



Pensions Committee

2.00pm, Tuesday, 22 March 2022

Pensions Dashboard

1. Recommendations

The Pensions Committee (Committee) is requested to:

- 1.1 note the report.

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Pensions Dashboard

2. Executive Summary

- 2.1 The purpose of this report is to inform the Pensions Committee of the ongoing work by the Fund to prepare for connection to the Pensions Dashboard ecosystem.

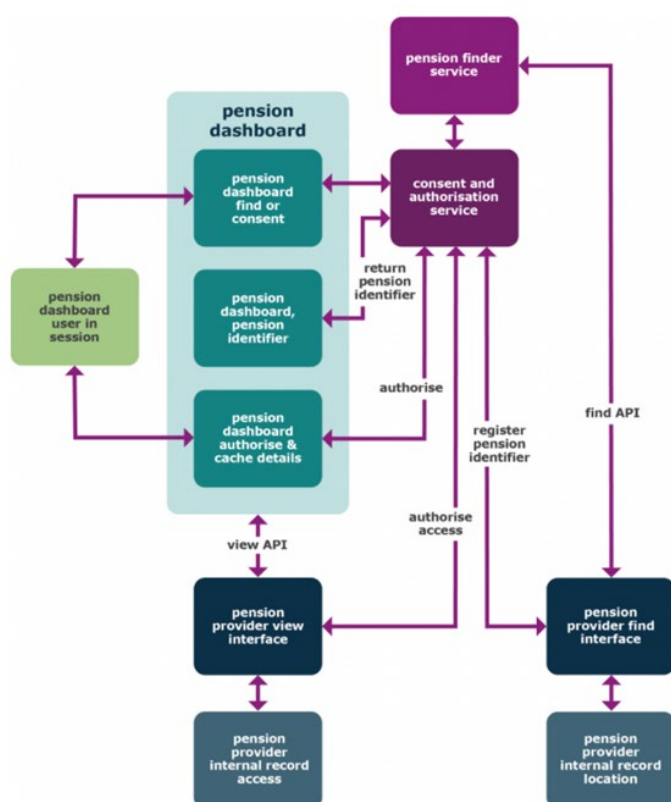
3. Background

- 3.1 The Minister for Pensions and Financial Inclusion, Guy Opperman MP, announced in October 2017 that the Department for Work and Pensions (**DWP**) would take lead policy responsibility for a pensions dashboard.
- 3.2 On the 31 January 2022 the DWP published the draft Pensions Dashboard Regulations, with the consultation period running until 13th March 2022.

4. Main Report

- 4.1 The UK Government established the Pensions Dashboard Programme (**PDP**) to develop the UK pensions dashboard ecosystem. Their vision is “to enable individuals to access their pensions information online, securely and all in one place, thereby supporting better planning for retirement and growing financial wellbeing”. A link to the PDP website is provided at paragraph 7/Appendix 2 of the report.
- 4.2 The intent is for more than one dashboard to operate, subject to Financial Conduct Authority regulation. The Money and Pensions Service (**MaPS**), an arm’s length body sponsored by the Department for Work and Pensions, is required by government to operate a dashboard. To connect to the pensions dashboards ecosystem all pensions' dashboards, namely any commercial Qualifying Pensions Dashboard Service (**QPDS**) or the MaPS version, will need to comply with PDPs design and technical standards.

4.3 The following diagram illustrates the data flow through the ecosystem



4.4 As a data provider, Lothian Pension Fund (LPF) will be compelled to supply data to the ecosystem, therefore will need to:

- prepare data for connection;
- oversee the creation of the appropriate find and view interfaces; and
- ensure it operates within the necessary standards and regulations.

4.5 PDP has set out four recommended preparation phases to assist data providers in their readiness to connect to the dashboard ecosystem.

Phase	Period	Summary of actions
Phase one	2020 - 2021	<ul style="list-style-type: none"> • Execute audit of required find and view data items • Engage with relevant business partners
Phase two	2021 - 2022	<ul style="list-style-type: none"> • Continue monitoring the accuracy and presence of data • Begin to plan with business partners on steps for connecting to the ecosystem
Phase three	2022	<ul style="list-style-type: none"> • Progress with the data cleansing work • Business partners plans are in place and align with staging date
Phase four	2023 - 2024	<ul style="list-style-type: none"> • All necessary information and support in place to connect to the ecosystem • Prepare for additional workload that maybe created from customers using the dashboard

- 4.6 PDP has appointed CapGemini with Origo to build the central finder service as well as seven “alpha” data providers to provide connections to the dashboard. The alpha data providers comprise software providers, insurers and third-party administrators who will work with PDP and the central digital architecture supplier in the key development and testing phases.
- 4.7 LPF’s pension software provider, Heywood, was successful in being accepted as an alpha tester. In January 2022, Heywood commenced pushing synthetic data between the dashboard and defined benefit schemes. From June 2022 onwards, there will be a move to using live data and early adopters wishing to prove the viability of the dashboard will begin testing.
- 4.8 LPF has a standing monthly progress meeting with Heywood’s Managing Director Employer Services, to keep apprised of developments. It is understood that the pension software provider intends to develop an analytical tool to assist funds with validation and auditing of data required for the dashboard ecosystem.
- 4.9 As Committee will be aware, LPF already operates an ongoing data cleansing and improvement plan to ensure maintenance of high-quality data standards, cognisant of the requirements of the Pensions Regulator.
- 4.10 Diane Sinclair, Pensions Employers and Members Data Manager, represents LPF on the Pensions and Lifetime Savings Association (**PLSA**): Pensions Dashboard Co-ordination Group. This enables input to PLSA responses to government consultations and provides insight across public and private sector pension schemes.
- 4.11 On the 31 January 2022 the DWP published the draft Pensions Dashboard Regulations, with the consultation period running until 13th March 2022. The regulations lay out the responsibilities of trustees and/or pension managers, compliance and enforcement as well as schemes staging dates. Public service pension schemes have been given a staging deadline of 30 April 2024 when they will be compelled to connect to the ecosystem. However, the regulations do allow schemes to connect earlier but they must apply to the MaPS for permission to do so.
- 4.12 It is anticipated that both PLSA Pensions and the Local Government Association (**LGA**) will respond to the DWP dashboard consultation. An oral update will be provided to Committee.
- 4.13 In response to the publication by DWP of draft Pensions Dashboards Regulations, on 31 January 2022, PLSA commented, including:
- 4.13.1 “The publication of the draft Pensions Dashboards Regulations today is a significant milestone, giving schemes more clarity about what the regulatory system governing the dashboards ecosystem will look like in practice....
- 4.13.2 These draft regulations help outline *who* will connect with initial dashboards, *when* they must do so, and some of *what* must be provided. However, they

do not yet cover the detail of *how*, which will depend on critical lessons and sharing from the participants in the ongoing alpha phase of testing. It is this work which will help to refine the standards prescribed in the regulations. A full industry consultation on the standards will be necessary over the summer so that beta data providers and other dashboards can connect successfully from the autumn.

4.13.3 The DWP has listened to some of the industry's concerns and reflected them in the draft regulations. We hope we will be able to work closely with Government, regulators and the PDP on the many next steps in the development of dashboards so we can be sure they will work for savers from launch."

4.14 Hymans Robertson has summarised as follows:

4.14.1 "Very simply described the operation of the dashboards system, from the scheme perspective, will revolve around 'find' and 'view' requests. In response to a find request initiated by a dashboard user, the trustees (the administrator) will have to interrogate their scheme's records to see if they can identify a match with the personal data supplied by the user. This 'find data' will include 'verified identity attributes' checked by the MaPS –name, home address and date of birth- and 'self-asserted data', such as the person's phone number, email address and National Insurance number. The trustees will have to decide the criteria to be used for matching (the Pensions Administration Standards Association (PASA) has produced guidance that is likely to become a benchmark for the industry).

4.14.2 When a match is made, trustees would need to confirm via MaPS that the member has consented to having their data provided to a dashboard service. If so, the trustees would have to provide 'view data' to the dashboard that issued the view request. View data comprises-

4.14.2.1 'administrative data'-scheme name, benefit type, membership status, date of joining, normal pension age, contact details for the scheme administrator, and (if available) details of the member's pensionable employment(s);

4.14.2.2 'signpost data'-the website address for any information that trustees must disclose publicly online (details of costs and charges, the statement of investment principles and the associated implementation statement); and

4.14.2.3 'value data'-current and projected benefits.

4.14.3 In response to a view request, administrative and signpost data would have to be provided immediately, except when sought by a new member who is

within three months of joining the scheme, in which case the administrative data must be provided within three months of the joining date. There would also be associated record-keeping and reporting obligations.”

- 4.15 Data security, therefore, will be of paramount importance. PDP will be the data controller for the dashboard, with oversight for defined benefit schemes by the Pensions Regulator.

5. Financial impact

- 5.1 Cost information is not known at this time. There will be a charge for using an Integrated Service Provider (**ISP**), as well as associated pension administration software development charges also being anticipated.
- 5.2 An overall, indicative budgetary provision of £150,000 for pensions administration software developments across a range of projects has been made by LPF.
- 5.3 Similarly, staff resource required to address any potential additional member communications workload arising from the dashboard is not yet known. This will be reviewed in due course.

6. Stakeholder/Regulatory Impact

- 6.1 The Pension Board, comprising employer and member representatives, is integral to the governance of the fund and they are invited to comment on the relevant matters at Committee meetings.
- 6.2 There are no adverse health and safety, governance, compliance or regulatory implications as a result of this report.

7. Appendices

Appendix 1 – [Indicative draft regulations The Pensions Dashboard Regulations 2022](#)

Appendix 2 – PDP website link: [Discovery to alpha: starting to build pensions dashboards | Pensions Dashboards Programme](#)