



PASA GUIDANCE

A Guide to Accreditation

May 2021

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1. Introduction

We've prepared this short guide to help applicants who are considering seeking Accreditation. We've set out the answers to questions which have arisen through our experience of organisations going through the Accreditation process. We hope you find them helpful. However, if you have further questions, please email these to info@pasa-uk.com.

Full Accreditation will be granted to applicants who satisfy the independent assessment of their operational and cultural framework against the PASA Standards.

What difference will the accreditation make to my organisation?

We believe the differences listed below will emerge from being an accredited organisation:

- Public recognition of the quality of your operation and your commitment to continuous improvement
- A means to help trustees/clients to discharge fiduciary responsibilities by 'locking-in' to a recognised and credible framework
- Evidence the performance and capabilities of the administration service are in line with those of higher quality organisations providing pensions' administration services
- Differentiation in the market (for commercial administration providers)
- A framework and guidance for building a healthy, high performing pensions' administration team.

Who can apply for accreditation?

Accreditation is open to all corporate members of PASA.

What is being accredited?

PASA Accreditation demonstrates to your client(s) and/or members and policyholders the administration operation complies with the PASA Standards for good quality administration. These are output driven standards – focusing on the experience of the members and trustees which will progressively and continually improve over time. The Standards are published on our website, please find them at www.pasa-uk.com.

What is Full Accreditation?

Full accreditation is the award of the formal PASA Accreditation certificate demonstrating an applicant

organisation has met the standards for quality pensions' administration set by PASA. Organisations are expected to go through the full accreditation process at least every three years in order to obtain and retain their PASA Accreditation though they can choose to invoke the full accreditation process earlier.

How do I apply for Full Accreditation?

If you intend to apply for Accreditation please email info@pasa-uk.com and we'll contact you to arrange a briefing call or meeting.

What if we don't apply for re-accreditation?

If no application for re-accreditation is made, the Full Accreditation will lapse no later than three years after Full Accreditation was last assessed/certified. The organisations name will be removed from the website as an Accredited Member.

What is the process for Annual Certification?

Once the full Accreditation has been awarded, organisations are asked to complete an annual questionnaire designed to confirm there have been no changes in the services or how they're delivered which could materially affect the organisation's continued Accreditation status.

Annual Certification is necessary in order to maintain the Accreditation until the next full process is due. If an organisation has undergone significant change, it may choose to invoke the full accreditation process earlier to ensure its continued accredited status. In case of any uncertainty, organisations should contact PASA. Annual certification was introduced in 2019 in order to extend the full accreditation cycle from two to three years.

How do I invoke the Annual Certification?

PASA's independent assessor will contact you to remind you the Annual Certification process is due. Alternatively, you may email info@pasa-uk.com See also Section 4 below.

2. The key stages of the Full Accreditation process

The key stages of the process

If you're applying for **Full Accreditation**, there are four stages to the process as described below.

- 1) On receiving your application, we'll issue an Obligations Statement, which is a statement of the obligations you will have in making the application, PASAs obligations and those of our Independent Assessor.
- 2) We'll arrange a briefing session between you and our Independent Assessor at which information will be provided about what's involved and where your initial questions can be answered. A provisional timetable for the process will be agreed at the meeting along with details of the anticipated cost.
- 3) You'll need to complete the application questionnaire and collate and submit documentary evidence to support your application. This submission will be reviewed by our Independent Assessor who will provide feedback on the application. Where the evidence supplied is insufficient or unclear, you'll be asked for additional evidence to support your application.
- 4) A site visit will be arranged where our Independent Assessor will seek further evidence in support of your application, following which they'll prepare a report for PASA with details of their findings.

Following a review of the findings by PASA, you'll be notified if your application has been successful. Feedback will be provided commenting on areas where improvements could be made.

In the event the application isn't likely to be successful, our Independent Assessor will usually be able to tell this is going to be the case on reviewing your formal submission and before the site visits. You'll be invited to reconsider whether you wish to proceed with the site visits or to have more time to get ready for completion of the full process. At this stage, you'll have incurred around one-third of the expected fee so your application can be put on hold pending certain improvements within a given timeframe. You'll receive feedback on the areas of deficiency and will be able to resume the accreditation process at a later date.

What's involved in the on site evaluation for Full Accreditation?

The on-site evaluation will be completed by our Independent Assessor. The purpose of the site visit is to test the evidence submitted with the application/questionnaire and to gather further evidence in support of the

application. While the Independent Assessor will need to see evidence, it isn't necessary for it to retain any personal member data for the review; however, the Independent Assessor may need to view personal data where they form part of an assessment of operational procedures as an example, or for client reporting. The assessment team will coordinate with you and your teams on what it would like to review, the people it would like to see and the logistics of the visit. Where the business has client facing operations in more than one location, each location will need to be assessed.

? How much time and resource will my organisation need to apply to the application?

This is a very difficult question to answer. Where good internal documentation exists to evidence controls, procedures, process, staff development and contractual positions with clients, this obviously makes the application process easier. Where this documentation is deficient or missing, the process will involve more time for the applicant.

? How long does it take from applying for accreditation to the results being available?

Our experience tells us three months would be a good, elapsed time to allow from the application to conclusion of the programme of activity.

? I have more than one operating site, how does this affect the application and process?

Assessment in these circumstances will require an on-site review at each location which is responsible for service delivery and has customer facing roles. Locations which only supply back-office services to other parts of the organisation won't require visits. The assessment of the need for a site visit will be undertaken as part of the initial discussion and briefing. For multi-location providers, the site visit work may be undertaken over an extended period.

? What information is required to support the application

Evidence will be required to demonstrate each applicant's compliance with each aspect of the Standards. Please see the Standards as published on our website for further information www.pasa-uk.com/standards/. We've also published guidelines on the website designed to help you determine what evidence and areas of the Standards are to be evaluated.

How is my information kept confidential?

At the commencement of the application process, our Independent Assessor will discuss with you your requirements for confidentiality and work with you to agree a confidentiality agreement. At no time will any of the documentation you provide directly to PASA's Independent Assessor be disclosed to PASA, thus ensuring your commercial interests are protected. Our Independent Assessor will work with you to agree the most appropriate means by which data can be transferred to them (this might be on a secure website (if you have one), encrypted e mails or some other format. Personal Information relating to members of your client scheme(s) won't be retained by the Independent Assessor.

You'll need to review the terms of any registration with the Data Commissioner to ensure in making the application, undertaking the site work and disclosing information, you're not in breach of your information security obligations.

Will PASA sign a confidentiality agreement?

No. PASA won't be the recipient of any confidential information in respect of any application – all information will be handled by our Independent Assessor who won't disclose this information to PASA. The Accreditation Committee will receive the Independent Assessor's report and have the opportunity to discuss the findings.

3. Timing and costs

How much does accreditation cost?

Costs vary depending upon the size of your organisation and the number of locations from which you deliver client facing services. Where an Applicant has multiple sites, fees will be agreed for the additional sites based on the nature and complexity of those sites.

All financial matters are agreed directly between PASAs Independent Assessor and the Applicant. The Applicant is responsible for agreeing any additional fees with the Independent Assessor in relation to multiple locations and disbursements.

Owing to the nature of the relationship between PASA and the Independent Accrediting Assessor, PASA will issue the invoice for the costs of accreditation. PASA itself doesn't make any additional charge for accreditation. The Independent Assessor costs are payable by the applicant.

How long does the Accreditation last?

Full Accreditation is granted for a three year period, subject to an annual certification process. Accredited organisations should make an application for Full Accreditation at least three months prior to the date any current accreditation is due to expire.

What happens if our circumstances change whilst accredited?

There are some changes which may give rise to a review of the Applicant's accredited position. Others will not. We ask you to contact us as soon as a change is known about so the Standards and Accreditation Committees can review the circumstances and advise how the changed circumstances might impact Accreditation.

What happens if our circumstances change whilst accredited?

Successful applicants will have their details recorded on the PASA website as an Accredited organisation and will be entitled to display the appropriate Accreditation Mark on letterheads and publicity material (including website), subject to the terms and conditions of use as published and amended by PASA from time to time. Accredited Organisations will also receive a Certificate of Accreditation evidencing the dates between which such application is valid.

4. Annual Certification

If you're applying for **Annual Certification**, the relevant stages are as described below.

What is the Annual Certification (of Full Accreditation) process?

Annual Certification for years 2 and 3 of the Full Accreditation is granted (by the accredited organisation) on completion of a questionnaire and satisfactory review by the Independent Assessor (appointed by PASA).

The Process:

| Step | Action | Response |
|------|--|--|
| 1 | You may contact the Independent Assessor to confirm you wish to proceed with annual certification using the email address supplied | The Independent Assessor will send the annual certification questionnaire to you by email |
| 2a | You're invited to review and complete the questionnaire. We ask you to return this to the Independent Assessor duly completed within two months of receipt | The Independent Assessor will review the answers to the questionnaire and raise any queries with you for clarification, as appropriate. |
| 2b | You can decide to opt for full re-accreditation; you may wish to consider this if there's been any significant change which materially affects the information given in the previous accreditation process | In these circumstances, we'll ask you to invoke the full re-accreditation process. |
| 3a | If the Independent Assessor is content with the completed questionnaire in 2a above and responses to queries raised, it will advise us accordingly | We'll inform you of the outcome of the process and confirm the next date for annual certification or full re-accreditation, as appropriate. We'll issue our invoice. |
| 3b | If the Independent Assessor isn't content with the responses to queries raised, it may recommend your organisation for full re-accreditation after two years and not three | In these circumstances, we'll notify you full accreditation will be necessary to achieve continued accredited status and you'll be invited to invoke a full re-accreditation process |

What is the fee for the Annual-Certification?

The cost of self-certification will be calculated in accordance with the following fee table (fees correct as at April 2021). Administration staff means the total number of staff directly involved in delivering pensions administration services across all your sites.



| | |
|-------------------------------|-------|
| 1 to 10 administration staff | £1500 |
| 11 to 40 administration staff | £2000 |
| Over 40 administration staff | £2500 |

5. Obligations and other assessments

What are our obligations as an Applicant?

The full detail of the Applicants obligations are set out in the Obligations Statement. Broadly these place obligations of the applicant regarding the activities listed below.

- Provide complete and accurate information in support of the Application
- Cooperate with the Independent Assessor and providing information in response to reasonable enquires in support of the application
- Keep the Independent Assessor informed of any material defect in the information supplied or material change in the information supplied, up to the date Accreditation has been granted
- Pay the Independent Assessors fees and reasonable expenses fees
- Utilise the Accreditation Award only whilst Accreditation remains valid and whilst membership of PASA remains current

We have AAF and or ISO, how does this affect the PASA Accreditation?

Both of these certifications will be taken into account by the Independent Assessor when looking for evidence of operational process and procedures, approach to quality and the effectiveness of the operational controls environment. Clearly, having such independent attestations is beneficial and may diminish the depth and breadth of information required in support of your application. However, neither the AAF nor ISO processes can be regarded as a substitute for PASA accreditation since the latter is evidence-based and focuses on outcomes.



Get in touch:

info@pasa-uk.com

www.pasa-uk.com

PASA is a Community Interest Company and our full name is Pensions Administration Standards Association CIC.

Company number: 6597097