PASA Response to:

The Pensions Dashboards Programme (PDP)

Call for Input on Staging

July 2021

Acknowledgments

PASA is grateful to the authors of this response and members of the PASA Pensions Dashboards Working Group (PDWG) and everyone who completed the PASA members' consultation and industry-wide survey on dashboards.

Executive Summary

The Pensions Administration Standards Association (PASA) exists to **promote and improve the quality of pensions administration services** for UK pension schemes in order to **improve member outcomes.**

PASA thus wants dashboards to be a success, with simple, useful dashboards, safely launched, as soon as possible.

PASA members have been working hard on the dashboards initiative since 2016, and continue to do so.

Key messages

The PDP Call for Input (CfI) on staging mainly asks questions about when data providers can, or should, comply.

However, because of the long list of current uncertainties on the programme (identified in our response), many PASA members are unable to estimate how long they need to get ready for dashboards. We therefore cannot provide meaningful answers to many of PDP's questions on the staging proposals.

In paragraph 17, the CfI encourages respondents to also consider the 'what' (data) and the 'how' (technology). One of the key areas of uncertainty on the 'what' is user testing of the understandability of the proposed data standards, especially the currently prescribed mix of incomparable estimated retirement income (ERI) amounts.

So whilst individual PASA members / schemes will be able to comply in the proposed timescales, returning these View / ERI amounts, this doesn't mean users will understand those amounts alongside all their other, inconsistent, pensions.

This is one of the several different reasons (identified in our response) why PASA proposes doing Find first. But we aren't arguing for more time to provide the untested, incomparable mix of ERIs. Rather, whilst Find dashboards go live from 2023, we advocate extensive and thorough user testing to discover what "understandable ERIs" are (as is now planned by PDP, supported by the wider industry, including PASA), which would then be subsequently implemented by schemes.

Evidence gathering

During the six-week Call for Input (CfI) window, PASA wanted to gather as much evidence as possible on the 'what', the 'how' and the 'when', so we:

- Held detailed discussions with our dedicated Pensions Dashboards Working Group (PDWG) (page 2)
- Ran an administration-focussed consultation of PASA member organisations
- Ran an extensive industry-wide online survey
- Asked two sets of questions in the weekly Pensions Buzz feature run by Professional Pensions

The above inputs have fed into this response. The considerable voluntary effort PASA members have put into all of this reflects our strong desire for pensions dashboards to be launched both successfully and soon.

Find first

The principal aspect of the 'what' which is most consistently raised by PASA members is:

'What should be the scope of initial dashboards to ensure they can be launched safely and soon?'

In our August 2020 response to the PDP CfI on data we set out PASA's view that the 'best and quickest route to reconnecting people with their pensions is to separate the 'find' and 'view' functions of dashboards into separate, but defined, project stages'. Throughout this response, we call this doing 'Find first'.

'Find first' remains PASA's strongly held view, and on 10 June 2021 we published our detailed rationale for this. Some PASA members go further and feel 'Find' is all dashboards should deliver, with users being directed to their schemes' and providers' websites to see their pension figures.

We tested this thinking through the different routes above. No one we've heard from, who understands how pension schemes are managed and administered, disagrees with 'Find first'. The majority strongly agree with it. **We strongly urge PDP, regulators and policymakers to heed this feedback to ensure the launch of pensions dashboards is a success**.

It's true Gov.uk already offers a *'Find pension contact details'* service, but this existing service could be more accurately described as an *'iterative search for possible postal addresses, with varied success'*. We set out clearly in our response to Q8 how 'Find dashboards' would deliver a vastly superior service for members.

View data

It's very encouraging PDP is now undertaking the user 'understandability' testing of different pension income amounts, originally envisaged by DWP in 2019. In Annex A, we list the topics we feel need to be user tested, including users' reactions (and subsequent behaviours) in response to a Find first service.

User understandability won't be defined until extensive beta testing with real pension data has been completed, and indeed once live running is underway. So, a critical message is the regulations which mandate the data standards must be structured in such a way to allow changes over time without unnecessary recourse to updating legislation.

Other areas of uncertainty

As well as a lack of comparability of the currently proposed income amounts, many other areas of uncertainty, assumption and dependency exist, including: matching, including partial matches, response times, dashboards usage and behaviours, the liability model, ISP provision/funding/contracts, digital identity, industry approaches to improving accuracy of personal data, GDPR compliance, and so on.

'Find first' could be done in a couple of years, but, given all the different uncertainties above, even getting that done will be a major endeavour.

Wider impacts on administration functions

The debate around dashboards to date has focused on data and technology / ISP services, but a third major area is the knock on impacts on services delivered by administration functions: see our response to Q29 and our case study in Annex B.

Staging profile

Flexibility of staging is key, with each scheme having a staging window (rather than a single date) likely to give schemes – and, on their behalf, their administrators – the best chance of managing service delivery risk, and achieving synergies with other regulatory, non-regulatory and scheme-specific developments, thereby reducing schemes' implementation costs (because of other significant, simultaneous pressures on key data and systems resources).

Given the reliance on the central technology procurements and development of ISP services, relative rather than absolute compliance dates would be wise: for example 'Scheme X to comply in a 12 month window starting six months after the end of beta testing'.

Industry positivity

At the end of our industry-wide online survey on dashboards, we asked respondents if they had any additional comments they would like to make about dashboards. Annex C lists a selection of the verbatim comments made.

We are including these comments to illustrate the pensions industry's significant positivity towards dashboards. Our recommendation for Find first doesn't reflect the industry 'dragging its feet'. Quite the opposite: PASA wants to see dashboards launched soon, but most importantly, safely and successfully, in a way people find useful.

We hope the energy and effort we've put into this response demonstrates our strong support for a successful dashboards programme.

As a leading advocacy body for pensions administration and dashboards, PASA is happy to continue our detailed dialogue with PDP, regulators and policymakers as the detailed dashboards policy decisions are settled.

Respondent Details

Q1: To enable your response to feed into the government's policy development, unless you indicate you do not want us to, we will need to share your responses with DWP, TPR and FCA.

We confirm we're happy for you to share our responses with DWP, TPR and FCA.

Q2: Please tell us the name of the organisation on whose behalf you're responding.

The Pensions Administration Standards Association (PASA).

Q3: Please select which category/categories of respondent best represents you:

PASA member organisations include the following:

- **a.** private sector pension schemes and providers:
    - o master trusts
    - o DC occupational schemes used for AE
    - o DC occupational schemes, with 1,000+ members
    - o DC occupational schemes, with 100-999 members
    - o DC occupational schemes, with under 100 members (not very many)
    - o DB occupational schemes, with 1,000+ members
    - o DB occupational schemes, with 100-999 members
    - o DB occupational scheme, with under 100 members (not very many)
- **b.** public service schemes
- **c.** administration providers

What will data providers have to do?

Q4: Based on the information, how long do you estimate you will need to be ready to connect, and why? From what point in your working assumptions does the lead time start (e.g. draft regulations, regulations laid before parliament, or approved)?

As so many of the detailed requirements on pension schemes and providers remain unknown, many PASA members are **unable to make accurate timescale estimates on readiness**. The list of unknowns includes:

- **a.** protocols for comparing the personal details in find requests to those held on pension records
- **b.** liability model, for example in relation to false negatives/false positives
- **c.** GDPR compliance in relation to the dashboards compulsion legislation
- **d.** view data definitions, both accrued and estimated future amounts, especially for hybrid schemes
- **e.** trade-offs between responsiveness and recency of the data returned (for example, ERIs which are up to 12 months old might be returnable relatively quickly, whereas more up-to-date ERIs might take longer to return).

There's considerable potential for providers to **waste time and resources making assumptions** on these and other items if they aren't clarified as soon as possible.

To avoid re-work costs, some schemes, providers and ISPs may **not be prepared to commit to spending** on dashboards preparations until the final details are known, which means final regulations laid before Parliament.

Q5: [Pension & data providers:] If different from your response to Q4, how long would it take you be able to provide all the required view data?

As with our response to Q4, the lack of certainty on the view data requirements makes it **difficult, or impossible, for PASA members to estimate timescales now.**

In terms of moving towards the required certainty on view data, PASA is very encouraged PDP is now undertaking the user testing originally envisaged by DWP in its April 2019 dashboards consultation response:
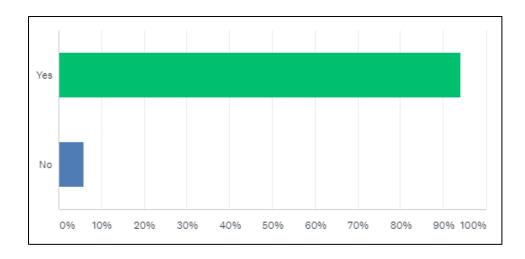
- *"… test dashboards will trial __what information__ people will see [para 66] …*
- *… testing is standard good practice for developing user-facing software, and is __especially important__ for pensions dashboards [67] …*
- *… combining information from the many different types of scheme in the diverse pensions landscape into __one cohesive and easily understandable view is a significant challenge__ [68] …*
- *… this testing will allow __data standards__ and __design standards__ to be __developed in tandem__ [69]".*

However, this user testing will take time (which is why DWP originally intended for it to start in 2019). Given where the Programme currently is, we wanted to verify this user testing remains the right approach.

We all know the PDP Data Standards published in December 2020 will deliver an incomparable mix of pension income amounts, which users may find confusing and misleading. So in our industry-wide survey we asked:

"Do you agree testing with users should be completed, proving what simple comparable pension income amounts people understand, before regulations 'hardwire' the mix of incomparable income amounts?"

An **overwhelming proportion (94%) of respondents agreed**, suggesting DWP's key 2019 focus on user testing is still felt to be the right approach by the vast majority of these stakeholders (see chart below):

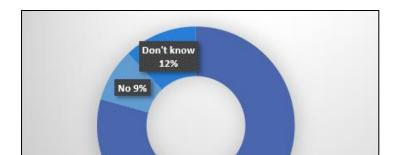Sample narrative responses to this survey question were very illuminating:

- *"Pensions are very complex: we know this from questions we get asked all the time by scheme members."*
- *"History shows legislation and industry second guessing savers' requirements doesn't work - to make useful dashboards, users need to be part of the process."*
- *"What we think might be obvious is likely not the case for the wider population."*
- *"Users will have opinions and suggestions with regard to the information being displayed."*
- *"Dashboards will only be successful if they are easy to understand - a period of UX testing with users should be completed for any project of this type to get feedback on data being displayed."*
- *"This is our one chance to learn what most users can understand."*
- *"Regulations should not hardwire requirements allowing them to evolve and change over time."*

In terms of the scope of this user testing, from PASA members' experience of communicating the full range of pension types, we know, to be comprehensive, this testing must thoroughly cover the topics listed in Annex A. And it must be done with a wide range of users who have varying levels of financial knowledge and capability.

One of the topics listed in Annex A, is testing users' understanding of the varied future projection bases which currently exist, both between DB and DC, and across DC providers. Many industry practitioners feel there should be more standardisation on how future estimated retirement income (ERI) amounts are calculated, before ERIs are shown on dashboards.

When we asked about this in Pensions Buzz:

"Do you think industry and government should collectively align on
comparable projections before making ERIs available on dashboards?"

79% of respondents agreed, with only 9% of respondents disagreeing:

Only once users' knowledge, understanding and reaction to **all** the Annex A complexities are known, will it be possible to definitively say what View data should be provided by schemes for users to view on dashboards.
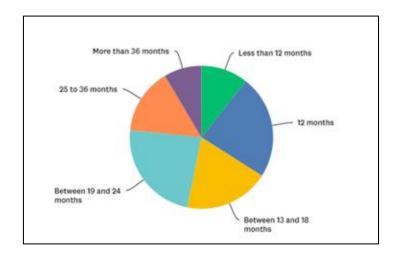
User testing may show calculating pension incomes on a real-time, but perhaps slower, basis would be a preferable experience for users. If this is the case, additional automation of calculations will be needed to meet the ERI data standards yet to be confirmed, which will increase the time schemes needs to be ready. But we won't know until the user testing has been done.

PASA members aren't able to estimate timescales now, but once user testing has been completed, how long do they think they will need? In our industry-wide survey, we wanted to find out if industry practitioners felt able to estimate the time required between the completion of user testing and schemes being ready to comply. There was no clear consensus on this as shown in the chart on the following page:

"How long do you think would be an appropriate period between Government

a) confirming what the consumer-test pension definitions are and

b) making them mandatory?"

Once again the narrative responses to this survey question are illuminating:

- *"Although we have said between 13-18 months, it will depend on what is mandated."*
- *"Big industry; lots of players … moving to a mandated approach may take some quite a long time, though it will obviously be dependent on what is mandated"*
- *"Some schemes will be heavily automated, but many will not. A related issue is what percentage of members need to have automated calculations. 100% is a much bigger ask than say 80%."*

Given all the above, PASA feels that before schemes can provide accurate estimates of how long they need to be ready, a) the user testing needs to be completed, b) the pension amount data needs to be defined, and c) the proportion of non-automated calculations users will find acceptable needs to be understood.

Whilst this is happening, though, one way to launch dashboards sooner would be on a Find first basis (see our response to Q8). Automated calculations could then be developed in a later phase for those schemes onboarding on a Find basis. In the meantime, where pension income amounts aren't provided, users could be notified through dashboards messaging.

What's critical is the mandated data content must be able to evolve easily over time, as user testing proceeds.

Q6: Would response time be material to onboarding i.e. would longer response times for ERI or accrued value information (rather than real-time) facilitate earlier staging? If so, what sort of response time would make a difference?

One of the several user testing topics listed in Annex A is what responsiveness of data return users will find acceptable.

In particular, one trade off to be user tested is between the responsiveness and recency of data users want to see on dashboards. It may be possible for schemes to return less recent data more quickly, whereas more up-to-date data could require a longer response time for schemes to return.

One critical trigger regarding response times would be whether the time to respond would necessitate the data provider to either automate a calculation, or introduce a new annual batch process to prepare calculation results. If the response time allowed for data providers to continue to carry out individual manual calculations until they had a better understanding of what demand will be, then staging could be sooner for them. If the response time were such that manual cases could be supported, it would add yet more weight to the argument that they should at least do Find first and do View later. It would be a poor user experience to wait until the calculation results were available before saying you have a pension for the saver.

Q7: [Pension & Data Providers:] What further information, if any, do pension providers need to get ready for dashboards?

Pension providers need considerable further detailed information to get ready including these inter-related topics:

- **Process topics:**
  - **Matching, including partials:** Industry standard personal data matching protocols need to be developed, specifying which personal data items could be used for matching, and confirmation is required on what data providers should do if, say, only two out of three identifiers match (for example, if NI Number and Date of Birth match but Surname doesn't)
  - **Response times:** confirmation of how quickly data must be returned (based on the results of extensive testing of different response times with users, and the potential trade-offs with the recency of the information returned – see the eighth bullet in Annex A)
  - **Usage / behaviours:** understanding/experience of the volumes of dashboards usage, and what users do next, so administration functions can adequately prepare for the increase in queries (see section 5 of the case study in Annex B)
  - **Liability:** confirmation of which party(ies) is/are liable for mistakes of various types, such as false negatives, or information being displayed which confuses a dashboard user

- **Technology topics:**
  - o **Detailed technology requirements:** confirmation, via alpha/beta testing that technology suppliers have everything they need, in good time, to support schemes with ISP services
  - o **ISP provision/funding:** confirmation existing administration/software providers will offer acceptable ISP services, with capacity to support schemes' compliance, at an acceptable price, with budgets and resources secured, enabling schemes/providers to settle their ISP strategies
  - o **ISPs contract service definitions:** industry standard examples of ISP contract service terms
  - o **Digital identity:** confirmation of the level of confidence/assurance to be placed on digital identities passed from the central digital architecture to data providers
  - o **Learnings:** all relevant learnings from the alpha and beta volunteers rolled out clearly and as quickly as possible across the whole industry

- **Data topics:**
  - o **Certainty of view data items required:** Per our response to Q5, confirmation of the view data items, in particular that full user 'understandability' testing has been completed, covering different income amounts, payable dates, tranches, recency, etc (see Annex A). This certainty should also define how data will be both displayed, and caveated, on dashboards
  - o **Personal data accuracy:** industry standard approaches, and best practices, for assessing, and improving, the **accuracy** of personal data (not just its presence and reasonableness as required by TPR record keeping guidance). Note: the scale of this issue, and rectification approaches, may only become apparent once schemes have connected and are operating Find processes
  - o **GDPR compliance:** industry standard approaches for ensuring schemes are GDPR-compliant in every aspect of their involvement with dashboards, including during the staging window

Where it's in its power to do so, PASA stands ready to collaborate with PDP (and its wider Government delivery partners) to help make rapid progress with the above topics.

Find dashboards

Q8: Do you have any further evidence on consumer needs and/or the acceptability of a dashboards service displaying partial information for a limited time?

For many years, many PASA members have felt launching Find dashboards first will be the safest approach. We also feel Find dashboards will be incredibly useful for pension scheme members.
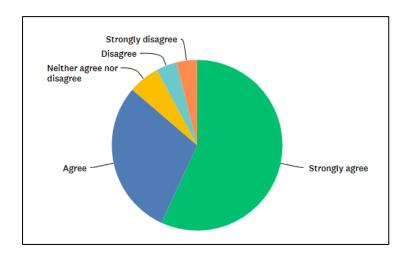
In our August 2020 response to the PDP CfI on data we set out PASA's view the 'best and quickest route to reconnecting people with their pensions is to separate the 'find' and 'view' functions of dashboards into

separate, but defined, project stages'. 'Find first' remains our strong recommendation, and on 10 June 2021 we published our detailed rationale for this.

We wanted to test this thinking, so we asked about it in our industry-wide survey. The survey was completed by actuaries, administrators, consultants, insurers, pensions managers, trustees and technology providers. We asked:

> *"Given the risks involved, do you agree launching a 'Find all my pension schemes' service could be both a safe way to rollout dashboards, and also a very useful initial service for users?"*

The results were overwhelming: **only 8% of respondents disagreed**:

Moreover, the respondents who disagreed were actuaries and technology providers, i.e. not roles directly involved with pensions administration. No respondents, who have first-hand experience of how pensions are actually administered, disagreed with 'Find first', and the majority strongly agreed with it. **We strongly urge the PDP, regulators and policymakers to heed this feedback to ensure the launch of dashboards is a success.**

Some of the narrative responses to this survey question were very insightful, from various different perspectives:

- *Usefulness*
  - *"[Doing Find first] provides a solution to an individual's key need - to identify lost pensions. Even if only contact details are provided for each pension scheme, this is a massive step forward."*
  - *"Once an individual has this information it is straightforward for them to get in contact if they don't have a record of the income."*
  - *"Acts as a first step rather than having to call around possible providers to trace a benefit."*

- o *"'Find pension contact details' on GOV.UK is a useful tool but often out of date and doesn't cover GPPs etc. In my opinion members would welcome an all-encompassing pension finder service through dashboards initially (it's a common source of frustration), with additional functionality added later."*

- **Safety**
  - o *"A roll out of this size will have many teething issues and having this stage will allow members and providers to feel comfortable that the correct members are [being matched to correct pensions]"*
  - o *"It's likely trustees for most schemes will adopt the most stringent matching rules resulting in very high levels of false negatives." "Scope for, and consequences of, false positives too great."*
  - o *"The key aspect of members being able to find their pension schemes, and understand who to then contact, far outweighs the need to see all their data in one place given the risks involved. Small steps and get them right should be the approach." "Safe matching needs to be bedded in."*

- **Trust**
  - o *"Trust needs to be built in dashboards and identifying a path to connect with pensions at the first stage without compromising data is key." "Scam avoidance and membership confirmation."*
  - o *"This is a huge project and needs to be dealt with in bite size pieces. Getting this wrong will damage the pensions brand and therefore we have to get members to trust dashboards."*
  - o *"Information security has to be the highest priority, and this is a great way of proving the model."*

- **Pace**

  - o *"A find only service will be faster to implement, and reduces the risk to savers, schemes and providers.*
  - o *"1. Enables members to easily find contact information for most / all of their pensions, 2. Reduces risk of providing information to wrong person, and 3. Could accelerate onboarding of schemes."*

Existing "Find pension contact details" service

Some survey respondents mentioned the existing 'Find pension contact details' service on GOV.UK, citing the fact it's not actually a find service.

The screenshot image on the right, from the homepage of the service, makes this very clear:

- It's a 'search', not a 'find', service
- it doesn't tell you if you have a pension
- you can't use it without the name of your previous employer(s) or pension provider(s).

It also searches for one pension provider at a time, and returns postal addresses (and sometimes phone numbers), but not always the right ones.

The comparison table below shows how, from these multiple perspectives, 'Find dashboards' will deliver a vastly superior service for pension scheme members.

	Existing GOV.UK search service	Find dashboards
A. Does the service find pensions?	✘ No, it's a search service that doesn't tell you if you have a pension	✔ Yes, it will find your pensions (as long as personal data matches)
B. Does it search for all your pensions at once?	✘ No, you have to use it iteratively, starting again each time for each pension	✔ Yes, logging in to a dashboard once will find all your pensions at once
C. Can you use it if you don't know the name(s) of your previous employer(s) or provider(s)/scheme(s)?	✘ No, you need these names to search on (which have often changed over time)	✔ Yes, all you need to do is log in with your digital ID, nothing else is required
D. Does it reconnect you directly with your pension provider/scheme administrator(s)?	✘ No, it provides postal addresses and sometimes phone numbers	✔ Yes, the service could have "click throughs" to your providers' websites
E. Is it successful?	Incorrect postal addresses / phone numbers are sometimes returned, and the user has to write to / phone employers / providers which may be incorrect	*Not yet known* *This will depend on the success of matching, which needs to be discovered by launching Find first*

PASA feels the above comparison makes a compelling case for Find dashboards being a very useful step forwards for pension scheme members.
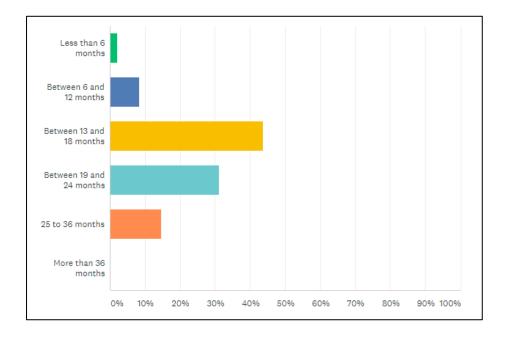
How long to prepare for Find dashboards?

Some survey respondents suggested it would be quicker to launch Find dashboards than Find & View dashboards.

We said in our responses to Q4 and Q5 PASA members are unable to make accurate time estimates now because so many of the detailed requirements/solutions are currently unknown.

However, we wanted to test if industry practitioners would be more comfortable making time estimates on the basis of doing Find first. We asked:

"How long do you think would be required to connect all schemes on a 'Find' basis?"

We were encouraged to see over half of respondents felt this could be done in 18 months, with a very **sizeable majority (85%) of respondents feeling it could be achieved within 2 years** (chart below):

We asked the same question in Pensions Buzz, and 62% of those respondents felt Find first could be done in 2 years.

So Find dashboards are felt not only to be useful, and the safest way forward, but they can also potentially be launched relatively soon. In fact, given the current uncertainty around View data, it's not clear when Find & View dashboards could be launched, so Find dashboards are the only thing with any certainty on timing at the moment.

Some of the narrative responses to this survey question reflected the focus on pace:

- *"Would need to test possibilities with our TPA but 6 to 12 months timescale feels reasonably doable."*
- *"12 months should be sufficient time for basic personal data in a prescribed format."*
- *"Our view, from purely a systems perspective, is this would rapidly accelerate schemes being able to onboard. There are however considerations which will need client decisions on matching criteria etc. Clearly it will take some time for clients to return decisions and establish their own legal stance so we would anticipate 12-18 months being a suitable timeframe for us to work with clients to achieve this."*
- *" <12 months is ambitious with everything else going on. Therefore, more conservative at <2 years."*
- *"Once the state pension, central/local Government, and the main master trust providers are connected, and there are ISPs, it should not be difficult for the remaining schemes to connect [on a Find basis]."*
- *"Large TPAs have been looking at it for a while now so are largely ready if its only on a find basis."*
- *"[Find first] should save time but there is still lots to do to connect to the dashboards ecosystem."*

Early staging

Q9: Do you see any barriers to early staging?

PASA members who are TPAs, with schemes of various sizes, feel the flexibility offered of a staging window for each scheme would help to spread implementation activity across their schemes. That would manage down the service delivery risk generated by having several potentially quite large schemes all staging at once.

In fact, PASA recommends all schemes are allocated a staging window, during which they can choose when to come to dashboards compliance.

We also encourage consideration of flexibility for schemes to exceptionally request extra time to onboard, to avoid over-loading the digital architecture and the regulators, counter-balancing early onboarding.

Q10: This question particularly applies to data providers, what is your appetite for staging early? Are there things PDP could do to encourage you to onboard earlier?

As per our response to Q9, staging windows would effectively offer early staging, and PASA members who are TPAs would welcome that flexibility.

In terms of encouraging early onboarding, early resolution of the all the items listed in our response to Q7 is key.

Waves and cohorts

Wave 1

Q11: Do you agree with our recommendation to prioritise occupational schemes with 1,000+ members and FCA regulated providers in the first two years?

We have a fundamental question about the way the membership size of schemes is being defined.

Pensions in payment are out of scope for initial dashboards, and yet pensioners appear to be being included in the membership count for staging.

Consider, for example, a mature DB scheme with a large (>1,000) pensioner population but a very small (<1,000) non pensioner population. This scheme may be included in Wave 1 despite only bringing a very small number of deferred and active entitlements to findability. We feel it should be the deferred and active entitlement count that is used.

Also, it may be 1,000 members is potentially too small a limit for Wave 1. If 10,000 active/deferred member schemes were the minimum for Wave 1, this could still give coverage of c.95% of active and deferred entitlements. This is well in excess of the suggested 75%+ coverage potentially required for the Dashboards Available Point (DAP), as mentioned in the PDP summary of responses to the Call for Input on data.

Schemes in the 1,000-9,999 members band may have less digitally available data, and less automation, and less resources available to address those situations, so would benefit from later staging windows.

Wave 1, Cohort 1

Q12: Do you agree master trusts should be the first to stage? Do you have any further evidence that speaks to their deliverability?

From members' perspectives, we feel some of the pensions users will most want to find initially will be deferred DB pensions accrued in the 1980s and 1990s, rather than small, recently built up Master Trust DC pots.

That said, 36 authorised Master Trusts would bring circa 16 million pension entitlement to findability. In addition, those members MTs offering flexible drawdown might make them attractive to users who are about to retire who want to take advantage of pension freedoms, potentially also choosing to consolidate their pensions. Lastly, the fact MTs have been through a regulatory authorisation process may mean their data is easiest to access for viewing on dashboards.

Q13: Do you agree that non-commercial master trusts should stage as part of the next cohort? In the absence of a legal definition of non-commercial, is 20,000 members a suitable proxy to differentiate them from master trusts competing in the AE space?

No strong PASA views on this question, other than to say several master trusts (MTs) became caught in the definition of being an MT because they were already multi-employer schemes. This means the variety of data provision within their scheme is not covered by simply reflecting its overall size. Many will be akin to a TPA serving many small schemes, as opposed to a single scheme with the trust's total membership size.

Other than this, there may not be strong reasons to differentiate between MTs.

Q14: Do you agree FCA regulated pension providers should be among the first to stage? Do you have any further evidence that speaks to their deliverability?

As with our response to Q12, regarding master trusts, we feel some of the pensions users will most want to find initially will be deferred DB pensions accrued in the 1980s and 1990s, rather than recently built up DC pots in, for example, modern Group Personal Pension (GPP) arrangements.

However, including FCA regulated providers in Wave 1/Cohort 1 would bring older personal pensions from the 1980s and 1990s to findability sooner, which would be beneficial from savers' perspectives as they are just as likely to be "lost" as DB pensions from that era, and the FCA providers would offer retirement vehicles like the MTs.

Q15: Taking into account any existing plans to consolidate systems, and the potential to use an ISP (in-house or external), what specific challenges, if any, do FCA regulated providers of personal pensions face in getting all or part of their business dashboard-ready? Please provide evidence of the nature and scale of those challenges and how those challenges might be overcome.

No strong PASA views on this question.

Wave 1, Cohort 2

Q16: Do you agree that [other] DC schemes used for AE should be the second cohort to stage?

See Q18 response below.

Q17: Do you agree that non-commercial master trusts not included in cohort one should join cohort two?

Per our response to Q13, there may not be strong reasons to make this distinction (other than the point about "accidental MTs" above).

Q18: Do you agree with the rationale for requiring mixed benefit schemes with DC sections used for AE to be part of cohort two? Do you have any evidence on the impact of this? How far does this differ from current disclosure practice i.e. issuing annual benefit statements? What is the scale of the population impacted?

DC schemes used for AE may have a significant population with legacy DB benefits within the same trust. So one effect of including DC AE schemes in Wave 1/Cohort 2 is it may 'bring forward' compliance for the DB sections of those schemes. This could mean increased work ahead of other similar-sized DB schemes that aren't also used for AE purposes.

PASA feels a potential solution to this could be to allow schemes to have an option to decide to a) go with a later cohort based on their DB membership size or b) split the provision between the two cohorts.

Wave 1, Cohort 3

Q19: Do you agree the largest DB schemes should be staged from Autumn 2023 and all DB schemes with 1,000+ members should be staged within the first wave (within two years from April 2023)? Do you have any evidence that speaks to the deliverability of this?

Having all DB schemes with >1,000 deferred and active members onboarded by April 2025, with the largest starting from Autumn 2023, is ambitious, given View data isn't yet certain (see our earlier responses).

PASA feels schemes with 1,000+ deferreds and actives could connect on a Find basis first. Schemes will be able to estimate timescales for View compliance once the view data requirements are confirmed.

Q20: [DB schemes:] What are the specific challenges for DB schemes in connecting to dashboards? Which data elements are challenging, and why? Please provide any supporting evidence.

DB schemes can answer this question once the view data requirements have been thoroughly user tested.

However, based on current guidance relating to the provision of data currently shown on benefit statements, the challenges will be either: "which number do you want?" for schemes who provide multiple amounts on statements, or: "we don't currently provide benefit statements, what number should we provide?". Feedback from PASA members indicates schemes have more worries about the *comparability* of the number they provide (viewed alongside all the user's other pension numbers), rather than their *ability* to provider a number.

The correct finding, and displaying, of linked Additional Voluntary Contribution (AVC) data for DB schemes will be a particular challenge due to the historical record keeping by AVC providers and scheme administrators. This will form a crucial part of user testing (see the sixth bullet in Annex A).

Q21: [Largest DB schemes, over 50,000 members:] When is the earliest in 2023 you could reasonably be expected to comply? Why? Please provide any supporting evidence.

Again, schemes will be able to answer this question either:

- on confirmation that Find dashboards will be launched first (as PASA recommends above) or
- when the view data requirements have been thoroughly user tested and confirmed.

Q22: Do you agree that all public service schemes should be staged as early as possible within the first wave?

Public service schemes cover a significant proportion of deferred and active memberships, so, on a Find first basis, they should be included as early as possible. Timescales for View should be agreed once View data has been thoroughly user tested and confirmed.

Q23: [Public sector schemes:] What specifically are the challenges presented by the McCloud Judgement in terms of dashboard readiness? When do you expect you would be able to connect?

The McCloud judgement has significant challenges for all public sector schemes over the coming years, with the rectification of member casework for the period from 2014 to present day for c.25% of the membership. Over the next couple of years (up to 2022) Funds/Schemes will be collecting missing data and validating data from employers from the last seven years in preparation for undertaking the rectification.

The finalisation of the regulations is not yet complete and not expected to be laid before Parliament until 2022. The details of the amended regulations are critical to enable the system development work to be initiated. This stream of work is anticipated to take 12-18 months from this point due to the volume of calculations to be amended. Due to the scale of change it is anticipated that the implementation of the rectification work will take a few years to implement following the finalisation of the regulations, thus a very resource intensive and costly exercise for the public sector.

Funds/Schemes will need to manage increased contact from members during this period, alongside expected increased member engagement from dashboards.

In addition, and fundamentally critical for pension dashboards, the accuracy of ERI and/or accrued value information presented to members could be erroneous, due to the requirement to undertake rectification calculations for all members impacted; thus potentially affecting the consumer buy in to the validity of figures they see on dashboards.

Q24: Do you agree that all remaining DC schemes with 1,000+ memberships should be staged by the end of the first wave (within two years of April 2023)?

Yes, on a Find first basis.

Wave 2

Q25: Do you have any additional evidence on the ability of medium schemes to participate in pensions dashboards?

Medium sized schemes (100-999 members) could potentially be brought forward on a Find first basis as personal data will be relatively straightforward to make dashboards-ready once initial ISP connections and processes have been established and tested.

Q26: Do you have any evidence about the potential impact on savers of deferring medium schemes until the bulk of large schemes have staged

No evidence, but bringing forward medium schemes on a Find basis would lessen the impact of those savers closer to retirement who are looking to locate and contact their pension providers/administrator to request retirement quotations.

Currently, and for the next 20 years or so, these older cohorts will have DB deferred benefits so these schemes should be connecting on a Find basis to support individuals' reconnection with these pensions.

Wave 3

Q27: Do you agree that small and micro schemes should form a third wave, after large and medium schemes? If so, when would be a reasonable timeframe for staging these schemes, and why?

These arrangements should comply on a Find first basis as soon as possible. A decision on this could be taken once the first wave of schemes and up and running and ISP services have been bedded in.

Q28: Do you have any evidence about the potential impact on savers (e.g. lost pots) if small and micro schemes were delayed until after 2025.

PASA members have generally been involved with data rectification exercises (in part to reconnect lost pots) for larger schemes. Here it is schemes searching for members rather than members seeking lost pots, so we don't generally have evidence as to whether, en masse, small schemes are any more or less likely to have been "lost".

Whilst the total quantum of lost pots at small / micro levels may not be high, it in no way changes the importance and impact on each and every member, as, on a member by member basis, every single pension entitlement is important. However, running very small data projects may cause disproportionate expense where suppliers have minimum quantity rules / pricing.

FURTHER GENERAL QUESTIONS

Q29: Do you have any evidence of practical obstacles to our recommended sequencing and timing for staging?

Data providers have considerable work to do to be ready to comply. The three major work strands are:

1. Data preparation
2. Technology implementation
3. Service adaptation

To bring these work strands to life, PASA has prepared a case study for data providers' dashboards compliance. This case study is shown in Annex B – we would be very happy to meet with the PDP team to discuss this in detail.

Q30: How well do our recommendations meet the policy objectives and staging principles?

Doing Find first, in two years, meets the key policy objective of 'reconnecting me with all my pensions' and both the staging principles of pace and deliverability.

Q31: Do you have any evidence on where lost pots are most likely to be located and the impact, therefore, of our staging recommendations on reconnecting savers with lost pots?

TPR's March 2021 strategic 15-year analysis, through to 2035, shows individuals retiring for the next 15 to 20 years will place a significant reliance on DB pensions, much of it deferred DB.

As PDP reported in paragraph 67 of its October 2020 summary of responses to the Call for Input on data:

"Whilst respondents recognise large volumes of pension entitlements could be brought to availability on dashboards fairly rapidly by large schemes complying first, many also feel it is the oldest pensions which have the greatest 'reconnection value' for individuals. This supports the argument for rapid full coverage, focussing initially on find rather than view data to ensure all schemes can connect quickly, without holdups"

Q32: Do you have any evidence on equalities impacts of staging and impacts on under-pensioned groups?

Doing Find first, with 100% coverage, in two years, is the most equal approach that could be adopted.

QUESTIONS ABOUT INTEGRATED SERVICE PROVIDERS (ISPs)

Q33: As a data provider do you intend to connect your data via an ISP type solution? If not, what is your intended alternative?

PASA is an industry body whose members are primarily schemes and administrators.

Our scheme members report they have an expectation their existing third party administrator (TPA) (for outsourced schemes) or existing administration software provider (ASP) (for in-house administered schemes) will bring forward ISP services, which they intend to use.

Our TPA members report they anticipate bringing forward ISP services for their clients, either building their own solution or using the ISP technology offering(s) of their pensions administration software supplier(s).

Q34: As a pension provider will you work with your existing software provider or seek an alternative ISP provider?

Our TPA members report they will either build their own solution or use the ISP technology offering(s) of their pensions administration software supplier(s).

QUESTIONS FOR INTEGRATED SERVICE PROVIDERS (ISPs)

Q35: If you are a software provider we would like to ask you a few more questions to further understand how your organisation is preparing for staging. Please choose Yes if you are happy to answer the four additional questions Please choose No if you are not a software provider or you are a Software Provider not wanting to answer more questions

PASA isn't a software provider so won't be answering Qs 35-39 inclusive. Some of PASA's TPA members have developed their own in-house pensions administration technology solutions. They may choose to respond directly to PDP on these questions.

Q36: [Software providers] As an existing software provider do you intend to extend your ISP offering beyond your existing client base?

Q37: [Software providers] Are you considering developing and providing an ISP solution as a new entrant into the market? What sectors of the market do you envisage providing ISP solutions to?

Q38: [Software providers] What is the anticipated lead time for bringing ISP solutions to market?

Q39: What factors will influence the pace at which ISP providers can connect clients to the dashboards ecosystem? What can be done to accelerate market coverage to better facilitate connectivity for data providers?

Additional research

Q40: PDP would like to carry out additional research* with organisations who will be providing pension information for users to view on dashboards. We want to further understand what will be involved for you to successfully on-board with the pensions dashboards ecosystem and respond to these requests. If you're happy to be contacted about this, please include details of the people we can reach out to here:

*In some cases we may commission an independent research organisation to carry out research on our behalf.

We confirm PASA would be very happy to be contacted about additional research. Please contact:

- PASA Pensions Dashboards Working Group (PDWG) Chair Chris Connelly
  chris.connelly@equiniti.com
- PASA Board Executive Lucy Collett lucy.collett@pasa-uk.com
- PASA Chair and PDP Steering Group member Kim Gubler kim.gubler@kgcassociates.com

ANNEX A – Topics which should be included in user testing of view data

From PASA members' experience of communicating the full range of pension types to members, we know, to be comprehensive, this user testing must thoroughly cover all the topics listed below. Furthermore, the testing must be done with a wide range of consumers who have varying levels of financial knowledge and capability.

- **Find first:** users' reactions (and subsequent behaviours) in response to a Find first service need to be thoroughly tested, i.e. where some, or all, of the returned pensions do not have values. Pensions administrators need to understand in detail what dashboards users will likely do next so they can appropriately adapt their existing services (see section 5 of the Annex B case study below)

- **Defined Benefit (DB) and Defined Contribution (DC) pensions:** the extent to which users are a) aware of, and b) understand, the differences between pension entitlements which pay a guaranteed retirement income (DB) and those which are a pot of money (DC) to be spent as the user wishes

- **Historic, current and future amounts:** the extent to which users, of different types, are able to successfully comprehend the varied historic, current and future nature of their different pensions

- **Different payable dates across different pensions:** the extent to which users, of different types, are aware that their different pensions are payable from different dates*****

   *Explaining this concept to users has been a challenge for many international dashboards, with several solving the issue by showing a "timeline" of users' different ages, from say 60 to 70, and then overlaying this showing the age at which each pension will come into payment – see example screenshot below.

- **Multiple tranches of retirement income within a single DB pension entitlement** (similar to the bullet point above, but this time the different payable dates are <u>within</u> one DB pension entitlement rather than <u>across</u> different pension entitlements): the extent to which different types of users are aware their DB pensions may (and very often will) have different elements of retirement income payable from different dates

- **Additional Voluntary Contributions (AVCs):** the extent to which users, of different types, understand how their AVC benefits, or various types, are either 'alongside' or 'separate to' their scheme benefits

- **Various assumptions between now and retirement:** the extent to which users, of different types, are aware of, and understand, all the varied assumptions used to calculate future ERI amounts across their different types of pensions (e.g. assumptions about future pensionable

service/earnings/inflation/contributions/investment returns/charges/conversion of DC pots into retirement income/and so on)

- **Responsiveness versus recency of pension figures:** how long (after accessing a dashboard) are users willing to wait to see pension figures on their chosen dashboard, whether this varies by pension type, how up-to-date do users want the figures to be, and again whether it varies by type

- **Additional complexities:** the extent to which users understand not all benefit complexities and options can be shown on dashboards, and amounts must therefore be caveated

- **Presentation of all the above:** when they have understood all the above, how do users want pension figures presented to them? What presentation can they understand of a mixture of historic, current and future pension amounts, payable from multiple payable dates? What do users instinctively say about all of this?

- **Cash lump sums at retirement:** the extent to which users, of different types, are aware of the tax free cash lump sum options at retirement across their different pensions. Given the high levels of optionality around these, to what extent do users expect to see all the options on dashboards?

- **Changes to income levels as retirement progresses:** the extent to which users, of different types, anticipate retirement incomes will increase once they're in payment (DB pensions generally increasing, but DC SMPI annuity incomes potentially not depending on assumptions used). And to what extent do users understand some retirement income streams are temporary (e.g. 'bridging pensions' which are only paid until State Pension comes into payment from State Pension Age)?

- **Continued income after I die:** the extent to which users, of different types, anticipate that retirement incomes will continue (at a lower level) to a surviving spouse or partner after they die (DB pensions generally continuing to pay out to spouses, but DC SMPI annuity income potentially not depending on assumptions used)

- **Total income at retirement:** the extent to which users want to try to add up figures to arrive at a total estimated figure for income at retirement. To what extent do users understand that it **isn't appropriate to simply 'add up' the figures** because the ERIs from their different pensions aren't comparable, because they:
    - are based on different increase assumptions from now to retirement
    - are payable from different payable dates / retirement ages
    - have different assumptions about increasing during retirement
    - have different assumptions about continuing spouses pensions

Given these complexities, what simple approaches/estimates are users willing to take/make to get to some sort of total ERI figure? How approximate are they will the figure(s) to be?

Also, what periodicity of retirement income are most users interested in knowing? An annual or monthly income? Or some other periodicity?

- **Income tax payable in retirement:** the extent to which users understand retirement incomes are subject to income tax when they're paid out in retirement. And when they understand this, the extent to which users are interested in seeing net (post tax) as opposed to gross income amounts

- **Other topics:** what else do users instinctively ask about? One topic could be retirement incomes already in payment: these will not be shown on dashboards - how do users feel about that?

In the example screenshot below, the different coloured pensions are payable from different ages:

- the 'brown pension' is a one-off cash lump sum payment payable at age 64
- the 'blue pension' and 'green pension' are both payable as regular incomes starting from age 64 (the 'blue pension' is only payable for 10 years to age 74, whereas the green is payable until death)
- the 'grey pension" is payable as a regular income starting from age 67, until death.

Many in the UK feel, given the complexity of UK pensions, a similar display to this may be necessary for users to be able to make sense of the various different dates from which all of their different pensions are payable. But, of course, as with everything to do with dashboards, it should be led by the consumer and thoroughly user tested.

Pensions Administration Standards Association (PASA) Data Providers Dashboards Compliance Case Study (fictitious, but realistic)
v3 (7 July 2021)

1. Introduction

1.1 This case study outlines the work being planned by an example third party administration (TPA) firm to help its Trustee clients comply with the upcoming pensions dashboards legislation. (Much of it is also applicable to in-house administered schemes, and the administration of contract based arrangements).

1.2 The TPA has a range of scheme sizes and currently expects to support compliance from 2023, per the indicative timeline published by the Pensions Dashboards Programme (PDP).

1.3 This case study is intended for **several audiences** with **several purposes**. By using a realistic example TPA, the case study will hopefully:

- help **Government and regulators** better understand the **scale of the work ahead for TPAs,** and thus be better informed when settling, for example, the dashboards scheme staging profile

- help **Trustee clients** begin to get to grips with the **different elements of a scheme's compliance** with the dashboards legislation, and thus begin to understand the risks ahead for their scheme

- help **TPAs' management, teams and suppliers** (existing and new) to **break down the work ahead** in order to secure budgets, make realistic delivery plans and start getting on with the implementation

- help **other stakeholders,** such as Trustee advisors, to better understand **how to work with TPAs** to effectively manage the dashboards requirements and impacts on wider scheme strategies.

1.4 The case study covers:

- Section 2 – Three major work strands
- Section 3 – Data preparation
- Section 4 – Technology implementation
- Section 5 – Service adaptation
- Section 6 – Timescales
- Section 7 – Summary and next steps.

1.5 The case study can be iterated / further developed as requirements become clearer.

2. Three major work strands

2.1 Following initial brainstorming discussions, the TPA has broken down its dashboards project into three major strands of work:

2.1.1 Data preparation

Ensuring a) the personal data held for all of scheme members is ready to enable the records to be matched and found whenever members log in to dashboards, and b) the pension income amount and other 'View' data is ready to be returned to be viewed on dashboards.

2.1.2 Technology implementation

Determining the TPA's strategic technology approach to be adopted to support its Trustee clients' compliance with the dashboards legislation, and then implementing and thoroughly testing solutions, including scale performance testing, all ahead of the dashboards staging requirements.

2.1.3 Service adaptation

Recognising, when they've logged in to a dashboard, and found/viewed their pension details, some members are likely to wish to ask further questions of the TPA, this strand is about understanding what next steps members might take and then adapting the TPA's overall service delivered to their clients' membership and Trustees accordingly. A key element of this is how member queries will be handled in respect of partial matches.

Once costs and resourcing requirements have been understood, or estimated, these adaptations of existing client services to Trustees will require contractual/commercial discussions to be settled well ahead of schemes' dashboards staging windows.

There's even a possibility questions from members will start prior to schemes' staging (for example: "How do I get access to dashboards?", "I have a pension with a scheme you administer but I can't access the ecosystem", etc.). The TPA will need clarity around who's going to answer these types of queries, within the wider context of more general dashboards publicity from Government and other parties.

2.2 The TPA's current plans and preparations for each of these three strands are outlined in more detail below.

3. Data preparation

3.1 Think of the TPA's data preparation activity for its client schemes as a two by two matrix:

	A. Ensuring digital availability	B. Validating data accuracy
1. Personal data (to support 'Find' matching)	1A. The TPA to assess that all existing records are stored digitally, and then work with Trustees to ensure member records are made digital (where this is not currently the case) and accessible continually to be found, including ongoing processes for all data changes including: • new starters (i.e. becoming accessible to be 'found') • updates, such as name changes • exits (i.e. ceasing to be accessible to be "found").	1B. The TPA to discuss with its clients how it wishes to validate the accuracy of personal data and the criteria for matching. While the TPA has worked with PASA to develop industry standard bases for matching these will still need to be agreed with each client, as some Trustees may wish to take a stronger approach. Where there are known issues with incoming personal data from some of the employers, without personal data accuracy testing, Trustees may not be able to have a high level of confidence that all their records will be digitally 'findable'. This will be an ongoing activity (not just something for staging). For example, the TPA will need to develop a continual programme of work, which may require additional third parties for tracing and member verification.
2. Pension income amount and all other 'View' data	2A. TPA to ensure projected benefits (DB or DC) within the last 12 months are available on **all member records**, together with all other required 'View' data items. Key challenge being not all ERI requirements are yet certain.	2B. TPA to validate the accuracy and consistency of the figures on all member records required to generate the projected benefits and ensure automation of the required calculations is in place, where appropriate, once the requirements for ERI are confirmed. This could be either individual or bulk calculations. Arrangements also need to be agreed for any cases not covered by automated calculations.

3.2 Any, or all, of these four tasks (1A, 1B, 2A & 2B) could potentially generate significant data work which the TPA will then have to carry out on behalf of its Trustee clients.

3.3 A key element of the implementation will be agreement of the personal data matching basis to be adopted by Trustees and implemented by the TPA, with a thorough understanding on all sides around the risks and mitigations of false negative and false positive matches. Processes for dealing with partial matches also need to be defined and implemented, in line with guidance from the PDP and regulators.

3.4 This work will need to be planned in and undertaken by the TPA prior to each client's dashboards staging window. Business as usual processes may also need to be updated to ensure both personal and pension data remains present and accurate on all member records on an ongoing basis

3.5 The requirements for this dashboards data cleanse work need to be balanced with clients' other planned projects with data dependencies. This will help ensure all data cleansing work is appropriately prioritised by the TPA and completed cost effectively.

3.6 The TPA is aware the data assessment/cleansing work for **multiple clients which have the same dashboards staging windows** will create resourcing challenges which will need to be managed. This applies both to TPA resources and suppliers (such as external tracing services, technology providers, etc.). Therefore, advance planning and early implementation are key.

4. Technology implementation

4.1 The TPA's first task is to determine its strategic technology approach for connecting to the ecosystem:

4.1.1 One option is for Application Programming Interfaces (APIs) to **interact directly with the production systems** used to support the administration of the TPA's clients' pension schemes

4.1.2 An alternative would be for the TPA to implement a new 'master data layer' (MDL) 'on top' of **all the different admin systems used across all of the TPA's clients' schemes**. The TPA's interaction with the dashboards ecosystem would then be with this new MDL. For this option, regular data feeds from the TPA's client admin systems would need to be established so the MDL remains up to date, and the PDPs expectations/requirements would need to be considered. This MDL approach could either be built in house or facilitated through a third party Intermediary Service Provider (ISP).

4.2 The pros and cons of the above options, and potentially other/hybrid technology options, need to be thoroughly analysed and assessed. Not all these pros and cons are yet known, but the table below is a start.

	Advantages	Disadvantages
Direct Application Programming Interface (API) approach	• Designed and built to own needs • Direct feed to member data - no interim step where MDL may be out of step with core admin systems / databases	• Potential performance degradation of core systems • Resource availability / cost to build
Master Data Layer (MDL) approach	• One source of data for dashboards to link to rather than versions of APIs for each of the TPA's systems / databases • Minimises core system performance risk • Reduced impact of resource availability/cost (if using ISP)	• Resource availability / cost to build (if in house) • Client contract updates (where using ISP) re holding scheme member personal information • Matching service to requirements (if using ISP) • Potential delays between data / pension changes on core admin systems and on dashboards

4.3 This is a major strategic decision for the TPA and one which needs to be made early to ensure sufficient time for the following phases to be completed, including:

4.3.1 a thoroughly researched feasibility study including stress testing and impact on BAU services of the different options

4.3.2 decision regarding solution(s) and securing of investment

4.3.3 planning, resourcing and budgeting

4.3.4 impact assessment (on BAU and clients, including commercial discussions with clients)

4.3.5 build and launch, and

4.3.6 continually revisit / improvement as detailed regulations are settled and testing done.

4.4 Once the TPA has determined its strategic technology approach, the selected option needs to be specified in detail, implemented, and thoroughly tested for all its Trustee clients. Implementation will require a major build project in some form which will need to be underway immediately.

4.5 Investment will be required for additional dedicated resources from July 2021 through to 2023 and beyond. A major planning and approvals process will be required. Performance testing will be a key part of the testing phase.

4.6 There's also the need to thoroughly understand the dashboards ecosystem's security arrangements and legal liability basis.

4.7 Also required will be an extension to clients' contracts with the TPA, to include the new dashboards services. The contract terms for these new services will need to be developed and agreed with each client, reflecting the services to be delivered and an appropriate split of liabilities between parties.

4.8 All of this technological and legal/contractual work will need to be completed well before a scheme's dashboards staging window to enable full testing. Further detail on the security arrangements are also needed before the split of liabilities can be determined and documented.

5. Service adaptation

5.1 Once Scheme members start accessing dashboards, from the Dashboards Available Point (DAP) onwards, they will be able to view their pensions on their chosen dashboards. Some of these members are likely to wish to ask further questions of the TPA about their pension which they have viewed.

5.2 The TPA will need to analyse all the next steps / questions that scheme members may take / ask both before and after they view their pensions on their chosen dashboard. They will need to consider a variety of ways of addressing queries from members such as referral to websites and provision of FAQs to help manage the level of additional enquiries likely to ensue.

5.3 It is likely that some members will contact the TPA directly. The scale of this increase in day-to-day administration 'demand' needs to be estimated, and resources ramped up to meet this demand.

5.4 Based on PDP's estimated daily dashboards usage this could significantly increase the TPA's average level of inbound member contacts. Failure to effectively manage these contacts will not only damage the TPA's reputation but also that of dashboards themselves as a helpful route to receiving information about pensions. The TPA's existing client contracts may require adaptation to reflect the increased demand.

5.5 The TPA's existing online services for scheme members may also need to be adapted to either:

5.5.1 ensure alignment with the pension amounts which members are going to see on dashboards or

5.5.2 explain clearly why figures on dashboards are different to those on scheme websites, especially where the scheme website includes modelling capabilities.

5.6 All of these adaptations to the TPA's existing administration services, contracts and systems, on behalf of its clients, need to be implemented before the DAP, which might be after some clients' own scheme-specific dashboards staging windows.

5.7 On the communications front, other changes may also be required which could potentially help manage future demand: for example, leaver letters might need to give information about dashboards and inform members they can get updates there.

5.8 The whole areas of communicating dashboards to the general public will need to be incredibly well planned so as to not have adverse impacts on administration functions.

6. Timescales

6.1 As stated in the Introduction, the TPA has a range of scheme sizes including some with a very large membership so is expecting, based on the current PDP proposals, to need to have completed the required work to support its clients with dashboards staging windows in 2023.

6.2 The TPA, of course, won't have certainty on when its clients will need to comply from until DWP publishes the draft staging regulations for consultation in December 2021.

6.3 If, as expected, some of the TPA's clients are going to have dashboards staging windows in 2023, then the TPA needs to start work on all three major strands (data preparation, technology implementation, and service adaptation) during the second half of 2021.

6.4 Work will need to proceed based on the current expected requirements even though several important details are yet to be confirmed or clarified. This potentially may lead to some course corrections and wasted effort/cost.

6.5 A very substantial amount of work on all three strands will need to be undertaken during 2022 which will require significant resourcing.

6.6 One way of approaching this may be through the TPA becoming a volunteer data provider, working with the Pensions Dashboards Programme (PDP) to connect its clients' member data to the dashboards ecosystem **before** their dashboards staging windows, or potentially staging some clients 'early'. Taking this approach, though, further squeezes the timescales.

6.7 The TPA needs to determine the extent of any volunteer data provision it wishes to undertake for its clients, and agree this with the respective Trustee clients, with the objective of getting ahead and being ready to ensure schemes' compliance from their dashboard staging windows.

6.8 The TPA also needs to define, allocate and build (from now onwards) its skilled resource pool, across a range of different skill sets, to deliver the dashboards compliance work.

6.9 Client communication will be key throughout the life of the project. This will need to ensure clients understand their role in the process and have confidence in the TPA's ability to deliver a viable solution that enables client schemes to fully comply with the dashboards legislative requirements.

7. Summary and next steps

7.1 One aim of this case study is to help illustrate the very substantial amount of work, and thus cost, ahead for the TPA to help scheme Trustees comply with the upcoming dashboards legislation, within relatively short timescales, and with many requirements currently remaining unconfirmed.

7.2 By implementing the work based on the proposed staging of the TPA's largest clients, smaller clients may well be able to benefit from some of the upfront work already done, for example around strategic technology decisions.

7.3 However, every scheme is different: so, the work articulated above around data preparation, technology implementation and service adaptation needs to be considered with each of the TPA's client Trustees and others. This will have significant impacts on the TPA's resourcing during the entire dashboards staging window through to 2025, and beyond.

Annex C – General comments from the PASA industry-wide online survey

1. At the end of our industry-wide online survey on dashboards, we asked respondents if they had any additional comments they would like to make about dashboards.

2. The majority were highly supportive of the dashboards initiative. A selection of the verbatim comments received are listed below:

- *"It's a great idea in principle and something we ought to strive towards."*
- *"Dashboards are a must in my view – there is no reason why this would not be of interest to all pension holders."*
- *"The main objective of dashboards is sensible and honourable, but poor execution that isn't based on real practical experience stands a very high chance of the policy ambition being derailed."*

- *"I think dashboards are a very good idea from a member's perspective, but it does concern me that members' understanding of what they are seeing is adequate."*
- *"It is a game changer for individuals who have lost touch with their pensions, but in terms of providing benefit values this needs to be properly thought through, and consumer tested, otherwise members will get confused and potentially be misled by the output."*
- *"Whilst a great idea and long overdue, with any project of this type there is always a high likelihood of over complication and trying to provide too much, too soon."*

- *"It's taken a long time to get this far on pension dashboards so we should not delay any further and move as quick as we can to providing the basic information of where people have pensions."*
- *"I think the vision of accessibility of pensions to members is great and [PASA's] soon and simple approach is good."*
- *"Keep it simple - start with a simple Find service and link to scheme providers."*

- *"Essential that this goes ahead, but find your pension is the most important part, the amounts are of less value and possibly hinder decision making by the consumer if a one size fits all model is deployed."*
- *"We acknowledge dashboards will be valuable tools for members but share concerns about the early requirements and timelines to work with clients to facilitate planning and decision making on data. We need clarity on requirements as early as possible to give us the best chance of working with our clients to resolve these issues to ensure the full value of dashboards is given to as many members as possible."*
- *"We are watching developments with interest and stand ready to help our clients interact with dashboards."*

- *"The key issue is not having a unique identifier that can be used to 'match' on, given known issues with NINO."*
- *"Great project but ambitious timescales and need to think about trustees / schemes. Everyone wants to do the right thing and get data sorted and ready, but a lot of work to do, especially with everything else going on."*
- *"Another big project for the industry to cope with :-(but the idea and intent is good :-)"*

- *"It'll be a great thing if it happens."*

Get in touch:

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