



Department
for Work &
Pensions

Pensions Dashboards - Overview

Consultation on the draft Pensions Dashboards Regulations 2022

Tuesday 8 February

10am – 11.30am

Scope and objectives of this webinar

- This session provides an overview and introduction to the Pensions Dashboards consultation on the draft Regulations 2022.
- The session is being recorded and there will be a Q&A at the end of the presentation.
- Further detailed sessions will take place in the coming weeks:

Date	Time	Session
10 February 2022	10am - 11.30am	Delivering and using Pensions Dashboards
17 February 2022	10am - 11.30am	The pensions industry – getting ready for dashboards
24 February 2022	10am - 11.30am	Pensions dashboards retirement values – helping consumers to understand their income in retirement

Overview – purpose of dashboards

- Pensions dashboards will allow individuals to view information about their pensions in one place – including information about the State Pension.
- They can help improve awareness and understanding, reconnect individuals with any lost pension pots and transform how we think about and plan for retirement.
- Individuals will have a choice of dashboard providers – the Money and Pensions Service (MaPS) dashboard or one from a Qualifying Pensions Dashboard Service (QPDS) – which they can access at a time of their choosing.



Pensions dashboards will help people make sense of their pensions

Purpose and scope of the Regulations and timeline

The Regulations extend to England, Scotland and Wales and set out:

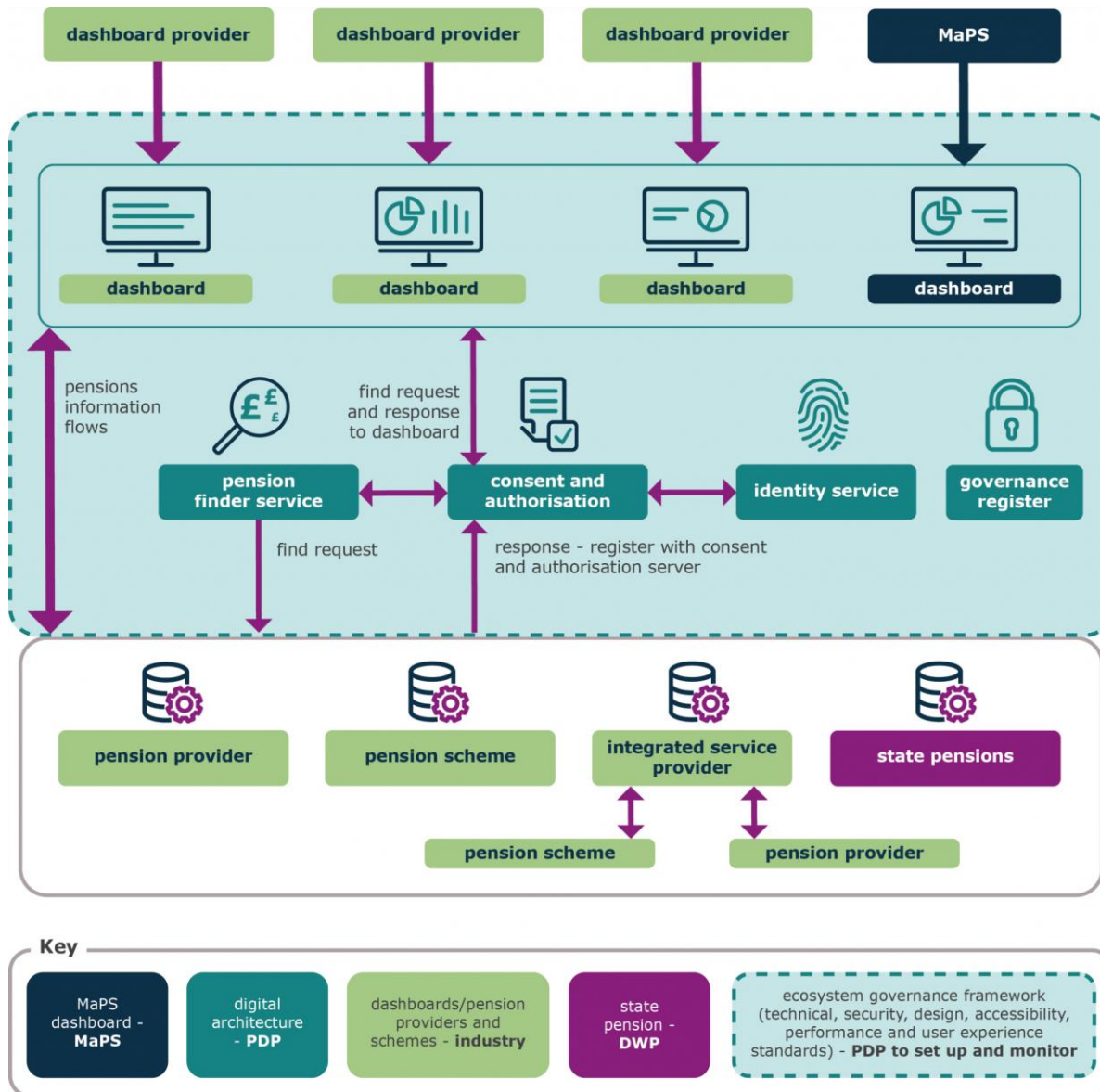
- requirements for pensions dashboards service providers;
- requirements for trustees or managers of occupational pension schemes with at least 100 relevant members;
- relevant members include active and deferred members of occupational pension schemes, not pensioner members; and
- provisions for the Pensions Regulator to take enforcement action

Expected timeline:

- Consultation closes 13 March 2022
- Consultation response expected to be published Summer 2022

How dashboards will work

- The dashboard digital architecture will verify the individual's identity and obtain their consent to complete a search.
- Individuals will make a request to find their pensions, then once they've received a confirmed match, they can request to view more detailed data about their pension.
- All pensions information for the individual can be seen side by side on the dashboard, including information about expected income in retirement.



User Research – building on evidence and understanding user need

Rapid Evidence Assessment of the existing evidence

- This found the most important piece of information is projected retirement income

Qualitative research

- This found individuals expect as a minimum to see personal and workplace pensions, with retirement income projections
- A ‘find-only’ dashboard concept had limited appeal – and participants still expected to see values; whereas ‘find and view’ service containing both accrued and projected value information has a wide level of appeal and resonates with the broadest possible range of potential end users.

User-Centred Design and iterative user testing to inform service design and standards development

- Testing so far has suggested presentation of income-based values is important to support user understanding and engagement, and seeing accrued and projected income values together aids user comprehension

Usability Working Group

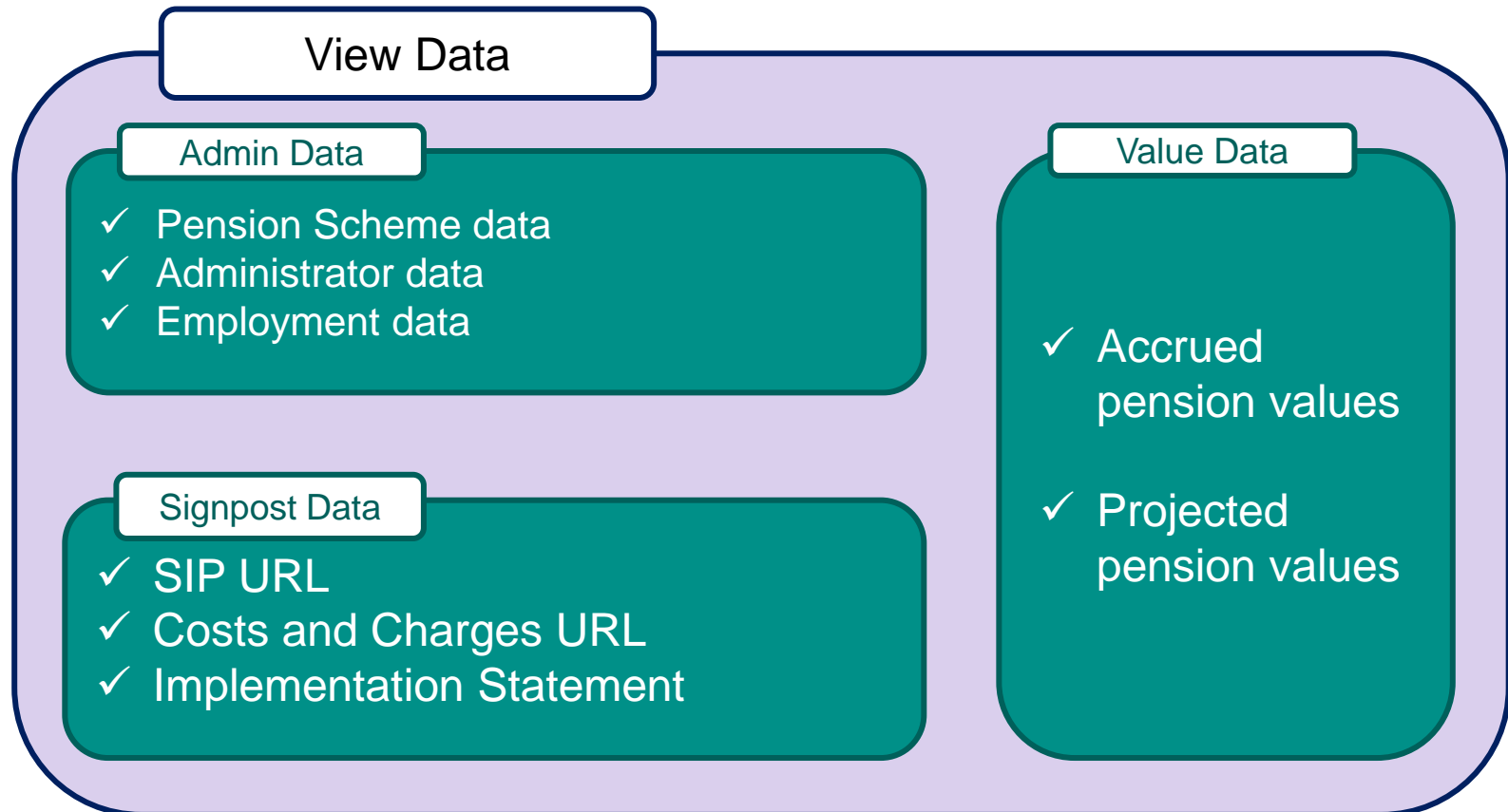
- To ensure the user is fully represented in the development of pensions dashboards, and includes representatives from consumer bodies and potential dashboard providers

Data – introduction, find data and view data

There will be two types of data on dashboards: find data and view data.

Find data is personal data, provided by the individual, to the digital architecture, and sent to schemes by the Pension Finder Service. Schemes use this data to search their records for a match, and if successful, subsequently return view data.

View data consists of administrative data, signpost data, and value data.



Value data – accrued and projected data requirements



Accrued: the amount of pension built up so far. Expressed as a pot and/or annualised amount.



Projected: an estimate of the value of a member's pension benefits at the individual's normal pension age. Expressed as a pot and/or annual income amount.

Scheme/member type	Value			
	Accrued		Projected	
	Pot	Annualised	Pot	Annualised
Money purchase members	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> If held	<input checked="" type="checkbox"/>
Non-money purchase – active members		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Non-money purchase – deferred members		<input checked="" type="checkbox"/>		
Cash balance – active members	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Cash balance – deferred members	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
CDC – active members		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
CDC – deferred member				<input checked="" type="checkbox"/>

Data – Further details

Methodology and exemptions

- For **money purchase schemes**, the methodology for calculating projected, and annualised accrued values will follow updated ASTM1.
- These values, for these scheme members, will not become mandatory on dashboards until after the first statement has been produced after October 2023, to align with the introduction of updated ASTM1 guidance.
- Exemptions which mean money purchase schemes *don't* have to provide projections broadly follow existing practice in Disclosure, but schemes can still provide this information voluntarily.

Hybrid schemes and benefits

- Hybrid schemes offer both money purchase and non-money purchase benefits. If an individual has 2 separate benefits, then the scheme trustee or manager should return 2 separate values.
- Where 'hybrid benefits' are calculated with reference to money purchase and non-money purchase formulas, only the greater value should be provided.

Public Service Pension Schemes

- Are subject to the same data requirements as non-money purchase schemes.
- Where relevant, MaPS data standards will allow more than one value for the same entitlement to be displayed to reflect the McCloud remedy and Deferred Choice Underpin.

State Pension

- State Pension information to be provided on dashboards is:
 - The estimated amount of State Pension the individual may get at their State Pension age based on their current NI record;
 - A forecast of the amount of State pension at State Pension age.

Find & View – Response times

Administrative data



Administrative data should be returned immediately.

Value data

Response times

We propose that value data returned to an individual should be from a value that has been generated for a benefit statement within the last 12 months or for another purpose but using the same methodology, within the last 12 months. If such a value has been generated, the expectation is that the data will be returned immediately

Exceptions

Where a relevant value has not been calculated or provided on a benefit statement within the last 12 months...

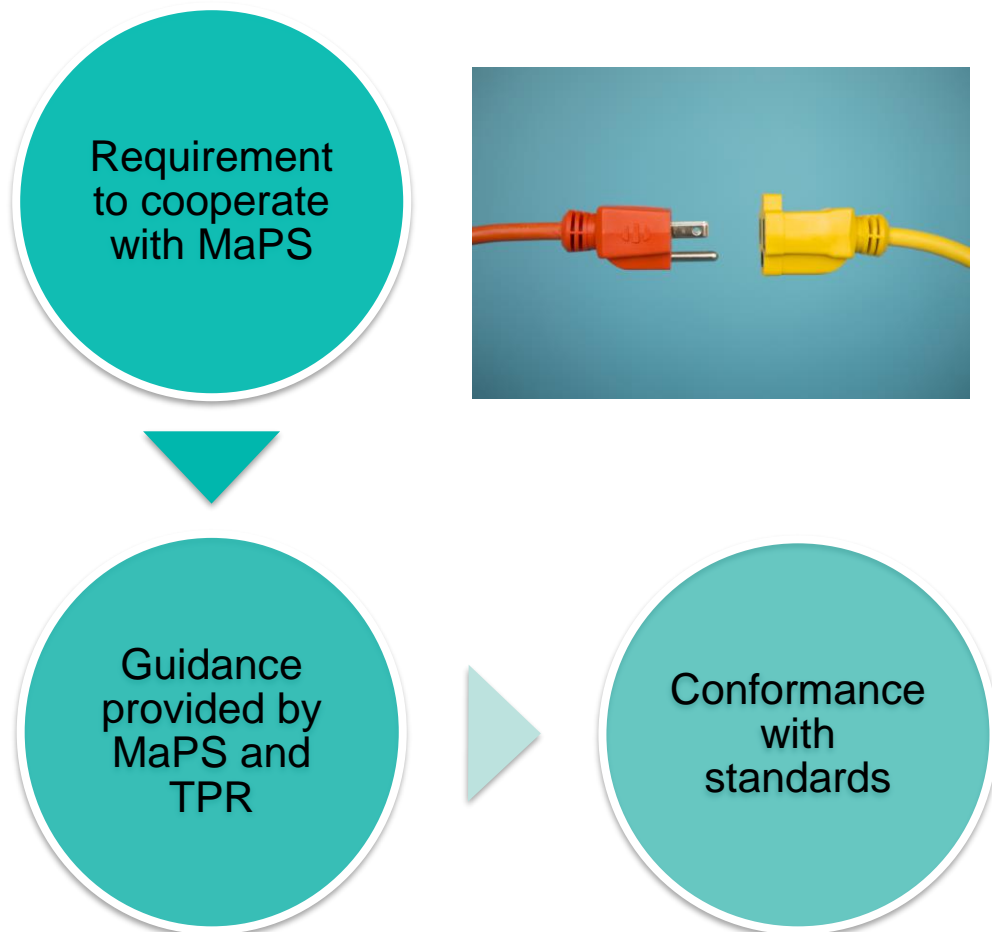
All pension schemes will have up to 3 days to return value data

Non money purchase schemes will have up to 10 days to return value data

Schemes offering hybrid benefits will also have up to 10 days

Connection

- Schemes will have a connection window before their deadline.
- Schemes may connect early with the consent of MaPS
- Connection is not reversible (with some exceptions)
- Small and micro schemes may connect to the digital architecture voluntarily and bring themselves into scope of the Regulations



Staging – the sequencing of scheme connection

- We are proposing a phased approach to connecting different categories of schemes to the digital architecture. This is known as ‘staging’.
- We are focused on maximising coverage in as short a timescale as possible while ensuring our approach is deliverable.
- The point at which dashboards are launched publicly is what the PDP has termed the ‘Dashboards Available Point.’
- Information on State Pensions will be included on dashboards from day one of launch.

Priority staging objectives

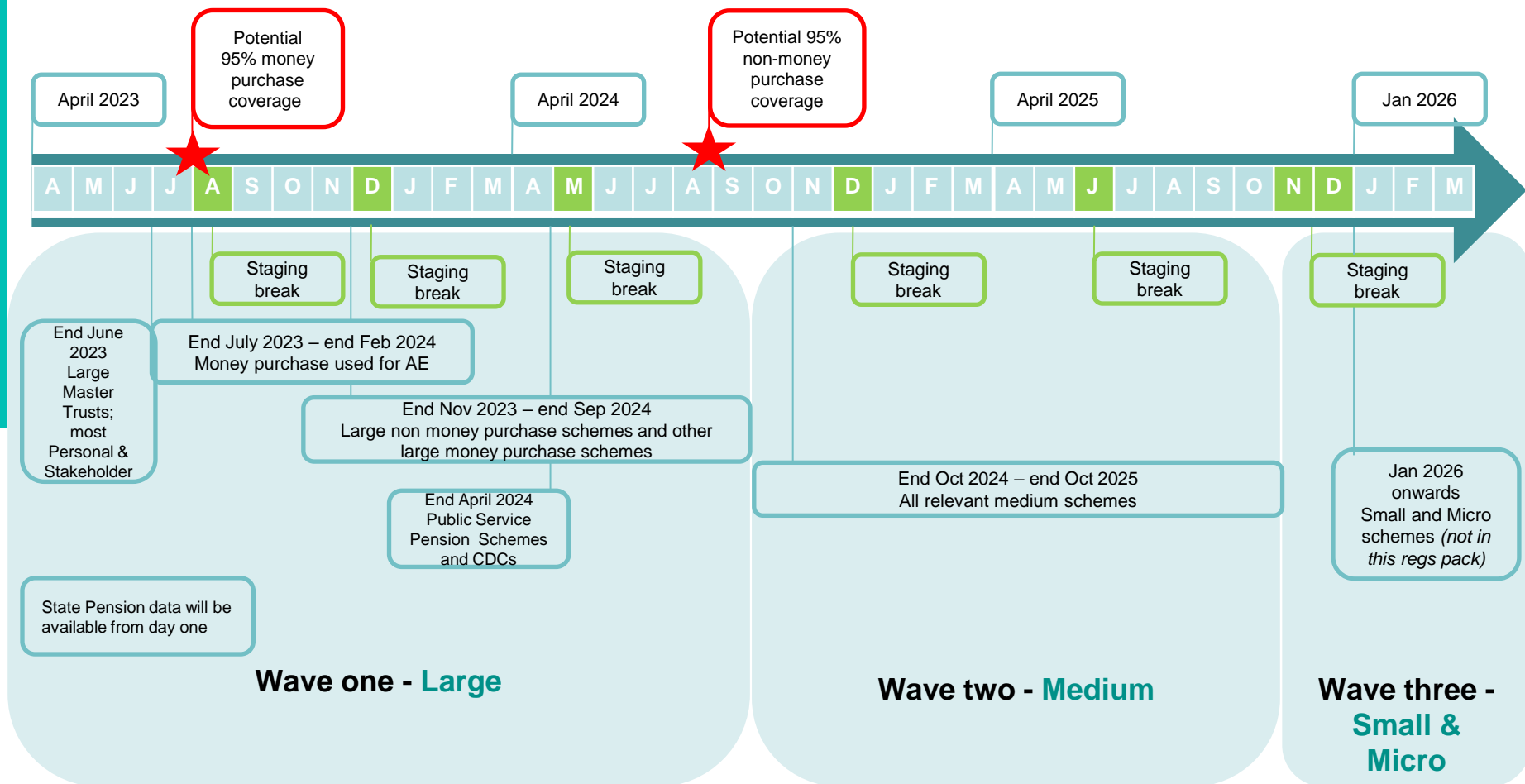
Pace

Deliverability for industry

Deliverability for the regulators (TPR and FCA)

Deliverability for the Pensions Dashboards Programme

Staging timeline



Staging – other considerations and deferral

Further staging considerations

- Data quality
- Non-money purchase (DB) schemes
- Public Service Pension Schemes (PSPS)

Applications to defer deadline

- In limited circumstances, the DWP Secretary of State could grant deferrals to individual schemes for their staging deadline if they had existing plans to change administrator which conflicted with their staging deadline.
- The Secretary of State may grant a deferral only once and for a period of no more than 12 months.

Compliance & Enforcement

Compliance Notice	Third Party Compliance Notice	Penalty Notice
<ul style="list-style-type: none">• Can be issued by TPR to trustees or managers of occupational pension schemes for breach of the Regulations.• Non-compliance with a compliance notice may lead to issuing of penalty notice.	<ul style="list-style-type: none">• May be issued if TPR is of the opinion that a breach of the Regulations by a trustee or manager has been caused by a third party.• Non-compliance with a third party compliance notice may lead to issuing of a penalty notice.	<ul style="list-style-type: none">• Up to a maximum of £5,000 for an individual, or £50,000 in other cases.• TPR may issue multiple penalty notices in one document if there have been multiple breaches of the Regulations.• Issued at the discretion of TPR.

Consumer protection and pensions dashboards

- Consumer protection has been at the heart of pensions dashboards throughout. The design of the ecosystem and the standards aim to ensure that consumers are protected from the perspective of data security.
- There are three overarching design principles which underpin our approach to pensions dashboards with an aim of maximising consumer protection:

Put the individual at the heart of the process by giving people access to clear information online.

Ensure individuals' data is secure, accurate and simple to understand, minimising the risks to the consumer and the potential for confusion.

Ensure that the individual is always in control over who has access to their data

How the view data and state pension data will be displayed

The individual is always in control of who has access and can view their data.

QPDS will be required to display the view data and state pension data as soon as it is received.

The messaging surrounding the values is critical in ensuring individuals understand what the values mean.

Consent is required by the individual to issue a find request. Consent is then required by the individual to see the view data and state pensions data.

They will also be required to display this information in accordance with design standards which will be set out by MaPS.

Dashboard Functionality

Dashboards will not be able to offer any functionality which enables transactions.

Delegated access

- QPDS may offer delegated access and these delegates will only be to defined groups who are appropriately qualified.

Manipulation of data

- Ensuring the view data is displayed in accordance with design standards assures that the data is not manipulated.

Data export

- We are keen to hear the views of potential users and providers of dashboards on this issue.

Overview – standards: What are they and oversight of standards

What are standards?

- Standards will provide further detail on how both pension schemes and QPDSs must comply with their legislative duties. They provide a greater level of technical or operational detail that would not be appropriate to outline in Regulations.

Why are they important?

- Compliance with standards is mandatory because:
- Failure to comply could pose a risk to the security of the dashboard ecosystem; or
- Compliance is essential to ensure that dashboards are delivered successfully and dashboard users are provided with the right information, presented in the right manner.

Oversight and approval

- We propose that the DWP Secretary of State will have oversight powers.
- The Regulations would require the Secretary of State to approve the first set of standards and subsequent iterations containing amendments that are more than minor technical changes.

Supplementary information

- **Financial Reporting Council consultation on AS:TM1** – expected to be published later this month
- **FCA consultation on rules for personal pension providers** – expected to be published shortly
- **Regulated Activity Order**
- **Standards publications** – drafts and scope now available on the Pensions Dashboards Programme's website
- **TPR consultation on Compliance & Enforcement policy**
- **Data Protection Impact Assessments** – MaPS and DWP
- **Regulatory Impact Assessment**

Q&A

Please put questions in the chat box.

Chair

Simon Boniwell (Deputy Director, DWP policy)

Panellists

- Richard James (Programme Director, PDP)
- David Reid (Head of Policy & Engagement, PDP)
- Joe Stacey (Pensions dashboards policy, DWP)
- James Holland (Pensions dashboards policy, DWP)
- John Higgins (Pensions dashboards policy, DWP)
- Lucy Stone (Business Lead – Pensions Dashboards, TPR)