



Public Service Pension Schemes: Pensions Dashboards

Pension dashboards regulations published

The Pension Schemes Act 2021 provides a framework to support pensions dashboards, and in particular gives new powers compelling schemes to provide information. The regulations to put these provisions into place have now been published.

At a glance...

- Public Service Pension Schemes will need to connect with dashboards by 30 September 2024.
- Schemes must be prepared to match data with member requests and provide specified pensions information, some of which goes beyond existing disclosure requirements.
- Public Service Pension Schemes will not be required to provide 'value' data until the earliest of either :
 - a Remedial Service Statement / Information Statement (with the later regarding those schemes where members work for the judiciary) being issued, or,
 - 1 April 2025.

Background – how dashboards will work

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

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

Why bring you this note?

The DWP has published regulations confirming the dashboards requirements, following consultation.

Next steps

Public Service Pension Schemes will start to connect to the dashboards architecture by 30 September 2024.

Scheme managers are ultimately responsible for ensuring compliance and will need to provide input to the process and make necessary decisions. The Regulator has encouraged scheme managers to have pensions dashboards "firmly on their agendas".

There will be at least 6 months' notice of the date on which dashboards will be made available to the public – known as the 'Dashboards Available Point'.

Prepared for: Public Sector Pension Schemes

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Date: 20 October 2022

to view their information, the dashboard will pull the individual's data directly from the pension scheme.

Requirements for Public Service Pension Schemes

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

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

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

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

Schemes will also have to provide 'value data' quantifying the member's benefits. Defined benefit arrangements must show the accrued benefit at the illustration date (or revalued to that date for a deferred member). Active members will also need to see a projected benefit including service to retirement but based on current salary.

There will be some exemptions from providing this information – pensioners are out of scope. It is still not clear how members with a frozen refund or an unprocessed benefit are treated for dashboards purposes and we are continuing to work with stakeholders to address this.

The legislation proposes timescales for schemes to provide this information to the dashboard. Administrative data and signpost data should be provided immediately. Value data should also be provided immediately if it relates to information already prepared in a recent benefit statement and otherwise within 3 working days (or 10 working days if the information includes defined benefit information).

Requirements for pensions dashboards services

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

Intermediaries

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

There are several areas in which scheme manager input is likely to be required.

Timescales

The timescales for providing information to the dashboard are considerably shorter than current disclosure rules.

Dashboards must also show information relating to an individual's State Pension.

Reporting and enforcement action

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

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

Standards

There will be a range of standards covering the legislative requirements, including: data; design; technical matters; and reporting. MaPS has consulted on these standards.

Timescales for joining dashboards

All schemes in scope will have to register with MaPS and must then connect to the dashboard within a staging sequence according to their scheme type and number of 'relevant members' (excluding pensioners) as at the scheme year end falling between 1 April 2020 and 31 March 2021.

The staging date for all Public Service Pension Schemes is 30 September 2024.

There are only very limited circumstances in which a scheme can request an extension to their staging date—for example, if the scheme has embarked on a programme to transition data to a new administrator before the Regulations come into force.

Schemes can volunteer to connect to the dashboard early.

Penalties

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



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