

Pensions Dashboards  
Data Definitions - Working Paper  
April 2020

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# SUMMARY

## What we are publishing

- 1 The Pensions Dashboards Programme (PDP) ***Progress Update*** document, published in April 2020, sets out the goals for pensions dashboards.
- 2 These goals build on the objectives defined in the April 2019 DWP Pensions Dashboards Consultation Response document (the “government response” document), within the wider context of the January 2020 MaPS 10-year UK Strategy for Financial Wellbeing.
- 3 A key element of the PDP’s work is the development of the data standards, which subsequent regulations and rules (following a period of consultation) will compel pension providers and schemes to comply with. To aid the development of our work in this area, we have articulated our current thinking in two documents, namely:
  - a. ***Data Scope: Working Paper*** setting out options for achieving comprehensive coverage across all pension sectors in order to deliver an acceptable early breadth of coverage for individuals; and
  - b. ***Data Definitions: Working Paper*** (this paper) listing the set of data items that could be included in the dashboards data standards. This thinking will need to be developed further and tested to help us define the data items pension providers and schemes will, initially, be required to make available electronically to their customers / members via pensions dashboards.
- 4 The ***Data Scope*** document addresses the breadth of coverage and the ***Data Definitions*** document explores the depth of information dashboards could show.

## What this ***Data Definitions Working Paper*** covers

- 5 The pensions dashboards data standards will cover the data items that:
  - a. will enable pensions to be found; and
  - b. individuals will find useful to see on dashboards.
- 6 Under proposed new duties contained in the Pension Schemes Bill, pension providers and schemes will be required to make this information available to people when they request it via their chosen dashboard. Evidence from countries that have already launched dashboards, shows that it is essential to spend time upfront, gathering as much industry input as possible, in order to define the data standards for dashboards.

7 During the first quarter of 2020, the Programme's Steering Group (SG) debated data definitions options in detail and, based on these discussions, this paper presents our current working assumptions on the data items required for initial dashboards.

### **How our assumptions will be refined**

8 This paper presents our working assumptions for the data definitions that will feed into the data standards for initial dashboards. When the time is right, these assumptions will be refined with the aid of:

- a. **Industry Feedback:** Input from industry stakeholders (including consumer groups, pension providers / schemes, and other interested parties);
- b. **Government Feedback:** Ongoing feedback from relevant government departments and regulators as we develop our assumptions;
- c. **Sector Research:** Independent qualitative research with different types of pension providers and schemes that seeks to generate a better overall understanding of the discrete data challenges they will face when interacting with the dashboard ecosystem; and
- d. **Consumer Research:** Future independent qualitative research with consumers that seeks to understand, in granular detail, individuals' views on the usefulness of the proposed information of pensions dashboards.

9 When this constructive input from industry stakeholders and other interested parties is gathered in due course, it will help to shape of the data standards for initial pensions dashboards.

### **What this *Data Definitions Working Paper* does not cover**

10 This document focuses exclusively on the definitions of data items for pensions dashboards. It does **not** cover:

- a. Data requirements for crystallised pensions (such as pensions in payment, in drawdown, annuities in payment, and so on), but we will be interested to hear views on whether these pensions should appear on initial dashboards;
- b. Data flows: the data definitions in this paper have been constructed to stand independently of any specific implementation at this stage;
- c. Digital architecture: these data definitions are intended to be technology agnostic at this stage;
- d. Technical Inter-operability, Identity, Trust and Security Standards: these data definitions will need to be elaborated to meet technical and industry standards once the data content and architecture standards have been agreed.

- 11 Information on the above items, and numerous other important issues, will be set out in due course.
- 12 Similarly, this paper does **not** cover the process of achieving early '*breadth of coverage*' across the different pension providers and schemes; this is covered in the accompanying ***Data Scope: Working Paper***.

### **Next steps**

- 13 In these difficult and uncertain times, many of our key stakeholders are rightly focussed on very challenging and immediate priorities, whether at work or at home.
- 14 When the time is right, we will seek views on the issues addressed in this document to enable us to refine our working assumptions on data definitions.
- 15 In the meantime, if you would like to get in touch with the Pensions Dashboards Programme, please email the following email address:  
[pensionsdashboardsprogramme@maps.org.uk](mailto:pensionsdashboardsprogramme@maps.org.uk)

## INTRODUCTION

- 16 A core responsibility of the Programme is to develop and publish a set of data standards, which subsequent regulations and rules (following a period of consultation) will compel pension providers and schemes to comply with. The standards will cover the data items that:
- a. will enable pensions to be found; and
  - b. individuals will find useful to see on dashboards.
- 17 Under proposed new duties contained in the Pension Schemes Bill, pension providers and schemes will be required to make this information available to people when they request it via their chosen dashboard.

### Pensions dashboards goals

- 18 The content of the data standards is driven by the pensions dashboards goals (reproduced below) which have been derived from the government's response and the MaPS UK Strategy for Financial Wellbeing (see the **Progress Update** document for details):

#### **BOX 1 – PENSIONS DASHBOARDS GOALS**

1. Connect people with all their pensions.
2. Present information clearly in plain English.
3. Show a comparable estimated retirement income for each pension (enabling people to see the total income they might have to live on in retirement).
4. Signpost people to impartial guidance and/or regulated advice.
5. Enable people to understand the information they're seeing.
6. Increase people's confidence making them feel more capable.
7. Empower people to make more informed choices about their pensions.
8. Contribute to people's overall financial wellbeing.

## Initial data constraints

- 19 The Government's response sets out the parameters within which initial dashboards will operate. To minimise the initial cost of pension provider and scheme participation (paragraph 244), the government has placed some constraints on the initial data requirements. Specifically, initial pensions dashboards will:
- a. offer a simple ***"find and view"*** function showing individuals some consistent "basic information" about their pensions (119)
  - b. show, at maximum, the information already available on annual statements, or on request (paragraph 157); and
  - c. be, therefore, necessarily limited in functionality (paragraph 92).
- 20 It is also important to note that, as initial dashboards will be "find and view" only, they will offer no transactional capability. For example, the data standards will not include any information relating to transferring pensions from one pension arrangement to another.

## Individuals' needs

- 21 A lesson from Open Banking is that it is important to consider, at an early stage, how the delivery and display of financial data will be helpful to individuals. As noted above, one of the dashboards goals is to improve people's understanding and confidence about their pensions, helping them make decisions that are beneficial to their long-term financial wellbeing. To achieve this, people need accurate, clear and comparable information, underpinned by innovation that serves their interests.
- 22 A report for Which? identified the following potential needs that individuals might have, based on the questions individuals might be asking when looking at information on dashboards:
- How much have I got: Where are my pensions and how much might I have at retirement?
  - Bridging the gap: Where should I make additional contributions?
  - All in one place: Should I transfer or consolidate my pensions?
  - Investment choice: Where are my pension invested? How are my investments doing and should I switch them?
  - Retirement income: How should I access my pension?
  - Shopping around: How do I shop around for retirement income products?
- 23 As a minimum, within the context of the dashboards goals and the Government's data constraints above, the data items provided by an initial pensions dashboard's simple "find and view" function need to meet at least the first of these user needs.

## Disclosure complexity

- 24 The maximum data that pension providers and schemes will be required to submit initially broadly equates to the existing information requirements under the **Disclosure Regulations** (defined in the Glossary of Terms – see Appendix 1). A simplified summary of the information currently required to be provided to individuals under the Disclosure Regulations is set out in Appendix 2.
- 25 The simplified summary in Appendix 2 illustrates many of the complexities surrounding the provision of pensions information to individuals<sup>1</sup> and gets to the heart of the pensions dashboards challenge: how best to safely represent to individuals a simple view of basic information for each of their pensions, when many pensions are underpinned by decades of multi-layered pensions complexity.
- 26 The **Progress Update** document lists some of the origins of this complexity, including decades of changing legislation, tax treatment of pensions, scheme rules, corporate churn, and individuals' life circumstances. These myriad complexities are well known to, amongst others, the UK pensions administration community. To deliver useful pensions dashboards, we need to find solutions that balance a recognition of this complexity whilst providing simple pensions information to individuals.
- 27 A first challenge is to find a consistent way of talking about the different forms of pension provision that exist across the diverse UK pensions landscape.

## Consistent, simplified language

- 28 Pensions dashboards provide the opportunity, for the first time in the UK, for everyone to potentially see all their pension entitlements in a single place. A small proportion of the UK population (e.g. those using Independent Financial Advisers (IFAs), etc.) has always been able to see the entirety of their pensions entitlements, but this has only ever been the experience of a minority of individuals. Dashboards will change that.
- 29 Generating a simple “view” for individuals across all types of pensions presents significant challenges. Pension arrangements are diverse and laden with complexity, which initial dashboards will not be able to fully reflect in a simple “view” of “basic information”. Equally, there is an educational challenge for the industry. To deliver comprehensive coverage successfully across all pension sectors, all relevant pensions professionals will need a common understanding of the data requirements for dashboards. This will aid the process of defining, and then adhering to, the pensions dashboards data standards.
- 30 To start the process of generating this common terminology, we have created an initial **Glossary of Terms** (see Appendix 1). The broad theme of this Glossary is the adoption of simple language, building on existing terminology where possible, that can apply across all different types of existing pensions. Dashboards are entirely pension-sector agnostic; and to a certain extent, to be simple for individuals, the data standards must be too.

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<sup>1</sup> But note Appendix 2 does not provide a comprehensive overview of all the information pension providers and schemes must provide to individuals.



- 31 For example, instead of having to refer separately to both defined benefit (DB) pensions and defined contribution (DC) pots, we are using the term “**pension entitlement**” to cover both. Similarly, instead of separately referring to pension entitlements from Public Service Pension Schemes or Master Trusts (MTs) or Group Personal Pensions (GPPs), etc., we are using the term “**pension arrangement**” to cover all entities that provide pensions.
- 32 We are keeping individuals (who generally have very low levels of pensions understanding) very much front of mind. By using consistent, simple language, we have tried to keep the data definitions in this paper as straightforward as possible.

### **Striking the right balance between simplicity and complexity**

- 33 For initial dashboards, it will not be possible to develop data standards that cover every complexity that exists in the pensions industry. Where such complexities exist, there are potential risks in dashboards only being able to show individuals “basic” information about their pension (because the data standards will not be able, initially, to cover the particular features specific to all pensions).
- 34 Dashboards aim to provide a simple find and view service that will enable individuals to see some basic information about their pensions. But for the full, and very latest, information about each pension, the individual will still need to liaise directly with each of their pension providers and schemes.
- 35 These risks are also part of the reason the Government has determined the architectural design principles set out in Chapter 3 of its dashboards consultation response. When considering the data definitions in this paper, please be aware of the various limiting constraints on initial dashboards’ usage of data (constraints which the Government has already decided on in the government response). In particular, note that initial dashboards will:
- a. **not** include a central database (government response paragraph 188), i.e. **no data repository**;
  - b. **not** be allowed to store pension data (paragraph 166h), i.e. **no data persistency**;
  - c. all display the same basic information from the same schemes (78), i.e. **no data exclusion (consistent data presented across all dashboards)**;
  - d. all follow a set of design and user experience standards (69), i.e. **no data misrepresentation and full caveats on the data shown**; and
  - e. present source information only, without altering it (166g), i.e. **no data alteration**.

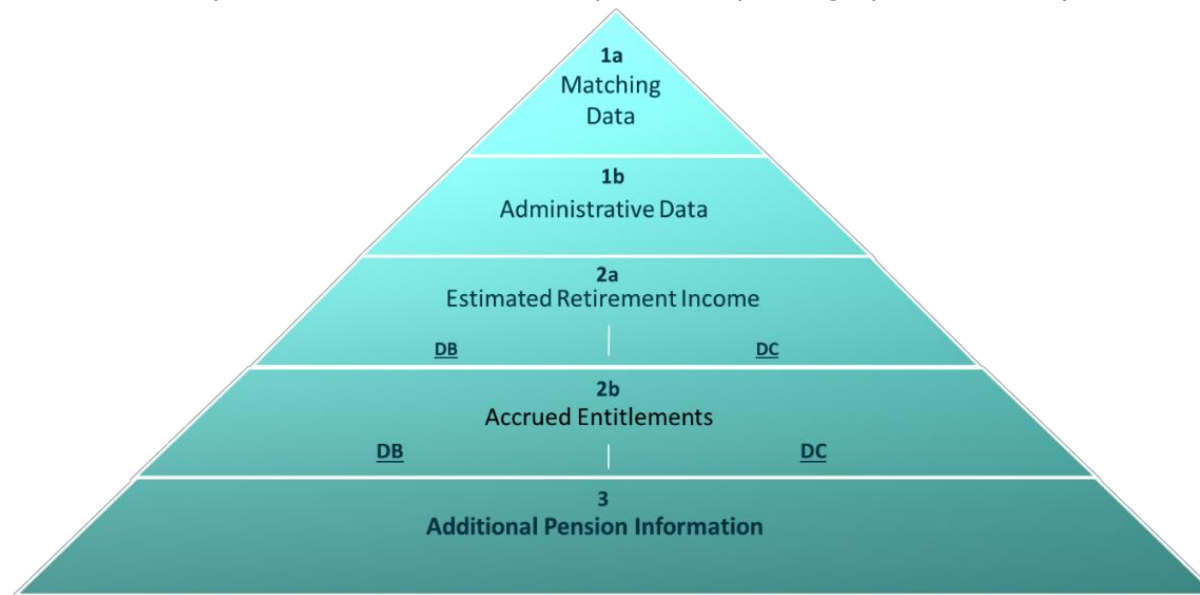
36 As the Government has stated: "The pensions landscape is diverse, with many different types of [pensions, and] combining information from these different [pensions] into one cohesive and easily understandable view is a significant challenge." (government response, paragraph 68). To meet this challenge, a balance needs to be struck between simplicity and complexity.

37 When the time is right, we will be exploring with all interested parties whether the data definitions set out in this paper strike the right balance between simplicity (for individuals) and complexity (of different pensions).

### Levels of data

38 Following the Prototype Dashboard project, the Pensions Administration Standards Association (PASA) Pensions Dashboard Working Group, created the concept of different "levels" of dashboard data. For most of the pensions industry, with no previous involvement in the dashboards initiative, this is a helpful way to introduce the different types of data relevant to dashboards.

39 We have represented the "levels" concept in a simplified graphical format (the "data pyramid") shown below.



**Level 1a - Match Data:** The personal data to be used to match the individual with their pension entitlements

**Level 1b - Administrative Data:** The details of each pension arrangement which confirms they have a pension entitlement for the individual because they have been able to successfully match against the Level 1a data

**Level 2a - Estimated Retirement Income:** The key item of data returned from each pension arrangement giving an estimated retirement income, in today's money

**Level 2b - Accrued Entitlement Data:** The data from each pension arrangement regarding the individual's current pension entitlement (i.e. accrued to date)

**Level 3 - Additional Pension Information:** Other data from each pension arrangement, beyond the estimated retirement income and current accrued entitlement, that will be of interest and use to some individuals

40 The top levels of the pyramid represent the basic data items required to 'find and view' an individual's pension. The lower levels represent more detailed information, to help individuals 'understand' the pension, and enable them to make informed choices (i.e. to 'act'). For each data level, this paper contains a data definitions table listing the relevant data items.

41 This “levels” structure is a straightforward way of breaking down the list of data items. It should not be taken to imply how the dashboards ecosystem will operate. In due course, once the data definitions are agreed, detailed data flows will be developed. At this stage, the data definitions are intended to be technology agnostic.

### **Minimum mandatory, and optional, data items**

42 In the Level 2a, 2b and 3 data definitions tables, where relevant, we have shown a “Disclosure item flag” to indicate if the data item is currently required to be disclosed to the individual under existing disclosure regulations.

43 Because the Government has indicated that the maximum initial dashboards will display is the information already available on annual benefits statements, or on request (government response paragraph 157), these “disclosure items” broadly represent the maximum possible list of data items that could be included on initial dashboards. Our working assumption is that the “basic information” that will be displayed on initial dashboards will be these “disclosure items” and, therefore, they would become the initial minimum *mandatory* items.<sup>2</sup> However, when the time is right, we will be testing and validating this assumption with all interested parties.

44 We recognise that across the various sectors of the UK pensions industry supplying pensions data for individuals to view on dashboards may be complex and challenging. As a result, we will explore in due course with pension providers and schemes how long it would take them to make these “disclosure items” available digitally.

45 Other data items in the Level 2b and 3 data definitions tables, which are not “disclosure items”, could, potentially, be supplied by pension providers and schemes to initial dashboards as *optional* items, but these items will not form part of the initial mandatory minimum. We have set out some specific areas of complexity in relation to areas of data in Level 3.

46 The accompanying **Data Scope: Working Paper** discusses options for bringing in all pension providers and schemes into compulsion. To achieve broad coverage quickly across all pension arrangements, all pension providers and schemes would be required to return the minimum *mandatory* data items. They could, additionally, return *optional* data items if they were able, and wished, to do so. Over time, once initial dashboards are fully launched, these *optional* data items may become *mandatory*, so pension providers and schemes will likely want to plan on that basis.

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<sup>2</sup> Our reasoning is that pension providers and schemes should already be keeping these “disclosure items” clean, accurate, and up to date.

# DATA DEFINITIONS

## Level 1a – Match Data

47 When an individual uses a pensions dashboard, their pensions entitlements will be found if pension providers and schemes are able to match certain items of the individual's personal data against the records they hold. The key question is which items of personal data will be used to undertake the match.

48 The Pensions Dashboard Prototype Project explored this issue<sup>3</sup>. Twenty-one million sample pension records, across different types of pension arrangements, were analysed for the presence of various personal details. The key finding from this work was that:

*"There is some variation between pension arrangements as to which [personal] data items are stored; therefore it is recommended that pension arrangements are able to select the most appropriate matching criteria for their data. For example, some suggested matching criteria options are as follows:*

- 1) NI Number<sup>4</sup> as primary source with Date of Birth, Initials and Surname as secondary source or,
- 2) Date of Birth, Initials and Surname as primary source and NI Number as secondary source or,
- 3) Date of Birth, Initials and Surname as primary source and Initials, Surname and Postcode as secondary source."

49 Pension providers and schemes will likely choose to match individuals against multiple data items to ensure they do not disclose data to the wrong person. However, the use of multiple data items is likely to reduce the number of successful matches. Considerable testing will be required in due course to understand what combinations of matching data will deliver the simplest possible journey for the individuals who use dashboards whilst also enabling all pensions to be found.

50 We will be interested to understand in due course which data items pensions providers and schemes would anticipate using to match against the pension records they hold. In the Individual Data table below we have listed several personal data items that could potentially be used to match pensions. Note that most of these data items are included the "Common data" standard defined in the Record-keeping guidance published by The Pensions Regulator (TPR)<sup>5</sup>. These items are indicated in the table.

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<sup>3</sup> March 2017 Pensions Dashboard Prototype Project – Work package E Data Quality Research Report

<sup>4</sup> We will engage with the Information Commissioner's Office (ICO) to verify the extent to which National Insurance (NI) numbers can be used as a primary identifier for purposes other than tax records

<sup>5</sup> <https://www.thepensionsregulator.gov.uk/en/trustees/managing-db-benefits/governance-and-administration/record-keeping/what-records-to-keep>

## Individual Data

| Ref    | Data Element        | Description                                 | Type | TPR Common Data | Comment |
|--------|---------------------|---|------|-----------------|---------|
| 1a.001 | Forename            | Forename or initials of the Individual      | Text | ✓               |         |
| 1a.002 | Surname             | Surname of the Individual                   | Text | ✓               |         |
| 1a.003 | Date of Birth       | Date of birth of the Individual             | Date | ✓               |         |
| 1a.004 | NI Number           | National Insurance number of the Individual | Text | ✓               |         |
| 1a.005 | Previous Surname(s) | Any previous surname(s) of the Individual   | Text |                 |         |
| 1a.006 | Address Line 1      | Current house name or street number         | Text | ✓               |         |
| 1a.007 | Address Line 2      | Address line 2 of Individual                | Text | ✓               |         |
| 1a.008 | Address Line 3      | Address line 3 of Individual                | Text | ✓               |         |
| 1a.009 | Address Line 4      | Address line 4 of Individual                | Text | ✓               |         |
| 1a.010 | Postcode            | Postcode (UK/International)                 | Text | ✓               |         |
| 1a.011 | Country Code        | Country of address given by Individual      | Text |                 |         |
| 1a.012 | Email Address       | Electronic mail address of individual       | Text |                 |         |

## Level 1b – Administrative Data

- 51 Once the individual has consented for their Level 1a match data to be passed to pension providers and schemes, the administrators of all pension arrangements will determine whether they hold any matching pension entitlements. The tables below define the data items the administrators of pension arrangements should supply when a positive match is made.
- 52 Initial dashboards will offer a simple “find and view” function (government response paragraph 119). The Level 1b data satisfies the “*find*” requirement. For the individual to know where their pensions are, and how to get in touch with the organisations administering their pensions, the data items listed below need to be returned. The data items are split into three tables reflecting the different types of data to be returned under the Level 1b umbrella. The three types of data are:
1. The details of the pension arrangement in which the individual has a pension entitlement
  2. The details of the organisation administering the pension arrangement
  3. For workplace pensions only, the details of the employer / employment giving rise to the individual’s pension entitlement under the pension arrangement.
- 53 We will be interested to understand in due course which of these items of administrative data pension providers and schemes will find most challenging to supply.

## Pension Arrangement Data

- 54 The data table below lists the items identifying the pension arrangement within which the individual has a matched pension entitlement. There are very many different types of pension arrangement in the UK. The items in this table together form a generic umbrella that can be used to describe all types of arrangement that provide pension entitlements.
- 55 From the perspective of most individuals, the differences between the different types of pensions are irrelevant: many individuals will not know what type(s) of pensions they have and are unlikely to understand the different characteristics of each type they possess.

| Ref    | Data Element | Description   | Type | TPR Common Data | Comment   |
|--------|--------------|---|------|-----------------|---|
| 1b.001 | Reference    | Unique Reference  | Text |                 | Unique reference identifying the pension entitlement within the pension arrangement (for example, membership number, policy number, etc.)   |
| 1b.002 | Name         | Name of pension arrangement   | Text |                 | Where the pension arrangement is an Additional Voluntary Contribution (AVC) vehicle of a DB scheme, the AVC provider will also need to return a reference that links the AVC pension entitlement to the main DB pension entitlement – this complex topic of linking requires further discussion |
| 1b.003 | Type         | Type of pension arrangement   | Text |                 | Predefined list of arrangement types (for example, DC, DB, etc.)  |
| 1b.004 | Origin       | Origin of pension arrangement   | Text |                 | Predefined list of origin types (for example, State, Workplace, Personal, etc.)   |
| 1b.005 | Status       | Status of the Individual's pension entitlement within the pension arrangement | Text |                 | Predefined list of statuses (for example, accumulating, deferred, etc. <sup>6</sup> )   |
| 1b.006 | Start Date   | Start date of the Individual's membership in the pension arrangement          | Date | ✓               | Date pensionable service started, or membership/policy start date, or first contribution date   |

<sup>6</sup> Note: Crystallised pension entitlements are not proposed to be in scope for initial dashboards

| Ref    | Data Element             | Description  | Type | TPR Common Data | Comment  |
|--------|--------------------------|--|------|-----------------|--|
| 1b.007 | Last Status Event Date   | The date at which the Individual's membership status in the pension arrangement last changed | Date | ✓               | The date at which the membership status last changed, for example from active to deferred  |
| 1b.008 | Last Status Event Reason | The reason for the membership status change  | Date | ✓               | The reason for the last change in membership status, for example retired or opted out.   |
| 1b.009 | Retirement Date          | Expected retirement/maturity date associated with the entitlement                            | Date | ✓               | For State Pension, this is the date the individual attains State Pension age. For non-state pensions this will be a predefined date (for example Normal Retirement Date (NRD), Selected Retirement Date (SRD), etc.). This should be the date to which pension providers and schemes would normally project a retirement income in annual benefits statements. |



## Administrator Data

56 The data table below lists the items identifying the organisation administering the pension arrangement within which the individual has a matched pension entitlement.

57 There are many different administration structures in place supporting all the different types of pension arrangement that currently exist in the UK. For these data definitions, "Administrator Data" should relate to the entity the individual would normally contact for more information about their pension entitlement.

| Ref    | Data Element                                  | Description   | Type | Disclosure Regs | Comment  |
|--------|---|---|------|-----------------|--|
| 1b.101 | <b>Pension Administrator Reference</b>        | Unique reference identifying the Administrator      | Text |                 |  |
| 1b.102 | <b>Administrator Website</b>                  | URL to the Administrator's public facing website    | Text |                 | Public website (if one exists) to which the individual would normally be directed for more information about their pension |
| 1b.103 | <b>Administrator Contact Telephone Number</b> | Telephone number to contact for further information | Text |                 |  |
| 1b.104 | <b>Administrator Contact Email</b>            | Email address to contact for further information    | Text |                 |  |
| 1b.105 | <b>Administrator Address Line 1</b>           | House name or number of the Administrator           | Text |                 |  |
| 1b.106 | <b>Administrator Address Line 2</b>           | Address line 2 of the Administrator                 | Text |                 |  |
| 1b.107 | <b>Administrator Address Line 3</b>           | Address line 3 of the Administrator                 | Text |                 |  |
| 1b.108 | <b>Administrator Address Line 4</b>           | Address line 4 of the Administrator                 | Text |                 |  |
| 1b.109 | <b>Postcode</b>                               | Postcode (UK/International) of the Administrator    | Text |                 |  |
| 1b.110 | <b>Country Code</b>                           | Country of address for the Administrator            | Text |                 |  |

## Employer/Employment Data

- 58 Research with individuals, in both the UK and internationally, shows they relate much more to *who they have worked for*, rather than *who their pensions are with*. One ambition for initial dashboards could, therefore, be to display for the individual the details of each employer / employment giving rise to each of their matched pension entitlements.
- 59 However, we recognise that, for many workplace pension arrangements, the administrator may not hold a valid employer name. Furthermore, for non-workplace pension arrangements (such as a Self-Invested Personal Pensions) there will, of course, be no employer details because the arrangement was not set up as part of an employment relationship with the individual.
- 60 Despite being very useful to individuals, it may not be possible to show individuals a meaningful employment history on pensions dashboards. We are including these data items to establish a better understanding what might be possible in terms of the provision of employment data from right across the pensions industry.

| Ref    | Data Element  | Description   | Type | Disclosure Regs | Comment |
|--------|---------------|---|------|-----------------|---------|
| 1b.201 | Employer Name | Name of the Employer who provided the pension arrangement to the Individual | Text |                 |         |
| 1b.202 | Start Date    | Employment start date   | Date |                 |         |
| 1b.203 | End Date      | Employment end date   | Date |                 |         |

## Level 2a – Estimated Retirement Income (ERI)

- 61 As well as the "**Find**" service (supported by the Level 1b data items), initial dashboards will also enable individuals to "**View**" some "basic information" about their pensions. The data definitions in Levels 2 & 3 of the data pyramid cover all these "basic" items of pension information, as well as "additional" items of data that will be *optional*.
- 62 Existing research (referenced in the accompanying **Data Scope: Working Paper**) shows the most important piece of information about each pension that many individuals would find useful is an estimated retirement income (ERI). We have therefore placed ERI as the very first item of information about the pension entitlement in Level 2 (i.e. in Level 2a). Further information about the pension entitlement is covered in Levels 2b and 3.
- 63 **Note that it is not DWP policy to allow initial dashboards to calculate or project retirement incomes.** The design principles in the government response make clear that initial dashboards must "**present source data only, without altering it**" (paragraph 166g). This means that, for each pension found, pension providers and schemes must supply an estimated retirement income (ERI).
- 64 We recognise that this is a different position to that which was assumed by the Prototype Dashboard Project, which presumed that dashboards would calculate estimated retirement incomes. We also recognise the challenges some pension providers and schemes may face in supplying an ERI, so the table below sets out our assumptions on the simplest way for pension providers and schemes to meet this key need that individuals have.
- 65 Extensive user testing will be carried out to understand how dashboards should show all the different incomes (supplied by providers / schemes) together in "one cohesive and easily understandable view" (see government response paragraph 68). We recognise that not all schemes will project future retirement incomes to the same retirement age. This may present a challenge to the ability of dashboards to provide a single cohesive view.
- 66 Outside of their dashboard offering, with the consent of the individual, dashboard providers may potentially be able to model individuals' possible future pensions. **However, it will be made very clear to the individual that these calculations are being undertaken outside of the consent management and liability framework for dashboards.** Further work on this topic is required and further information will be published as we develop the draft "design and user experience standards that all dashboards must follow" (government response paragraph 69).

| Ref    | Data Element                      | Description  | Type    | Disclosure Regs | Comments  |
|--------|-----------------------------------|--|---------|-----------------|---|
| 2a.001 | Estimated Retirement Income (ERI) | Estimate of the annual income the Individual might receive in retirement, in today's money terms | Decimal | ✓               | <b>Defined Benefit (DB) pension entitlements</b><br><i>Active members:</i> The prospective annual retirement income that appeared on the Individual's latest annual statement (using current earnings)<br><br><i>Deferred members:</i> The annual pension at date of leaving, revalued to date <sup>7</sup> |
|        |                                   |  |         |                 | <b>Defined Contribution (DC) pension entitlements</b><br>The Statutory Money Purchase Illustration (SMPI) annual income (the "statutory illustration" in AS TM1) that appeared on the Individual's latest annual statement  |
| 2a.002 | ERI Payable Date                  | The date from which the ERI in 2a.001 is payable   | Date    |                 | This will be particularly relevant where there are multiple "tranches" of ERI payable from different dates  |
| 2a.003 | Unavailable ERI Reason            | The reason why an estimated retirement income is not available                                   | Text    |                 | Predefined list of reasons that the pension provider / scheme is unable to supply an ERI for the pension entitlement  |

<sup>7</sup> In its *Future Pensions Landscape paper*, the Institute and Faculty of Actuaries (IFoA) Pensions Dashboard Working Party stated that "A deferred DB pension without any revaluation since the member deferred may significantly underestimate the income at retirement. A pension with revaluation up to retirement age would not be in today's money and would not be comparable with SMPI [DC] projections. [We] therefore [consider] that schemes should be expected to at least provide ... a revalued deferred pension to a date within the last year".

Some DB schemes, particularly those offering Career Average Revalued Earnings (CARE) benefits, already revalue all their deferred pensions annually and store the new income figure for each deferred member; others calculate revalued deferred benefits 'on demand': either of these would be an acceptable ERI to be supplied to show to the individual via a dashboard. However, we are aware that unless otherwise stated in final salary scheme rules, deferred DB pensions do not have to be revalued until the individual attains Normal Pension Age.

## Level 2b – Accrued Entitlement Data

- 67 Having viewed their future estimated retirement incomes for each pension (Level 2a data), individuals may also wish to understand what they have currently built up (or “accrued”) to date, across each of their different pension entitlements. Level 2b covers core data about the pension entitlement accrued to date. All other information about the pension is in Level 3.
- 68 For DB pension entitlements, this will be the retirement income accrued to date, but for DC pension entitlements, it will be the current (or recent) value of the individual’s DC pot. Some DB pension arrangements provide separately accruing cash lump sums (i.e. not commutation of part of the DB pension but a separate benefit). In this scenario, a separate lump sum could be returned by the scheme.
- 69 In the table below we have sought to generalise these requirements for “accrued entitlement data” across the different types of pensions. Item 2b.003 is called “Amount” because it could be an accrued DB income, or an accrued separate cash lump sum in a DB scheme, or a current value of a DC pot, and so on, as indicated by the 2b.001 “Basis”.

| Ref           | Data Element  | Description                           | Type    | Disclosure Regs | Comment   |
|---------------|---------------|---------------------------------------|---------|-----------------|---|
| <b>2b.001</b> | <b>Basis</b>  | Basis on which the amount is accruing | Code    |                 | Predefined list of bases (for example: DB, Separate cash lump sum, DC, AVC, etc.)   |
| <b>2b.002</b> | <b>Date</b>   | Effective date of the amount          | Date    |                 |   |
| <b>2b.003</b> | <b>Amount</b> | Accrued entitlement amount            | Decimal | ✓               | <b><i>Defined Benefit (DB) pension accrued entitlements</i></b><br><i>Active members:</i> The annual retirement income accrued to date (i.e. based on service accrued to date, as opposed to prospective service used for the Level 2a estimated retirement income) |

| Ref           | Data Element              | Description   | Type | Disclosure Regs | Comment   |
|---------------|---------------------------|---|------|-----------------|---|
|               |                           |   |      |                 | <p><i>Deferred members:</i> The annual retirement income, either at date of leaving, or revalued to date (i.e. as per Level 2a)<sup>8</sup></p> <p><b>Defined Benefit (DB) separate accrued cash lump sum entitlements</b><br/>The cash lump sum accrued to date</p> <p><b>Defined Contribution (DC) pension accrued entitlements</b><br/>Current pot value</p> |
| <b>2b.004</b> | <b>Unavailable Reason</b> | The reason why an accrued entitlement amount is not available | Text |                 | Predefined list of reasons the pension provider / scheme is unable to supply accrued entitlement data   |

Note: Level 2b could be a “repeating block” of accrued entitlement data in order to display different elements of an accrued pension. For example, different tranches of a DB pension, or a notional Additional Voluntary Contribution (AVC) pot value (where the AVCs are “within” a DB scheme, as opposed to being provided separately by an AVC provider who would respond to the overall find request independently).

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<sup>8</sup> It is important to note that for deferred members, any statutory revaluation done by a scheme prior to Normal Pension Age can only provide an estimate of future retirement income. This is because the income individuals achieve in retirement is likely to change depending on changes in inflation between the date a person leaves service and Normal Pension Age.

## Level 3 – Additional Pension Information

- 70 The prototype dashboard did not display any further information about each pension entitlement other than that covered in Levels 1 and 2, i.e. “Where are each of my pensions?” (Level 1b), “What might each pension give me as an income in retirement?” (Level 2a), and “What have I built up in each pension so far?” (Level 2b).
- 71 All other information about each pension entitlement is covered in Level 3. This data is potentially very extensive and goes well beyond the “basic information” that Government has determined initial dashboards should show.
- 72 As far as possible, we would like to define the data standards for these items over and above the initial minimum *mandatory* items (i.e. *optional* items). This will help reduce the need to amend the data standards in the future. Moreover, if these standards are defined, some pension providers/schemes may choose to supply some of these *optional* data items even though they will not, initially, be required to.
- 73 We have sorted potential Level 3 data items into four main categories (see below). As the Programme progresses, we will seek to incorporate existing standards that apply these areas into the approach we develop, so that we can define the richest possible set of relevant data items in the initial data standards.

**01 Contribution Data**, including contributions paid by the individual and, for DC schemes, by the employer.

**02 DC Investment Data**, including information on the investment funds in which the DC pot is invested, the default investment strategy, and the charges levied on these funds and the default investments.

**03 Additional Benefits Data**, including information on guarantees, dependents benefits, etc.

**04 Beneficiary Data**, including personal details of the people to whom the individual would like dependents benefits to be paid.

- 74 The above is not an exhaustive list. Our primary focus is on defining the “basic information” to be shown on initial dashboards, but we may be able to include the above, and other, areas of *optional* data in the initial data standards.

### 3.01 Contribution Data

75 The Disclosure Regulations require, for DC schemes, the individual to be notified of the “amount of contributions credited to the [individual]” in the previous year. The proposed Simpler Annual DC Statement requires many more details relating to contributions as set out in the table below.

76 We will be interested to hear in due course if pension providers and schemes would like to explore developing *optional* data standards in this area for initial dashboards, i.e. over and above the initial mandatory minimum “basic information”.

| Ref      | Data Element   | Description   | Type    | Disclosure Regs | Comment   |
|----------|--|---|---------|-----------------|---|
| 3.01.001 | <b>Total DC Contributions in the Previous Year</b>     | All contributions credited to the individual’s DC account in the previous statement year          | Decimal | ✓               |   |
| 3.01.002 | <b>Individual’s Contributions in the Previous Year</b> | Contributions the individual paid in the previous statement year                                  | Decimal |                 | DB and DC - Proposed item on Simpler Annual DC Statement                            |
| 3.01.003 | <b>Employer’s Contributions in the Previous Year</b>   | Contributions the employer paid in the previous statement year                                    | Decimal |                 | DC only - Proposed item on Simpler Annual DC Statement                              |
| 3.01.004 | <b>Tax Relief in the Previous Year</b>                 | Tax relief received in the previous statement year  | Decimal |                 | DC only, Relief at Source basis only - Proposed item on Simpler Annual DC Statement |
| 3.01.005 | <b>Transfer In in the Previous Year</b>                | Value of any money transferred in from another pension arrangement in the previous statement year | Decimal |                 | DB and DC - Proposed item on Simpler Annual DC Statement                            |



| Ref      | Data Element   | Description  | Type | Disclosure Regs | Comment   |
|----------|--|--|------|-----------------|---|
| 3.01.006 | <b>Total Individual's Contributions Since Joining</b>                | Total contributions the individual has paid since joining the pension arrangement  |      |                 | Proposed item on Simpler Annual DC Statement                                |
| 3.01.007 | <b>Total Transfers In Since Joining</b>                              | Total value of all money transferred in from other pension arrangements since joining the pension arrangement                          |      |                 | Proposed item on Simpler Annual DC Statement                                |
| 3.01.008 | <b>Complete Contribution History Amounts &amp; Dates (by Types?)</b> | Pay period by pay period histories of contributions credited to the Individual's DC account paid since joining the pension arrangement |      |                 | Potentially split into Individual, Employer, Tax Relief, Transfers In, etc. |

### 3.02 Investment Data

- 77 A very significant amount of information could be supplied by pension providers and schemes about the default / other investment funds in which an individual's DC pension entitlement is invested.
- 78 Some schemes levy more than one type of charge on pension scheme members, such as a percentage of funds under management charge combined with a flat fee or contribution charge. It is therefore not trivial for members to compare whether they are paying lower charges in one DC pension arrangement or another. Legacy schemes have more complex charging structures, including fees for different 'units', differential charges on funds transferred in, and fees on transfers. We will be interested to hear in due course if pension providers and schemes would like to explore developing *optional* data standards in this area for initials dashboards (i.e. over and above the initial mandatory minimum "basic information").
- 79 Note that any investment data related items covered by existing disclosure requirements (such as 3.02.001 below) are candidates for inclusion in "basic information".

| Ref      | Data Element                                  | Description   | Type     | Disclosure Regs | Comment   |
|----------|---|---|----------|-----------------|---|
| 3.02.001 | <b>Charges and Transaction Costs Signpost</b> | The website address where information about the charges and transaction costs relating to a DC pension entitlement can be found | Signpost | ✓               | URL for information on costs and charges  |
| 3.02.002 | <b>SIP Signpost</b>                           | The website address where the Statement of Investment Principles (SIP) can be found   | Signpost | ✓               | URL for the SIP   |
| 3.02.003 | <b>Implementation Statement Signpost</b>      | The website address where the Implementation Statement can be found   | Signpost | ✓               | URL for the Implementation Statement (showing how the scheme is implementing the policies in the SIP) |
| 3.02.004 | <b>Investment funds</b>                       | The names of the investment funds in which a DC pension entitlement is invested   | Text     |                 |   |
| 3.02.005 | <b>Default investment strategy</b>            | The default investment strategy for the scheme  | Text     |                 |   |

### 3.03 Additional Benefits Data

76. Many pension entitlements have ancillary benefits attached to them, such as benefits payable on the death of the individual. Many pension entitlements also have special terms or guarantees of various different types. These are highly complex areas and we will be interested to hear in due course if pension providers and schemes would like to explore developing *optional* data standards in this area for initial dashboards (i.e. over and above the initial mandatory minimum “basic information”).

| Number   | Data Element                   | Description                                      | Type    | Disclosure Regs | Comment                  |
|----------|--------------------------------|--|---------|-----------------|--------------------------|
| 3.03.001 | Death Benefits                 | Amount(s) payable on the death of the individual | Decimal | ✓               |                          |
| 3.03.002 | Special Terms / Guarantee Type | Type of special terms or guarantee               | Code    |                 | Predefined list of codes |

### 3.04 Beneficiary Data

77. Many pension arrangements hold details of the beneficiaries to whom the individual would like pension entitlement benefits to be paid to in the event of their death. As above, we will be interested to hear in due course if pension providers and schemes would like to explore developing *optional* data standards in this area for initial dashboards (i.e. over and above the initial mandatory minimum “basic information”).

| Ref      | Data Element                            | Description                                 | Type | Regulatory | Comment |
|----------|---|---|------|------------|---------|
| 3.04.001 | Name and Contact Details of Beneficiary | Name and contact details of the Beneficiary | Text |            |         |

## APPENDIX 1 – GLOSSARY OF TERMS

|                            |   |
|----------------------------|---|
| <b>Individual</b>          | Many different terms are used across different parts of the pensions industry to describe a person who is entitled to benefits (i.e. money) from particular pension arrangements. For example, an individual logging on to a pension dashboard might simultaneously be a " <b>deferred member</b> " of a Defined Benefit (DB) pension scheme, a " <b>non-contributing member</b> " of a Master Trust (MT), an " <b>active member</b> " of a public service scheme, and a " <b>policyholder</b> " (" <b>in force</b> " or otherwise) of a personal pension plan. We need an umbrella term to describe a person who has one or more pension entitlements and we have settled on <b>Individual</b> as it sits well with different types of pension (i.e. better than do Member, Policyholder, Customer, Consumer or Citizen, which are all, to some extent, sector-specific).  |
| <b>Beneficiary</b>         | The term Beneficiary generally covers both i) individuals who have pension entitlements under pension arrangements, as well as ii) people who will become entitled to pension entitlements on the happening of specified events (such as the death of the individual). For the purposes of this document, the term <b>Beneficiary</b> refers to just the latter category, i.e. beneficiaries other than the individual themselves.  |
| <b>Delegate</b>            | As well as the individual to whom the pension entitlements belong, there may be others who have a legitimate need to view the individual's pension data on a dashboard, with the appropriate permission. This could include an authorised Independent Financial Adviser (IFA) or a MaPS guidance provider. The ability to define both the <b>delegate</b> and the process of delegation are part of the digital architecture and therefore sit outside of the scope of this paper.  |
| <b>Pension Entitlement</b> | Research shows that individuals struggle to distinguish between the different types of benefits that different pension arrangements provide (for example, Defined Benefit (DB) per annum incomes, Defined Contribution (DC) pots, and so on). We've therefore decided to use the generic term <b>Pension Entitlement</b> to describe the different types of monetary benefit an individual can derive from a pension arrangement (which could be a future retirement income, future drawdowns, cash lump sums, and so on).  |
| <b>Pension Arrangement</b> | There are many different types of pensions, which use different terms and terminologies. For example, there are statutory, trust-based and contract-based pensions, where the entity providing the pension entitlement could be known as a " <b>pension fund</b> ", a " <b>pension plan</b> ", a " <b>pension product</b> ", a " <b>pension scheme</b> ", and so on). For pensions dashboards, we need an umbrella term which can describe all entities providing pension entitlements. From the perspective of mass individuals, the differences between the different types of pensions are irrelevant: many individuals will not know what type(s) of pensions they have and are unlikely to understand the nuances of language commonly associated with each type. We are therefore using the term <b>Pension Arrangement</b> to refer to all types of entities that provide pension entitlements to individuals. |

|   |  |
|---|--|
| <p><b>Disclosure and Disclosure Regulations</b></p> | <p>Disclosure is a generic term covering the requirements and rules for pension arrangements to disclose information about pension entitlements (and about the pension arrangement itself) to individuals. The main regulations governing disclosure (the <b>Disclosure Regulations</b>) are the <i>Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013</i>. A summary of the Disclosure Regulations can be found in Appendix 2.</p>  |
| <p><b>Basic Information</b></p>                     | <p>The information about a found <b>pension entitlement</b> that all <b>pension arrangements</b> must make available to an <b>individual</b> upon request, for display on their chosen dashboard. The maximum level of <b>basic information</b> has been defined in the government response, but the minimum has not. Once it has been defined, the data items which comprise <b>basic information</b> will be the minimum <i>mandatory</i> items that pension arrangements will have to make available about individuals' pension entitlements.</p> |
| <p><b>Additional Information</b></p>                | <p>Information outside of basic information but within the pensions dashboards data standards. These data items can be supplied on an <i>optional</i> basis.</p>   |
| <p><b>Regulators</b></p>                            | <p>The Financial Conduct Authority (FCA) and The Pensions Regulator (TPR) which work in tandem to address risks and harms in the pensions and retirement income sector. The organisations have different statutory remits set by Parliament.</p>   |

## APPENDIX 2 – DISCLOSURE REGULATIONS

Pension providers and schemes are required to provide information to individuals about their pensions. The regulations that govern these communications constitute the disclosure requirements providers and schemes must adhere to. These set out the information that must be provided to individuals, either on request or at a frequency designated in the relevant legislation.

We are aware that the disclosure requirements that apply to pension providers and schemes are complex and have evolved over several decades. However, the main regulations that will be relevant to initial dashboards for the purpose of disclosure are those set out below.

### OCCUPATIONAL AND PERSONAL PENSION SCHEMES (DISCLOSURE OF INFORMATION) REGULATIONS 2013

The principal regulations governing disclosure arrangements are the “Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013”. A summary of the requirements set out in these regulations for defined benefit and defined contribution arrangements is outlined in the tables below.

| <b>Non-Money Purchase Schemes (defined benefit)</b> |   | <b>Cross Reference to Data Definitions</b> |
|---|---|--|
| <b>Active Members</b>                               | The amount of any benefits (and how they are calculated) that would be payable on a date specified by the trustees or managers of the scheme if the member of the scheme were to die in service | 3.03.001<br>(to be discussed)              |
|   | The amount of the member’s benefits and survivors’ benefits <sup>9</sup>  | 2a.001                                     |
|   | The amount of the member’s pensionable remuneration on a date specified by the trustees or managers of the scheme   | (to be discussed)                          |
| <b>Active &amp; Deferred Members</b>                | The date on which the member’s pensionable service started  | 1b.006                                     |
|   | A summary of the method for calculating the member’s benefits and any survivors’ benefits   | (to be discussed)                          |
|   | Details of how any deduction from benefits is calculated  | (to be discussed)                          |
| <b>Deferred Members</b>                             | The date the member’s pensionable service ended   | 1b.007                                     |
|   | The amount of the member’s benefits and survivors’ benefits payable from the date benefits are payable  | 2a.001                                     |
|   | The amount of the member’s pensionable remuneration on the date pensionable service ended   | (to be discussed)                          |

<sup>9</sup> This is calculated without regard to possible increases in the individual’s salary and reflects the amounts that would be payable were pensionable service to end on: i) a date specified by the trustees or managers of the scheme; ii) the date the member attains normal pension age; or iii) a date agreed between the member and the trustees or managers of the scheme.

| <b>Money Purchase Schemes (defined contribution)</b>  |   | <b>Cross Reference to Data Definitions</b>                  |
|---|---|---|
| <b>All Money Purchase Members</b>   | The amount of contributions (before any deductions are made) credited to the member under the scheme <sup>10</sup>  | 3.01.001  |
|   | The value of the member's accrued rights under the scheme at a date specified by the trustees or managers of the scheme   | 2b.003  |
|   | Any cash equivalent in respect of the transfer of the member's rights that would be different from the values to be specified, at the date specified  | (to be discussed)   |
|   | An illustration of the amount of the pension <sup>11</sup>  | 2a.001  |
|   | A statement that this information is given only for the purposes of illustration and does not represent any promise or guarantee as to the amount of benefit that may be receivable by the member or a beneficiary of the scheme  | (to be covered in design standards)                         |
|   | A statement of how the person to whom the information given relates may obtain from the trustees or managers of the scheme further details about that information   | 1b.102-109  |
|   | A statement that general assumptions have been made   | (design standards)  |
|   | A statement that any amounts in the information are expressed in today's prices   | Implicit in 2a.001<br>(will be covered in design standards) |
|   | The member's retirement date used for the purposes of the information given   | 2a.002  |
|   | The illustration date used for the purposes of the information given  | (to be discussed)   |
|   | A statement that assumptions have been made about the nature of the investments made for the purposes of the member's money purchase benefits and their likely performance and those assumptions may not correspond with the investments actually made for those purposes or their actual performance | (to be discussed)   |
|   | A statement that the amount of any pension payable under the scheme to or in respect of the member will depend on considerations which may be different from any assumptions made   | (to be discussed)   |
|   | A statement of any assumptions made relating to future contributions to the scheme  | (to be discussed)   |
|   | A statement of any assumptions made relating to the lump sum, the level of increases in the pension and the pension payable to the spouse or civil partner  | (to be discussed)   |
| A statement of any changes to assumptions that were used for the previous information given | (to be discussed)   |   |

## **OCCUPATIONAL PENSION SCHEMES (CHARGES AND GOVERNANCE) REGULATIONS 2015**

<sup>10</sup> In the case of an occupational pension scheme: i) contributions have been credited during a year, and ii) the information relating to a part year that has not already been given. In the case of a personal pension scheme, the 12 months immediately preceding a date specified by the managers of the scheme.

<sup>11</sup> That is calculated in accordance with paragraphs 7 and 8 of Schedule 6 of the Regulations; an entitlement to which would be likely to accrue to the member, or be capable of being secured by the member, at the member's retirement date; and in respect of rights to money purchase benefits that may arise under the scheme.

The Occupational Pension Schemes (Charges and Governance) Regulation 2015 amends the Occupational Pension Schemes (Scheme Administration) Regulations 1996 to require the trustees or managers of a relevant scheme to prepare a statement (the 'Chair's Statement') within seven months of the end of each scheme year that must include information on charges and transaction costs. The scheme member's annual benefit statement must include a web address and details on how they can locate the relevant costs and charges information. Members must also be told how they can request the information in hard copy form.

In relation to the charges and transaction costs which the trustees or managers are required to calculate<sup>12</sup>, the Chair's Statement must:

- i. State the level of charges and transaction costs applicable to each default arrangement during the scheme year<sup>13</sup>;
- ii. State the levels of charges and transaction costs applicable to each fund which members are able to select and in which assets relating to members are invested during the scheme year<sup>14</sup>;
- iii. Indicate any information about transaction costs which the trustees or managers have been unable to obtain and explain what steps are being taken to obtain that information in the future; and
- iv. Explain the trustees' or managers' assessment, in accordance with regulation 25(1)(b), of the extent to which the charges and transaction costs represent good value for members.

The Chair's Statement must also include an illustrative example of the cumulative effect over time of the application of those charges and costs on the value of a member's accrued rights to money purchase benefits.<sup>15</sup>

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<sup>12</sup> This calculation must be made in accordance with regulation 25(1)(a) of the Occupational Pension Schemes (Charges and Governance) Regulation 2015.

<sup>13</sup> This is the clause text as amended by the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018.

<sup>14</sup> This is the clause text as amended by the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018.

<sup>15</sup> This is the clause text as amended by the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018.

**NB:** Trustees and managers should present the costs and charges typically paid by a member as a figure in pounds, or pounds and pence. This should use a realistic and representative range of combinations of pot size, contribution rates, real terms investment returns, time and rate of charges and costs. It is not necessary to do an illustration for every combination.