

This call for input concerns the question of when. In considering what our recommendations would mean in practice, we encourage industry to also consider our information on the what (ie provider data requirements) and the how (ie provider ecosystem requirements.

The purpose of this call for input is to seek wider views and evidence. We encourage pension providers, third-party administrators and software providers, consumer groups and other stakeholders to respond to these recommendations and answer our call for input by 9 July 2021.

Introduction

Pensions dashboards

1. Pensions dashboards are user interfaces that will enable individuals to access their pensions information online, securely, and all in one place – thereby helping support better retirement planning, which in turn, could contribute towards greater financial wellbeing. Dashboards will present clear and simple information about an individual's multiple pension savings, including their state pension. They will also help to reconnect savers with any lost pension pots.

2. The Money and Pensions Service (MaPS) was tasked by the government with making dashboards happen, working with the pensions industry. As a result, the Pensions Dashboards Programme (PDP) was created to lead the work of delivering a pensions dashboards ecosystem and delivering the central digital architecture that will make dashboards possible.

3. Further information about the work of the PDP to deliver the pensions dashboards ecosystem can be found in the latest progress update report published earlier this month. We have also published a video explaining how pensions dashboards will work.

Staging compulsion duties

4. To make dashboards happen, the government will mandate that pension schemes and providers[1] make savers' data available to them through dashboards. The Pension Schemes Act 2021 completed its passage through parliament earlier this year, and government intends to publish draft regulations setting out the detailed legislative framework later in the year. The Act places a duty on the Financial Conduct Authority (FCA) to make corresponding rules for providers of personal and stakeholder pensions. These rules must have regard to the government's regulations. It is ultimately for the government and the FCA to define the requirements on providers, but the outcome of this call for input will feed into this.

5. All UK-based pensions are in scope for dashboards,[2] including the state pension, defined benefit pensions and defined contribution pensions. Out of scope for initial dashboards are non-UK pensions and pensions that are currently paying out.

6. Over 32,000[6] pension providers[4] are in scope for participating in pensions dashboards, and there is significant diversity in these providers, including in terms of size but also in terms of their readiness and ability to comply, and the challenges they may face. For practical reasons, the dates by when pension providers must connect to the pensions dashboards ecosystem need to be 'staged' to ensure a smooth implementation and mitigate operational risks.

[1] Hereafter we use 'pension providers' as an umbrella term – see Glossary

[2] All UK-based pensions are in scope for dashboards, and the FCA has powers to compel personal pension providers across the whole of the UK, but the government is legislating for GB pensions; NI legislation will be required to require NI-based pensions to connect

[3]TPR registry data as at 1 April 2021

[4] See Glossary

[5] DWP Consultation Response, 2019 paragraph 35

[6] DWP Consultation Response, 2019 paragraph 157

7. Staging refers to the process by which pension providers will be brought on board. We expect that the staging date (set out in secondary legislation and FCA rules) will define the latest date by when a pension provider must have complied with relevant requirements and be ready to search member data and return information through dashboards. Pension providers will need to take a number of steps ahead of this staging date.

8. It is ultimately for the Department for Work and Pensions (DWP) and the FCA, respectively, to determine the sequencing by which occupational pension schemes and providers of personal and stakeholder pensions will come under legal obligations. The PDP – in collaboration with the regulators – was tasked with developing an implementation timetable proposal, considering pension providers of different types and size, to inform the government's legislative approach to staging.[5] To this end, we have developed the proposals outlined below. These, and the feedback received to this call for input, will feed into the development of government and FCA's consultation on draft regulations and rules.

9. The DWP plans to consult on draft regulations that would introduce the compulsion on relevant occupational pension schemes by the end of 2021. The FCA will consult separately on corresponding draft rules for providers of personal and stakeholder pension schemes. The FCA's rules will have regard to the DWP regulations. The DWP expects to lay the regulations before parliament in summer 2022.

10. These regulations and rules will give industry further legislative certainty about the requirements placed on pension schemes and providers, and firm dates by which they must comply.

11. Over 2021/22, and in tandem with the DWP's legislative timetable, we will engage with industry on and subsequently publish our guidance and standards for pension providers. PDP and the regulators will provide practical guidance for pension providers on how they can prepare to meet their obligations ahead of and during staging.

What will pension providers have to do?

12. When it is staged, a pension provider will need to be connected into the ecosystem and be ready to receive find requests from dashboards, undertake matching processes to locate a saver's pension, register found pensions, and return pension savings information for temporary display to users at dashboards (no pensions information will be stored at dashboards).

13. Pension providers will need to decide whether to do this directly, through their current administrator, or an integrated service provider (ISP - a third-party service allowing pensions information to be connected into the ecosystem on behalf of pension providers). (We have provided further information below on using an ISP to connect to the ecosystem).

14. Working within the parameters of DWP policy that dashboards will require of pension providers "no more information than is already available to people on statements issued annually (such as annual benefits statements) or on request",[6] PDP has set out the data elements that pension providers will need to use, to match users to their pensions and return to dashboards to display to users, in our Introduction to Data Standards, published December 2020.

15. In summary:

Find and view data elements

find data (used to match users to their pensions)		first name
		surname
		date of birth
		current address
		national insurance number
		previous address(es)
		email address
		mobile phone number
view data (data to be returned to users)	administrative data	the details of the pension arrangement in which the individual has a pension
		the details of the organisation administering the pension arrangement
		where available, the details of the employment that gave rise to the pension
	value data	an estimate of the annual income the individual might receive in retirement (as per relevant guidance in disclosure regulations for DC; at least one DB value with benefit calculation date), plus current pot value for DC pensions
	further information	signposts to additional information about the pension (including costs and charges and other investment information)

[7] The pensions dashboards ecosystem's governance register is a technical service that provides assurances that the different elements of the ecosystem (dashboards, identity services, pension finder service and connections to pension schemes) meet the required standards to participate. It ensures that all these elements operate correctly and securely. It will also enable compliance and monitoring of the system as a whole

[8] The consent and authorisation service is a central service that manages user consents and authorises 'find' and 'view' requests. It will also manage the registration of data providers' and dashboards providers' software

16. We have also set out how the pensions dashboards digital architecture will work and what it will require of data providers on our new data providers hub:

Requirement	Actions	Further information
connect to the ecosystem	• register two interfaces (find and view) with the governance register[7] • register software with the consent and authorisation service[8] • comply with PDP service standards, specifications and technical requirements (including security and safety technology, notification and reporting requirements)	further detail, including governance and technical standards will be available via the PDP website in winter 2021
comply with the find and view interface standards	• ensure find interface and view interface comply with the PDP standards	detail on the technical requirements is available at the providers' hub. Further technical standards will be available via the PDP website in winter 2021
receive and respond to find requests	• receive find data from the pension finder service • register automatic receipt (within a set time limit) • run internal search • any data received as part of the find request should be deleted once a match has been either made or not found • if positive match, register a pension identifier (PeI) token (an encoded identifier token for secure access, which identifies a found pension) and store view data for subsequent access by user at dashboard (within set time limit) • if partial matches, register PeI token inviting the user to contact the provider directly via email / phone / webform etc	Data standards introduction Data standards guide

implement the UMA profile	• implement the user managed access (UMA) specification, related to the role of data providers	detail on the technical requirements is available within the Architecture brief for suppliers. Plus further technical standards will be available via the PDP website in winter 2021
receive and respond to view requests	• generate view data so that it can be returned to dashboards • receive and acknowledge receipt of view requests from users/delegates at dashboards (within set time limit) • check view requests permissions against the consent and authorisation service • if authorised, retrieve view data from internal systems and transmit to be viewed on dashboard	Data standards introduction Data standards guide we are working with industry and our delivery partners on the presentation of values and will issue more information on calculating and presenting values in summer 2021
governance	• delete users' data related to the ecosystem on request or after a significant period of non-use • meet regulatory and monitoring requirements	further detail, including governance and technical standards will be available via the PDP website in winter 2021

17. This call for input concerns the question of when. In considering what our recommendations for when would mean in practice, we encourage industry to also consider the what (data) and how (digital architecture requirements) set out above.

Call for Input questions:

Q1 to Q3: Responder details (see page 33)

Q4: [Pension & data providers:] Based on the information, how long do you estimate you will need to be ready to connect, and why? From what point in your working assumptions does the lead time start (eg draft regulations, regulations laid before parliament, or approved)?

Q5: [Pension & data providers:] If different from your response to Q4, how long would it take you be able to provide all the required view data?

Q6: [Pension & data providers] Would response time be material to onboarding ie would longer response times for ERI or accrued value information (rather than real-time) facilitate earlier staging? If so, what sort of response time would make a difference?

Q7: What further information, if any, do pension providers need to get ready for dashboards?

Find-only vs find-and-view dashboards

18. One option to deliver a useable service sooner, while also taking into account deliverability challenges, could be to phase compulsion duties to first require schemes and providers simply to connect and register found pensions, and then return value information (estimated retirement income and accrued value) at a later date. This was proposed by some respondents to our call for input on data standards, published in summer 2020, participants in our qualitative research with pension schemes and providers and in some of our subsequent interaction with the industry. It could support wide coverage of pensions findable earlier, achieving one of the policy aims for dashboards (reconnecting savers with lost pots), and potentially enabling public launch of a 'find-only' dashboards service at first, with a full 'find-and-view' service to follow.

19. However, evidence indicates that a dashboards service that found pensions and returned contact/administrative information but did not return information on the value of these pensions, would lack credibility with consumers.

20. As the DWP's pensions dashboards feasibility work and consultation concluded, the question of 'How much do I have/will I have?' is a crucial customer need.[9] Similarly, research for the Money Advice Service, found that respondents – without prompting – identified the ability to see all of their pensions values side-by-side as the aspect of a dashboard that would have the greatest potential usefulness, alongside locating lost pensions, and the ability to view a forecast of annual income.[10] Further research found current and projected value to be the most pressing information for consumers and a major unmet need. This research confirmed current value as part of the 'bare minimum' that people expect to see, and identified a "low tolerance for a service that has limited information about their pensions, especially if there are no values".[11] Research by AJ Bell likewise found two-thirds of its customers would want dashboards to show how much the pension is worth and what income it might translate to upon retirement – and over half (54%) said they would be less likely to use a dashboard that contained only information about some of their savings.[12]

21. Based on this evidence and analysis, we have based our recommendations for staging on the assumption that the initial dashboards service will require both find and view functions – but staged in a way that addresses the industry's concerns about the readiness of some pension providers, giving those who are less ready to return view data more time to prepare.

22. However, this call for input provides an opportunity for stakeholders to provide evidence on whether the deliverability of our recommendations would be materially different if initial dashboards were a find-only offering for a limited time.

Q8: Do you have any further evidence on consumer needs and/or the acceptability of a dashboards service displaying partial information for a limited time?

[9] DWP consultation, 2018

[10] ComRes research for the Money Advice Service, 2017

[11] 2CV Research for the Money Advice Service, 2017

[12] Research by AJ Bell, 2019 (It should be noted, however, that this sample may not necessarily be representative of all likely dashboards users)

Developing a staging model

Dashboards policy objectives

23. The policy objectives for pensions dashboards set out by government in the DWP's 2018 Consultation are to:[13]

a. increase individual awareness and understanding of their pension information and possibly their estimated retirement income

b. build a greater sense of individual control and ownership of pensions

c. increase engagement, with more people taking advantage of the available advice or impartial guidance

d. support the advice and guidance process by removing the need to search pensions information during any advice and guidance session

e. reconnect individuals with lost pots

f. enable more informed user choices in the decumulation phase by making it easier to access the information on which to base these decisions

Approach to staging

24. The approach to staging needs to achieve a balance. It must achieve the widest possible coverage – ie consumers being able to find and view their pensions – as soon as possible. This is important to achieve before pensions dashboards are launched to the public: research indicates consumers will have a low tolerance for an incomplete dashboards service.[14]

25. On the other hand, it must also be deliverable – taking into account the practical constraints and circumstances within the industry to ensure providers have a reasonable expectation of being ready to connect, regulators' capacity to cope effectively with the increased regulatory demands, as well as the capacity of the digital architecture.

26. In addition to these driving principles of pace and deliverability, we have also considered other factors such as how to minimise competition impacts in staging, how to ensure opportunities to test, learn and improve are built in, and potential impacts of the staging model on consumers who may derive the greatest value from being reconnected with pensions and who may particularly benefit from seeing their pensions information (eg those closer to retirement).

[13] DWP Consultation, 2018

[14] 2CV research for the Money Advice Service, 2017

27. We have also sought to consider the impact of any staging proposals on consumers in terms of equalities issues (ie any impacts on those with protected characteristics): the approach should not increase disparities in accessing and understanding pensions information – and if possible, it should reduce these. However, there is limited evidence about the participation of people with protected characteristics in pensions and their engagement with pensions. We would welcome further evidence from stakeholders.

28. This call for input provides a valuable opportunity for stakeholders to feed in further evidence and insights to help government and the FCA come to a fully informed position on staging.

29. In defining our recommendations below, we drew on a wide range of evidence, including data from TPR's registry, FCA retirement stock income data, TPR and PDP research, and industry feedback to PDP's call for input on data, published summer 2020. We are particularly grateful to the regulators for their insights and analysis, which have been critical in developing these proposals.

Call for input

30. Ahead of the government consultation on the legislation later this year and the FCA's corresponding consultation on rules, this paper sets out our proposals for implementing a staged approach to onboarding pension providers, for industry feedback.

31. The PDP occupies a unique space in between industry and government, which enables us to facilitate and feed in industry expertise and evidence to government policy development. The intention of this call for input is accordingly to share our thinking and recommendations with industry and consumer groups and seek feedback on the proposals. This will enable us to gain vital evidence and insight from stakeholders to help fill information gaps and inform the government and FCA's policy development.

32. We are seeking responses to this call for input by 9 July 2021. More detail on how to respond and a full list of the questions is included at the end of this paper.

PDP recommendations for staging

Early staging

33. In the interests of accelerating the pace of pensions coverage, we recommend that early staging (ie bringing forwards the date by which providers are onboarded and ready to implement find and view functions) should be possible and actively encouraged.

34. Government regulations and FCA rules will specify the dates by which pension providers must connect to the ecosystem and make savers' data available to them via dashboards.

35. But early onboarding of pension providers into the ecosystem on a voluntary basis can proceed faster than this, and the PDP actively encourages this earlier participation, particularly from the largest providers. Early staging would help us achieve a critical mass of pensions findable sooner, which, in turn, may enable savers to have access to their pensions information via dashboards sooner.

36. This early staging will give pension and data providers more control over their individual delivery timeline. It will also maximise onboarding efficiency by allowing administrators or ISPs to connect multiple schemes at once in bulk, rather than having to repeat the process to connect each client on their respective staging date.

37. This should also enable connecting parties to keep costs lower for their clients, by reducing the effort required to connect schemes if clients can be connected into the ecosystem in bulk. There is appetite in industry for this, and it will deliver a better experience for consumers.

38. Therefore, we recommend there should be a mechanism to allow pension providers to onboard in advance of their staging date. To help us manage capacity of schemes onboarding, early staging will be subject to our control. (If you are a pension provider considering onboarding early, we encourage you to get in touch with us.)

Call for Input questions

Q9: Do you see any barriers to early staging?

Q10: [Data providers] What is your appetite for staging early? Are there things PDP could do to encourage you to onboard earlier?

Recommended scope for staging: prioritise FCA regulated providers of personal pensions and occupational schemes with 1,000+ members

39. The requirements in government regulations and FCA rules should focus, in the first instance, on FCA pension providers and occupational pension schemes that have at least 1,000 members. We are referring to this as the first staging wave. This wave includes:

Schemes	Number included in wave one
Master trusts	36 authorised schemes[15]
Personal pension schemes	124 authorised providers and groups[16]
Other occupational pension schemes with 1,000+ members	c1,300 schemes[17]

40. TPR data shows that pension scheme memberships are highly concentrated: the largest 86 schemes (with over 100,000 memberships per scheme) represent only a fraction of regulated pension schemes, yet account for 82% of memberships. **We can include 99% of entitlements on dashboards by staging only schemes with 1,000+ members**. Although our recommendations do not only take size into account, this illustrates the concentration of memberships within a relatively small number of providers. (We set out later in the paper how this first wave should be split into defined cohorts and how each cohort in the first wave meets the objectives of pace and deliverability.)

[15] As listed on TPR's website May 2021

[16] With uncrystallised pots. REP016 retirement stock income data and withdrawals 2019/20. Source: FCA regulatory returns, REP016 [unpublished]

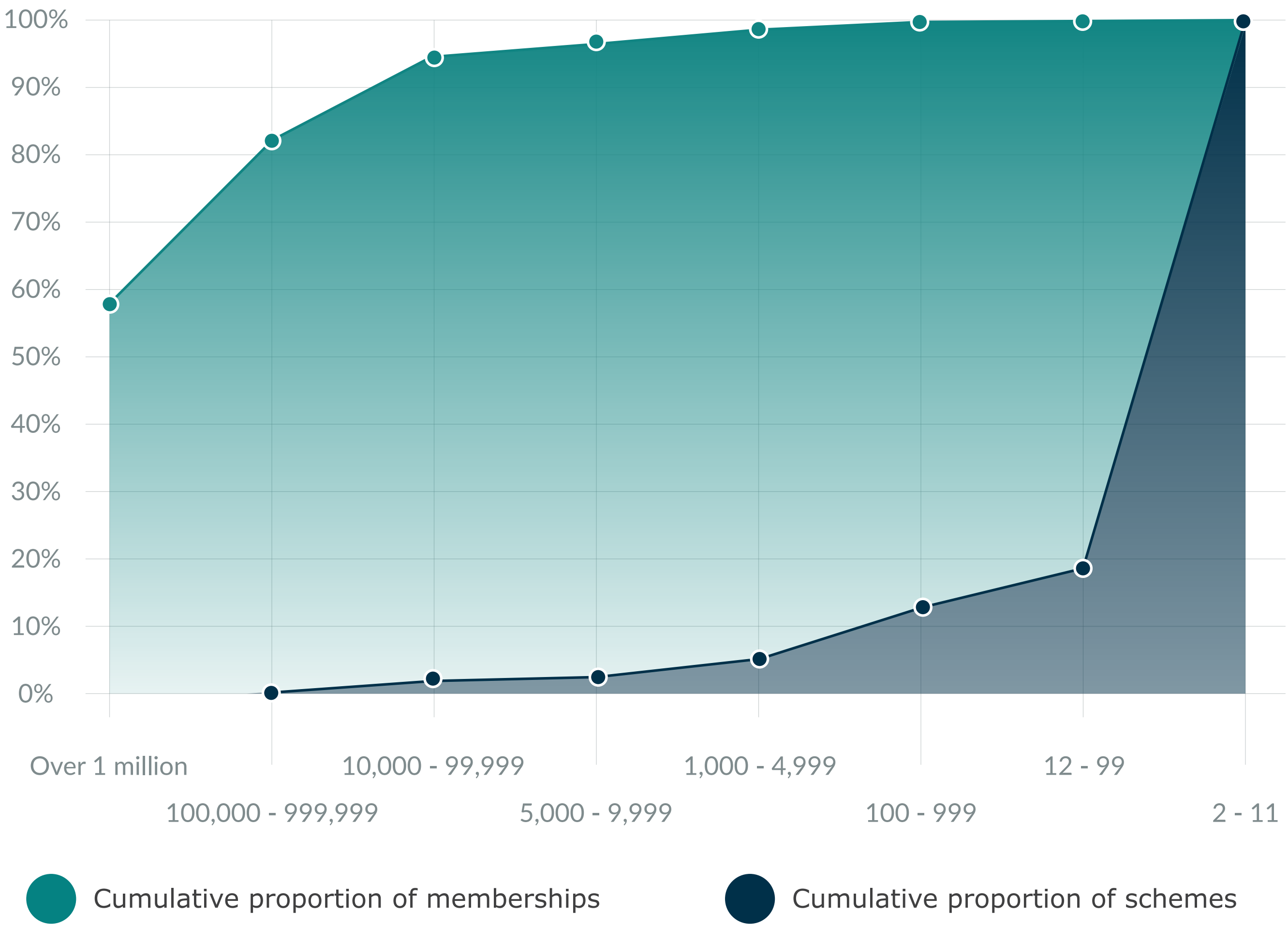
[17] TPR registry data as at 1 April 2021

Size band (memberships)	Total schemes	Proportion of schemes	Proportion of active and deferred entitlements
Over 1 million	14	0.04%	56.5%
100,000-999,999	72	0.2%	25.6%
10,000-99,999	359	1.0%	12.6%
5,000-9,999	259	0.7%	2.0%
1,000-4,999	962	2.8%	2.3%
100-999	2,561	7.4%	0.9%
12-99	2,194	6.3%	0.1%
2-11	28,159	81.4%	0.1%

Source: TPR registry data as at 1 April 2021 (which covers both occupational and personal/stakeholder pension schemes)[18]

Figure 1: Cumulative proportion of schemes and memberships, by scheme size

[18] The table is for schemes as registered with TPR, but it should be noted that FCA authorised providers of personal pensions (who may operate multiple schemes), rather than schemes, will be the subjects of compulsion duties under FCA rules



Source: TPR registry data as at 1 April 2021 (which covers both occupational and personal/stakeholder pension schemes)

41. Staging FCA regulated providers and large occupational schemes first therefore helps meet the policy objective of maximising coverage of pensions findable as soon as possible.

42. Available evidence also suggests that large occupational schemes should be in a better place to prepare for dashboards and be able to comply:[19]

a. large trust-based schemes are more likely to engage frequently with administration at trustee board meetings, measure their data, identify issues, and take action where data issues are identified

b. compared to smaller occupational schemes, large occupational schemes are more likely to be technologically sophisticated:

i. have digitised records

ii. offer online access to their members (this is particularly pronounced for DC schemes)

43. Similarly, existing disclosure requirements on FCA regulated providers and master trusts and other DC occupational pensions used for Automatic Enrolment mean these are likely to be ready for dashboards sooner.

[19] TPR DC survey 2020; TPR DB survey 2020 [forthcoming]; TPR registry data 2021

44. Focussing on a relatively small number of providers, who account for the bulk of members initially also enables PDP and TPR to ramp up their functions, and the commercial ISP market to emerge, which will be critical for smaller schemes to be able to comply.

45. Government intends to consult on the regulations by the end of 2021 and lay the regulations before parliament in summer 2022. (The FCA will consult separately on corresponding draft rules for providers of personal and stakeholder pension schemes.)

46. Respondents to the PDP call for input on data and participants in our qualitative research with pension schemes and providers indicated that most respondents believed they would need 12-24 months to prepare their data for connection to dashboards. We therefore recommend that all large occupational schemes and FCA providers stage within a maximum of two years, starting April 2023.

Call for Input questions

Q11: Do you agree with our recommendation to prioritise occupational schemes with 1,000+ members and FCA regulated providers in the first two years? Do you have any further evidence that speaks to the deliverability of this?

State Pension

47. DWP remains committed to ensuring that the State Pension will be included on pensions dashboards from day one to give people a comprehensive view of their pensions. They are already making the changes, alongside colleagues in HM Revenue & Customs, to ensure that the infrastructure required to provide State Pension information will be in place ahead of the first publicly available dashboard.

48. We therefore expect State Pension information to be available alongside the first staging cohort.

'Dashboards available point'

49. It is important to distinguish between staging (which should begin as early as April 2023) and the point at which the data becomes publicly accessible – ie when dashboards are launched to the public. Research has indicated low tolerance for an incomplete dashboards service and that consumers would prefer to wait until all their providers were included, rather than logging in to see incomplete information.[20]

50. It will therefore be key to achieve a critical mass of pensions findable, before a viable pensions dashboards service can be launched to the public. We have called this critical mass the 'dashboards available point' – the point at which it will be reasonable to make dashboards publicly available.

51. Dashboards, therefore, will not be launched at the point the very first providers are staged. We anticipate that compulsion duties will be in effect for many pension schemes and providers before the dashboards service goes live. This will allow for thorough, ongoing scale and operational testing of the end-to-end service with live data in a controlled environment before the service is launched to the public.

52. Our recommendations aim to achieve this public launch at the earliest possible date.

[20] 2CV research for the Money Advice Service, 2017

Recommended sequencing of staging within the first wave from April 2023

53. Pension providers within the first wave are not a homogeneous group and we need to consider how we sequence their staging, so their onboarding does not create operational or regulatory issues, while also delivering the fastest possible coverage.

54. Our proposals for this sequencing are as follows:

a. cohort one – master trusts and FCA regulated pension providers

b. cohort two – other DC schemes used for Automatic Enrolment, ordered largest to smallest

c. cohort three – all remaining occupational schemes with 1,000+ members, including DB schemes (private and public sector) and remaining DC schemes, ordered largest to smallest

Cohort one - master trusts and FCA regulated pension providers

55. There is a strong case for master trusts and FCA regulated pension providers being staged first from April 2023.

Master trusts and FCA regulated providers of personal pensions: pace

56. Firstly, in terms of pace, these schemes cover over two-thirds of all pension entitlements within the scope of pensions dashboards. Master trusts account for 19 million pension entitlements[21] and uncrystallised personal pensions account for over 28 million.[22]

57. Master trusts and group personal pension schemes also dominate Automatic Enrolment (AE) provision – just under 62% of eligible jobholders have been enrolled into a master trust, and a further 29% into a personal pension scheme.[23] Securing their participation covers a substantial proportion of the current workplace DC market and anticipated future growth – effectively reducing the proliferation of lost pots.

[21] TPR registry data 2021

[22] REP016 retirement stock income data and withdrawals, 2019/20, Source: FCA regulatory returns [unpublished]

[23] TPR initial declaration of compliance data 2021

58. In addition to workplace personal pensions, FCA regulated providers also offer pensions directly to individuals, such as individual pension plans (IPPs) and self-invested personal pensions (SIPPs). As at the end of 2017 there were over 14 million individual and stakeholder pensions in the UK, and research suggests that, at that time, at least one in four UK adults had accumulated benefits in non-workplace pensions. In addition, assets in non-workplace personal pensions currently exceed those in workplace DC pensions: for many individuals these pots may therefore be of significant importance for retirement planning.

59. Staging master trusts and FCA regulated providers of personal pensions in the first cohort also follows the policy steer set by the DWP of prioritising DC schemes, in recognition of the increasing shift to DC benefits in the UK pensions landscape. In recent years, DC has overtaken DB as the dominant form of pension scheme, largely as a result of Automatic Enrolment. With most DB schemes closed to new members, the share of DC memberships will continue to grow. This shift has substantial consequences for savers, in terms of risk but also engagement and decision-making at retirement. Indeed, the DWP's Consultation Response stated:

> "Due to the increasing shift towards DC pensions, and the responsibility this places on individuals to plan and make decisions about their retirement, the government's view is that large DC schemes should be among the first to connect to the ecosystem."

Master trusts: deliverability

60. TPR evidence shows that master trusts should be relatively well placed to be able to comply. They have existing requirements around systems and processes, and they are more likely than any other trust-based schemes to offer online access to their members, which indicates higher levels of technological sophistication and, therefore, the ability to meet the technical demands of pensions dashboards.[25]

61. In respect of data, they are subject to existing requirements around disclosure (annual benefit statements) but they are also consistently more likely than other forms of DC trust to meet TPR's expectations in respect of administration and record-keeping. They are more likely to engage frequently with administration at trustee board meetings and measure their common and scheme-specific data.[26]

62. In addition, the existing supervisory framework means that TPR is well placed to educate and drive compliance for this group.

[24] FCA discussion paper on non-workplace pensions, 2018

[25] TPR DB research 2020 [forthcoming]; TPR DC research 2020

[26] TPR DC research 2020; TPR registry data 2021

63. However, we recognise that master trusts are not all homogeneous. Some master trusts are not large, commercial competitors in the AE market. Rather, they are focussed solely on providing a pension scheme to numerous employers across a specific industry. Some of these non-commercial master trusts are relatively small (with fewer than 20,000 memberships) and therefore there is a more limited argument for their inclusion in the very first schemes to stage, in terms of pace. Their smaller size might also make them less well placed to comply, though we do not have any empirical evidence on this issue (TPR's data analysis does not distinguish between size or type of master trust).

64. In recognition of this, we recommend that master trusts with fewer than 20,000 memberships should be provided some additional time to prepare to comply and be staged as part of the next cohort (other DC schemes used for Automatic Enrolment).

Call for input questions

Q12: Do you agree master trusts should be the first to stage? Do you have any further evidence that speaks to the deliverability of this?

Q13: Do you agree that non-commercial master trusts should stage as part of the next cohort? In the absence of a legal definition of non-commercial, is 20,000 members a suitable proxy to differentiate them from master trusts competing in the AE space?

FCA regulated providers of personal pensions: deliverability

65. Similarly, FCA regulated providers of personal pensions are subject to existing requirements around disclosure (annual benefit statements).

66. Currently, as at March 2020, 124 FCA regulated group or individual providers of personal pensions have uncrystallised pensions in their business.[27] It is information about these pensions that dashboards would enable consumers to find and view.

67. We recognise that getting dashboard-ready will present different challenges for different providers, depending on the range, and age, of the products they offer.[28] Older products are more likely to include features such as guarantees, and some providers are operating multiple systems (sometimes even for the same scheme) as a result of mergers and acquisitions activity and/or white-labelling and use of third-party investment managers. Some of these systems may be old and unsupported. The use of third parties by SIPP operators, for example discretionary investment managers and stockbrokers, can result in the SIPP operator (the pension provider) holding limited data about the underlying assets in their customers' pensions on an ongoing basis.

68. Our initial recommendation is that FCA regulated providers should connect and make their pensions available to dashboards in the first cohort.

[27] REP016 retirement stock income data and withdrawals 2019/20. Source: FCA regulatory returns, REP016 [unpublished]

[28] Whereas we have recommended ordering by scheme size for other cohorts of occupational pensions, size is not as significant a variable for indicating complexity where personal pension providers are concerned

69. However, in recognition of the above diversity, we invite FCA providers to submit evidence concerning if, how and why certain elements of business within that cohort might need longer to stage. This evidence is critical in enabling the FCA to determine whether or not there should be any flexibility in the staging recommendation for FCA regulated providers of personal pensions.

70. Our recommendation is that, if the evidence demonstrates that some flexibility is needed, that flexibility is contained within the first wave of staging regulations: all providers should be expected to connect their full book within the first wave.

Call for Input questions

Q14: Do you agree FCA regulated pension providers should be among the first to stage? Do you have any further evidence that speaks to the deliverability of this?

Q15: Taking into account any existing plans to consolidate systems, and the potential to use an ISP (in-house or external), what specific challenges, if any, do FCA regulated providers of personal pensions face in getting all or part of their business dashboard-ready? Please provide evidence of the nature and scale of those challenges and how those challenges might be overcome.

Cohort two – DC schemes used for Automatic Enrolment with 1000+ members, largest to smallest

71. Other occupational schemes offering DC benefits which are being used for Automatic Enrolment (AE) should be in the next cohort to stage.

DC for AE: pace

72. While this cohort only represents an additional 4% of memberships in scope for pensions dashboards, onboarding these schemes next will achieve 98% of all DC pensions in scope for dashboards.[29]

73. As outlined above, coverage of DC savers is particularly critical to support decision-making at retirement.

74. This is particularly relevant for under pensioned groups (including women, ethnic minorities and disabled people) who are much more likely to have DC rather than DB savings.[30] Further evidence on women supports the criticality of achieving DC coverage. Women live longer than men and need pensions savings to last longer, yet have significantly lower average pension wealth than men.[31] They are also less engaged with their pensions,[32] and less likely to state they understand their pensions.[33] We hope that pensions dashboards can be one tool to help reduce this gap.

DC for AE: deliverability

75. As with master trusts, TPR evidence shows that DC schemes used for AE are likely to be better placed to comply than other types of trust-based schemes:

a. they are more likely than 'legacy' DC schemes to meet TPR's key governance requirements for DC schemes[34]

b. they are more likely than other DC schemes and DB schemes to offer online access to their members, which indicates higher levels of technological sophistication[35]

c. in respect of data, they are also subject to existing requirements around disclosure (annual benefit statements) and are more likely to frequently engage with administration at trustee board meetings.[36]

76. DC schemes used for AE represent a small proportion of pension schemes (less than 1%[37]), which will enable TPR to develop and ramp up its functions, testing, learning and adapting as it goes along, in order to better support the compliance journey of the larger number of schemes to follow.

[29] TPR registry data 2021

[30] PPI, The under-pensioned, 2016

[31] The People's Pension, 2019

[32] Just group report on FCA Financial Lives Survey, 2021

[33] AccuraCast, 2021

[34] TPR DC research 2019, unpublished

[35] TPR DB research 2020 [forthcoming]; TPR DC research 2020

[36] TPR DC research 2020

[37] TPR registry data 2021

77. However, as there are up to 280 schemes in this cohort,[38] there will need to be further staggering within this cohort (by size) to manage industry and regulator capacity.

Remaining 1,000+ member master trusts

78. Cohort two should include all remaining master trusts not included in the first cohort (ie those with under 20,000 memberships).

Mixed benefit (hybrid) pension schemes

79. Cohort two should also include schemes operating both DB and DC sections, where the DC section is used for the purpose of AE.

80. While disclosure requirements currently apply independently to DB and DC benefits, it might be confusing for members of those schemes to have only part of their benefits on the dashboards.

81. Therefore, we propose that those schemes should provide information on both DB and DC entitlements when onboarding. In practice, this means these schemes would have slightly less time to prepare their DB data than other mixed benefit schemes whose DC sections are not being used for AE.

Call for input questions

Q16: Do you agree that DC schemes used for AE should be the second cohort to stage? Do you have any evidence that speaks to the deliverability of this?

Q17: Do you agree that non-commercial master trusts not included in cohort one should join cohort two? Do you have any evidence that speaks to the deliverability of this?

Q18: Do you agree with the rationale for requiring mixed benefit schemes with DC sections used for AE to be part of cohort two? Do you have any evidence on the impact of this? How far does this differ from current disclosure practice ie issuing annual benefit statements? What is the scale of the population impacted?

[38] TPR registry data as at 1 April 2021

Cohort three – all remaining occupational (DB & DC) schemes with 1000+ members, largest to smallest

82. The third cohort should include all remaining DB and DC occupational schemes with at least 1,000 members.

Cohort three: pace

83. Pensions dashboards must include both DC and DB benefits in order to provide savers with a comprehensive view of their pensions. While comprehensive coverage of DC pensions can be achieved by staging master trusts and DC schemes used for AE, achieving full coverage requires the remaining large occupational schemes (with over 1,000 memberships) to stage. These represent over a quarter of all entitlements in scope for pensions dashboards, and bringing them on board within the first two years achieves 99% of coverage of pension entitlements in scope for dashboards[39].

Cohort three: value for users nearer retirement

84. Onboarding public service schemes and the largest DB schemes is particularly important for older savers who are nearer to retirement and may therefore derive the greatest value from them. In support of this, international evidence on usage for other pensions dashboards elsewhere indicate that peak usage tends to occur near retirement. For example, My Pension Overview (MPO) in the Netherlands was most visited by people between the ages of 45 and 65, with a peak between the ages of 61 and 65, (ie people who are about to retire), and of those that had visited the dashboard, the most common reason given for logging on was an upcoming retirement (within three years).[40] Similarly, evidence from Belgium from 2017 shows that people between the ages of 46 and 65 made up 66% of visitors to their pension dashboard, with a peak between the ages of 56 and 65.[41]

DB occupational schemes: deliverability

85. It is generally accepted – and was reinforced by responses to our call for input on data – that DB schemes are likely to need more time to bring their data and systems up to standard. Indeed:

a. DB schemes do not currently have a requirement to issue annual statements (rather issue statements on demand), and are less likely to hold an up to date value of the pension benefit on their systems

b. DB schemes are more likely to be older than other trust-based schemes (three quarters were established prior to 2000[42]), with associated implications in terms of data quality (and the time needed to resolve issues) as well as systems

c. they are significantly less likely to offer online access to members, which indicates potentially lower levels of technological sophistication[43]

[39] TPR registry data 2021

[40] https://pensioenregister.nl/mijnpensioenoverzicht

[41] https://www.10jaarmypension.be/fr/stat.html

[42] TPR registry data 2021

[43] TPR DB survey 2020 [forthcoming]

d. DB schemes also have GMP equalisation to contend with

86. It is therefore our recommendation that DB schemes should be compelled to connect after master trusts, personal pensions and large DC schemes used for AE.

87. However, reflecting their importance in terms of achieving critical mass, we recommend the very largest DB schemes begin staging from Autumn 2023, and all remaining DB schemes with over 1,000 members are staged during wave one.

Call for input questions

Q19: Do you agree the largest DB schemes should be staged from Autumn 2023 and all DB schemes with 1,000+ members should be staged within the first wave (within two years from April 2023)? Do you have any evidence that speaks to the deliverability of this?

Q20: What are the specific challenges for DB schemes in connecting to dashboards? Which data elements are challenging, and why? Please provide any supporting evidence.

Q21: When is the earliest in 2023 the largest DB schemes (over 50,000 members) could reasonably be expected to comply? Why? Please provide any supporting evidence.

Public Service schemes: deliverability

88. Public service pension schemes represent a significant proportion of members (nearly 20% of all active and deferred memberships in scope for dashboards)[44], and therefore onboarding them will be important to achieving critical mass and launching a comprehensive dashboard offering to savers. However, alongside other work impacting the whole of the pensions industry (such as GMP equalisation), public service schemes also have the McCloud Judgement measures to implement: to address discrimination, a particular group of members will receive a choice, at retirement, as to which scheme they accumulated benefits in for a specific time period. HMT has proposed in its consultation response that schemes will need to make changes to their systems by October 2023.[45] They will need to run two sets of benefit records alongside one another for a number of years.

89. To achieve comprehensive coverage we are keen for public service schemes to onboard as early as possible, ideally from late 2023. However we recognise further engagement is needed to understand what the McCloud remedy means in practice for schemes and their ability to prepare for pensions dashboards. In particular, we need to understand whether preparations for pensions dashboards can be made ahead of the McCloud remedy work, in parallel, or need to be subsequent to McCloud changes being in place.

[44] TPR registry data 2021

[45] Public service pension schemes: changes to the transitional arrangements to the 2015 schemes (February 2021)

90. In any case we are recommending that all public service schemes should be onboarded within the initial wave, ie within up to two years from April 2023.

91. Further work is also needed to understand what information will be shown on pensions dashboards for those members who have dual records (this applies beyond public service schemes too).

Call for input questions

Q22: Do you agree that all public service schemes should be staged as early as possible within the first wave? Do you have any evidence that speaks to the deliverability of this?

Q23: What specifically are the challenges presented by the McCloud Judgement for public service schemes in terms of dashboard readiness? What is the earliest that public service schemes could reasonably be expected to connect?

Remaining DC occupational schemes: deliverability

92. As outlined above, TPR evidence shows that legacy DC schemes are likely to be less well placed to comply than those used for AE:

a. they are less likely than DC schemes used for Automatic Enrolment to meet TPR's key governance requirements for DC schemes[46]

b. They are less likely to include administration as a standing item at trustee board meetings[47]

c. they are far less likely to offer online access to their members, which indicates lower levels of technological sophistication[48]

93. It is therefore our recommendation that legacy DC schemes should be provided additional time to prepare compared to DC schemes used for Automatic Enrolment.

Call for input questions

Q24: Do you agree that all remaining DC schemes with 1,000+ memberships should be staged by the end of the first wave (within two years of April 2023)? Do you have any evidence that speaks to the deliverability of this?

Regulator: deliverability

94. Public service schemes, and large DB schemes and DC schemes not used for AE represent around 1,000 pension schemes in total and therefore should be staggered further, by size, to manage industry capacity but also to enable TPR to deliver its functions.

95. As membership is concentrated in the largest schemes, this largest to smallest approach achieves pace, while enabling the delivery of a robust regulatory response to non-compliance.

[46] TPR DC research 2019, unpublished

[47] TPR DC research 2020, unpublished data

[48] TPR DC research 2020, unpublished data

Medium sized occupational schemes (with 100-999 members) should form a second staging wave

96. We recommend that medium schemes (with 100-999 memberships) should stage after schemes with 1,000+ members, and that the timeline for medium schemes to onboard may go beyond the two-year timeline for the first wave.

Medium schemes: pace

97. There are in excess of 2,400 medium schemes, which represent 7% of regulated pension schemes, but less than 1% of entitlements[49].

Medium schemes: prioritising savers close to retirement

98. However over 80% of medium schemes are DB or mixed benefit (hybrid) schemes and their membership is primarily deferred.[50] Their inclusion as soon as possible may therefore be important for older savers approaching retirement.

Medium schemes: deliverability

99. Unlike for small and micro schemes (considered below), there is no significant conclusive body of evidence that medium schemes are much more likely to struggle to comply. For example there are no significant differences in TPR's data and research in terms of meeting basic compliance duties or the focus on data. However:

a. they are less likely than large schemes to offer online access to members, which indicates lower levels of technological sophistication[51]

b. they face proportionally higher administration costs, and may therefore also face higher proportional dashboard compliance costs[52]

100. Staging them later than large schemes does not create major concerns in terms of pace and provides opportunities in terms of applying learning from the first phase, allowing for the ISP market to emerge, and for TPR and PDP to ramp up their functions.

[49] TPR registry data 2021

[50] TPR registry data 2021

[51] TPR DB research [forthcoming]; TPR DC research 2020

[52] KGC admin survey 2019; TPR DB costs 2014; DWP pension charges survey 2020

Regulator: deliverability

101. Medium schemes represent a significant step up in terms of volumes for TPR – nearly double the number of large schemes.[53] Staging these schemes later allows the regulator to test and learn from earlier experience, ramp up their functions further and ensure a robust regulatory response is delivered where schemes fail to comply.

102. With more than 2,400 pension schemes in this wave, staging across the wave will need be staggered by size, to manage industry capacity but also to enable TPR to deliver its functions.

Call for input questions

Q25: Do you have any additional evidence on the ability of medium schemes to participate in pensions dashboards?

Q26: Do you have any evidence about the potential impact on savers of deferring medium schemes until the bulk of large schemes have staged?

[53] TPR registry data 2021

Participation of small and micro occupational schemes (with memberships under 100) should be deferred to a subsequent staging phase

103. We recommend that small and micro schemes should be staged after the first phase of work covering 2023-25. This will enable the ISP market to emerge (which is critical to onboarding small schemes) and allow for the application of learning from onboarding the previous waves. However, it will be important to provide certainty to these schemes so that preparations are made to be able to comply in due course.

Small and micro schemes: pace

104. There are nearly 29,000 small and micro occupational schemes (including small self administered schemes (SSAS)/relevant small schemes (RSS) and executive pension plans (EPP)) which represent fewer than 120,000 active and deferred memberships – or less than 0.2% of all memberships in scope for dashboards.[54]

105. Including small and micro schemes would therefore add little value in terms of pace, and there are widespread challenges around deliverability.

Small and micro schemes: deliverability

106. There are well-established concerns around the governance and quality of some of these schemes, and their ability to participate:

- **a.** small and micro schemes are more likely to fail even basic compliance tasks such as completing their scheme return, which raises concerns around their general standard of governance[55]
- **b.** they are also significantly less likely to meet TPR's expectations in respect of measuring data[56]
- **c.** they experience the highest administration costs per member[57]

[53] TPR registry data 2021

[54] TPR registry data 2021

[55] TPR internal data 2021

[56] TPR registry data 2021

[57] TPR DB costs research 2014; DWP DC charges survey 2020; KGC annual survey of administration 2020

107. In addition, while many of these schemes use large third-party administrators, there are hundreds, if not thousands, of smaller administrators involved in running these schemes, which are much less likely to be technologically sophisticated. In practice it is extremely unlikely that these administrators will wish to connect directly to the ecosystem, so the emergence of the commercial ISP market is critical to enable small and micro schemes to comply. Staging small and micro schemes in the final wave allows more time for this market to emerge.

108. Staging these schemes also has significant operational implications for the regulator. There are nearly 29,000 schemes in this wave for TPR to regulate, a 500% increase in terms of volume.[58] Deferring these schemes until the third wave provides time for TPR to evolve guidance, education and compliance functions in light of early lessons, and better support schemes in achieving compliance. This is similar to the highly successful approach taken for Automatic Enrolment.

109. This wave is comprised of relevant small schemes (RSS), executive pension plans (EPPs) and other small/micro trust-based schemes, the majority of which are DC schemes.

110. Among small schemes, consolidation has been underway in recent years and further consolidation is anticipated as a result of recent government proposals.[59] TPR research indicates that two-fifths of these schemes have considered winding-up.[60] Postponing these schemes' compulsion duties therefore allows for further consolidation, which will reduce the deliverability challenges here.

111. Further, in respect of RSS and EPPs, there may be a case for excluding these schemes from compulsion duties indefinitely. There is some debate as to whether their membership is likely to be financially savvy and therefore less likely to benefit from pensions dashboards. However respondents to the DWP's consultation challenged that this was the case for EPPs. Delaying the staging of small and micro schemes allows us to build additional evidence on these schemes and these savers.

Call for input question:

Q27: Do you agree that small and micro schemes should form a third wave, after large and medium schemes? If so, when would be a reasonable timeframe for staging these schemes, and why?

Q28: Do you have any evidence about the potential impact on savers (eg lost pots) if small and micro schemes were delayed until after 2025?

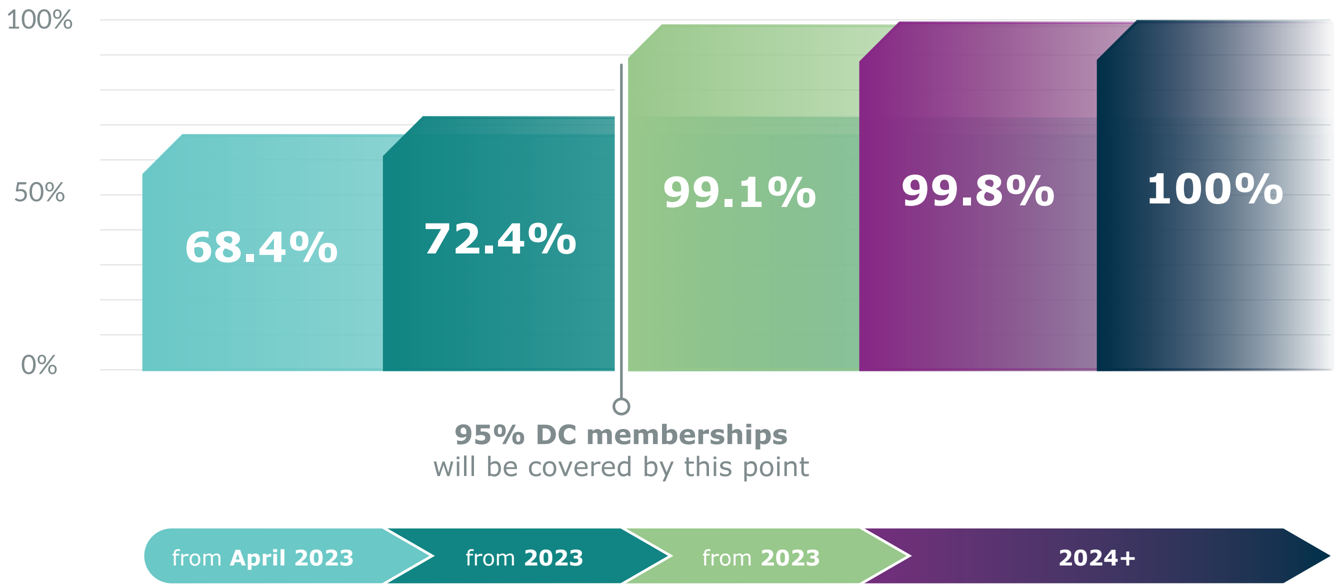
[58] TPR registry data 2021

[59] DWP, Improving outcomes for members of defined contribution pension schemes – Consultation response, 2020

[60] TPR DC research 2020

Proposed timeline for the first wave

112.



Waves	Cohorts	Cumulative proportion of memberships
1	**Master trusts and FCA regulated pension providers**	68.4%
	Large DC used for AE	72.4%
	Other large DC, DB & public service schemes	99.1%
2	**Medium schemes**	99.8%
3	**Small and micro schemes**	100.0%

Further general questions

Q29: Do you have any evidence of practical obstacles to our recommended sequencing and timing for staging?

Q30: How well do our recommendations meet the policy objectives and staging principles?

Q31: Do you have any evidence on where lost pots are most likely to be located and the impact, therefore of our staging recommendations on reconnecting savers with lost pots?

Q32: Do you have any evidence on equalities impacts of staging and impacts on under-pensioned groups?

Connecting to the ecosystem via an integrated service provider

113. Over the first part of 2021 we have held numerous discussions with many of the largest pension providers, third party administrators, master trusts and pension software providers to better understand how they will connect into the ecosystem.

114. Easing the supply of data will be key to helping organisations and pension schemes meet their obligations in supplying necessary data to pensions dashboards.

115. A key theme of our discussions to date is organisations' intended use of integrated service providers (ISPs) as a solution to transferring information from host administration systems and databases to the ecosystem.

What is an ISP?

116. An ISP is a third-party service allowing pensions information to be connected into the ecosystem on behalf of pension providers, which avoids having to connect the systems directly.

117. This has a number of advantages:

a. for those providers with multiple systems, it avoids the need to update each platform individually to connect to the ecosystem

b. each individual query made through the pensions dashboards ecosystem will send a request to each data provider. Using an ISP will insulate the core systems from the impact of this traffic, allowing the performance of the administration platform to continue without impediment.

c. we also believe the use of ISPs will result in a quicker and more cost-effective solution for connecting into the ecosystem, compared with providers and pension schemes creating bespoke solutions, particularly for smaller providers and pension schemes who may not have the internal capability to develop their own solutions.

Who is providing ISP solutions?

118. In our discussions, many organisations are working with their pensions software suppliers to explore ISP solutions. Some of the larger organisations are considering building their own solutions.

119. We are also seeing some independent ISP providers developing to offer an alternative ISP proposition to existing pensions administration software suppliers. We are keen to gain a better understanding of this market and the potential new ISP providers which may emerge, particularly those offering solutions to the smaller pension providers in the market. Similarly we are keen to gain a better understanding of how data providers, particularly smaller organisations, are planning to connect into the ecosystem.

Call for input questions

Q33: As a data provider, do you intend to connect your data via an ISP type solution? If not, what is your intended alternative?

Q34: As a pension provider, will you work with your existing software provider or seek an alternative ISP provider?

Q36: [Software providers] As an existing software provider, do you intend to extend your ISP offering beyond your existing client base?

Q37: [Software providers] Are you considering developing and providing an ISP solution as a new entrant into the market? What sectors of the market do you envisage providing ISP solutions to?

Q38: [Software providers] What is the anticipated lead time for bringing ISP solutions to market?

Q39: What factors will influence the pace at which ISP providers can connect clients to the dashboards ecosystem? What can be done to accelerate market coverage to better facilitate connectivity for data providers?

Next steps

Following the closure of the call for input, we will summarise stakeholders' responses with a view to publishing a summary. We will share the responses with the regulators and the DWP, to support the government's and FCA's policy development. Over the rest of 2021, we will continue to engage with industry and work closely with our DWP and regulatory colleagues to help aid their development and consultation on detailed regulations and rules.

Summary of recommendations

1. Wave one: largest schemes, over up to two years starting April 2023
   a. cohort one: master trusts and FCA regulated pension providers
   b. cohort two: DC schemes used for AE
   c. cohort three: all remaining occupational schemes over 1,000 memberships, ordered large to small, with the largest DB to onboard in 2023
2. Medium schemes (100-999) follow large, but may run beyond the initial two-year timeline
3. Participation of small and micro schemes (with memberships under 100) should be staged later, once the ISP market is more developed

List of call for input questions

Q1: We will be sharing the content of your responses with DWP, TPR and FCA to feed into the government's policy development. Please confirm you are happy to be identified when we are sharing.

- [ ] Yes
- [ ] No

Q2: Please tell us the name of the organisation on whose behalf you're responding.

Q3: Please select which category/categories of respondent best represents you:

- [ ] pension scheme or provider: master trust
- [ ] pension scheme or provider: FCA regulated provider of personal or stakeholder pensions
- [ ] pension scheme or provider: DC occupational scheme used for Automatic Enrolment
- [ ] pension scheme or provider: DC occupational scheme, with 1,000+ members
- [ ] pension scheme or provider: DC occupational scheme, with 100-999 members
- [ ] pension scheme or provider: DC occupational scheme, with under 100 members
- [ ] pension scheme or provider: DB occupational scheme, with 1,000+ members
- [ ] pension scheme or provider: DB occupational scheme, with 100-999 members
- [ ] pension scheme or provider: DB occupational scheme, with under 100 members
- [ ] public service scheme
- [ ] administration provider
- [ ] software provider (both yellow and green, if possible)
- [ ] consumer group
- [ ] other

Q4: Based on the information, how long do you estimate you will need to be ready to connect, and why? From what point in your working assumptions does the lead time start (eg draft regulations, regulations laid before parliament,or approved)?

Q5: [Pension & data providers:] If different from your response to Q4, how long would it take you be able to provide all the required view data?

Q6: Would response time be material to onboarding ie would longer response times for ERI or accrued value information (rather than real-time) facilitate earlier staging? If so, what sort of response time would make a difference?

Q7: [Pension & Data Providers:] What further information, if any, do pension providers need to get ready for dashboards?

Q8: Do you have any further evidence on consumer needs and/or the acceptability of a dashboards service displaying partial information for a limited time?

Q9: Do you see any barriers to early staging?

Q10: This question particularly applies to data providers, what is your appetite for staging early? Are there things PDP could do to encourage you to onboard earlier?

Q11: Do you agree with our recommendation to prioritise occupational schemes with 1,000+ members and FCA regulated providers in the first two years?

Q12: Do you agree master trusts should be the first to stage? Do you have any further evidence that speaks to their deliverability?

Q13: Do you agree that non-commercial master trusts should stage as part of the next cohort? In the absence of a legal definition of non-commercial, is 20,000 members a suitable proxy to differentiate them from master trusts competing in the AE space?

Q14: Do you agree FCA regulated pension providers should be among the first to stage? Do you have any further evidence that speaks to their deliverability?

Q15: Taking into account any existing plans to consolidate systems, and the potential to use an ISP (in-house or external), what specific challenges, if any, do FCA regulated providers of personal pensions face in getting all or part of their business dashboard-ready? Please provide evidence of the nature and scale of those challenges and how those challenges might be overcome.

Q16: Do you agree that DC schemes used for AE should be the second cohort to stage? Do you have any evidence that speaks to the deliverability of this?

Q17: Do you agree that non-commercial master trusts not included in cohort one should join cohort two?

Q18: Do you agree with the rationale for requiring mixed benefit schemes with DC sections used for AE to be part of cohort two? Do you have any evidence on the impact of this? How far does this differ from current disclosure practice ie issuing annual benefit statements? What is the scale of the population impacted?

Q19: Do you agree the largest DB schemes should be staged from Autumn 2023 and all DB schemes with 1,000+ members should be staged within the first wave (within two years from April 2023)? Do you have any evidence that speaks to the deliverability of this?

Q20: [DB schemes:] What are the specific challenges for DB schemes in connecting to dashboards? Which data elements are challenging, and why? Please provide any supporting evidence.

Q21: [Largest DB schemes, over 50,000 members:] When is the earliest in 2023 the largest DB schemes (over 50,000 members) could reasonably be expected to comply? Why? Please provide any supporting evidence.

Q22: Do you agree that all public service schemes should be staged as early as possible within the first wave? Do you have any evidence that speaks to the deliverability of this?

Q23: [Public sector schemes:] What specifically are the challenges presented by the McCloud Judgement for public service schemes in terms of dashboard readiness? What is the earliest that public service schemes could reasonably be expected to connect?

Q24: Do you agree that all remaining DC schemes with 1,000+ memberships should be staged by the end of the first wave (within two years of April 2023)? Do you have any evidence that speaks to the deliverability of this?

Q25: Do you have any additional evidence on the ability of medium schemes to participate in pensions dashboards?

Q26: Do you have any evidence about the potential impact on savers of deferring medium schemes until the bulk of large schemes have staged?

Q27: Do you agree that small and micro schemes should form a third wave, after large and medium schemes? If so, when would be a reasonable timeframe for staging these schemes, and why?

Q28: Do you have any evidence about the potential impact on savers (eg lost pots) if small and micro schemes were delayed until after 2025?

Q29: Do you have any evidence of practical obstacles to our recommended sequencing and timing for staging?

Q30: How well do our recommendations meet the policy objectives and staging principles?

Q31: Do you have any evidence on where lost pots are most likely to be located and the impact, therefore, of our staging recommendations on reconnecting savers with lost pots?

Q32: Do you have any evidence on equalities impacts of staging and impacts on under-pensioned groups?

Q33: As a data provider do you intend to connect your data via an ISP type solution? If not, what is your intended alternative?

Q34: As a pension provider will you work with your existing software provider or seek an alternative ISP provider?

Q35: If you are a software provider we would like to ask you a few more questions to further understand how your organisation is preparing for staging. Please choose Yes if you are happy to answer the four additional questions
Please choose No if you are not a software provider or you are a Software Provider not wanting to answer more questions

Q36: [Software providers] As an existing software provider do you intend to extend your ISP offering beyond your existing client base?

Q37: [Software providers] Are you considering developing and providing an ISP solution as a new entrant into the market? What sectors of the market do you envisage providing ISP solutions to?

Q38: [Software providers] What is the anticipated lead time for bringing ISP solutions to market?

Q39: What factors will influence the pace at which ISP providers can connect clients to the dashboards ecosystem? What can be done to accelerate market coverage to better facilitate connectivity for data providers?

Q40: PDP would like to carry out additional research* with organisations who will be providing pension information for users to view on dashboards. We want to further understand what will be involved for you to successfully on-board with the pensions dashboards ecosystem and respond to these requests. If you're happy to be contacted about this, please include details of the people we can reach out to here:

___

*In some cases we may commission an independent research organisation to carry out research on our behalf.

Glossary

For the purposes of this paper, we have adopted the following definitions for specific terms. Terms used here are consistent with the PDP's working Glossary.

Term	Definition
memberships	This is the total number of the pension provider's members (and includes active, deferred and pensioner members) for the purpose of determining the pension provider's staging date. This is distinct from the members who will be within scope for dashboards (our current working assumption is this will be confined to active and deferred members but this will be confirmed by legislation in due course).
active member	an individual who is still contributing to, or building up benefits in, a pension, often one set up by their employer
consent and authorisation service	the consent and authorisation service initiates user identity authentication and manages user consents and permissions. It will also enable the user to give and manage delegated access to others like financial advisers and MaPS guidance specialists
dashboards available point	the point at which it will be reasonable to make pensions dashboards available to all members of the public, meeting the first dashboards goal (connecting people with all their pensions) for most individuals
data providers	the organisations that provide data to dashboards. This includes pension providers, third-party administrators and integrated service providers (ISPs) as well as the DWP as provider of State Pension data
deferred member	an individual who is no longer an active member of the scheme - normally because they have left employment with the employer who set up that particular pension scheme
defined benefit (DB) scheme	a pension scheme arranged through a workplace that provides retirement benefits, which are based on the individual's earnings and the length of time that they have been a member of the scheme
defined contribution (DC) scheme	a pension scheme that provides retirement benefits that are based on how much the individual (and sometimes their employer) puts into the scheme, plus the return on those investments. Also known as a money purchase scheme
FCA regulated pension providers	FCA authorised firms that hold the regulatory permission(s) to establish, operate and windup personal and/or stakeholder pensions

Term	Definition
find data	the information pension providers will receive from the pensions dashboards ecosystem, elements of which they will need to use to match people to their pensions
governance register	the governance register is a technical service that provides assurances that the different elements of the ecosystem (dashboards, identity services, pension finder service and connections to pension schemes) meet the required standards to participate. It ensures that all these elements operate correctly and securely. It will also enable compliance and monitoring of the system as a whole
integrated service provider	a third-party service allowing pensions information to be connected to the dashboards ecosystem on behalf of pension providers
master trusts	a master trust is form of occupational pension scheme which provides benefits to employees of multiple, unconnected, employers. They are authorised and supervised by TPR
occupational pension schemes	a pension scheme used by an employer for its employees and regulated by TPR. It is sometimes called a company pension scheme. The following are all occupational pension schemes: • master trusts • private defined benefit pensions • public sector defined benefit pensions • single employer defined contribution pensions • executive pensions
pensions dashboards ecosystem	multiple parties, technical services and governance need to be connected in what we are referring to as an ecosystem. This is made up of the supporting digital architecture which allows dashboards to work, the dashboards themselves which individuals interact with, and the governance system which monitors the whole ecosystem
Pensions Dashboards Programme (PDP)	the Pensions Dashboards Programme (formerly known as the Industry Delivery Group) was set up by the Money and Pensions Service (MaPS) and is responsible for developing the pensions dashboards digital architecture which will enable individuals to view all their pensions data via their chosen dashboard within a secure ecosystem

Term	Definition
pension providers	pension providers are the organisations that offer pensions within the UK. This includes: • occupational pension schemes, regulated by TPR • personal and stakeholder pension schemes, offered by FCA-regulated providers • the Department for Work and Pensions, which provides the state Pension
pension providers' find interface	connecting software which communicates with the data provider on behalf of the ecosystem to receive find data – ie user requests to find their pensions
pension providers' view interface	the means by which pension providers receive view requests from users at dashboards, check their authorisation at the consent and authorisation service, and if authorised return view data to dashboards
personal pension	a group or individual pension scheme arrangement which is not an occupational pension scheme. These include individual personal pensions, self-invested personal pensions (SIPPs), free standing additional voluntary contributions (FSAVCs), s32 buyouts, and retirement annuities. For ease of reference, in this document only, personal pension should be read to include stakeholder pension (ie a scheme that meets the legislative conditions to be a stakeholder pension scheme)[61]
staging	pension providers will connect to the pensions dashboards ecosystem over a period of time rather than all at once. They will be given a specific date within this period – their staging date, set out in secondary legislation/FCA rules. The staging date is the latest point in time by when a pension provider must have connected to the ecosystem, which includes complying with all of the legislative requirements on trustees/managers and being ready to respond to user find requests and return the view information
view data	the pension, administration and employment information that pension providers will have to return to individuals to see on dashboards

[61] section 1 of the Welfare Reform and Pensions Act 1999 or article 3 of the Welfare Reform and Pensions (Northern Ireland) Order 1999

Pensions
Dashboards
Programme