



PASA Consultation Response

DWP Consultation: Pensions dashboards: further consultation

July 2022

Acknowledgments

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1. Introduction – About PASA

The Pensions Administration Standards Association (PASA) was created to provide an independent infrastructure to set, develop, guide and assess administration standards.

PASA acts as a focal point and engages with the industry and Government to create protocols for understanding good administration - but also appreciates there's no one size fits all. PASA develops evidential Accreditation practices allowing benchmarking across and between the industry regardless of how the administration is delivered.

As well as raising the profile of administration generally, PASA focuses on three core activities.

1. Defining good standards of pensions administration relevant to all providers, whether in-house, third party or insurers
2. Publishing Guidance to support those standards
3. Being an independent Accreditation body, assessing the achievement of good standards by schemes

There's no organisation providing such services across schemes, yet there's a demand for evidence of service quality from scheme trustees, sponsors, administrators, insurers, savers and regulators.

2. Executive Summary

PASA represents schemes, administrators and support services across the full spectrum of scheme types. A concern raised by all stakeholders is the peripheral end-to-end impact of Dashboards. This concern goes beyond the role of a data provider or scheme administrator, to how the Dashboards ecosystem can't be considered in isolation, but as part of a much wider interconnected pension system. It's vital for a greater strategic plan to be in place to ensure all parts of the industry can work successfully together when planning the live Dashboards launch.

PASA welcomes DWP considering how and when Dashboards could be launched and providing certainty on timing. The launch will have significant impacts for both savers and the pensions industry as a whole – two groups of stakeholders for whom needs aren't always aligned.

Any launch is dependent on the successful delivery of the Pensions Dashboards Programme (PDP) and as such, inherent uncertainty exists around the successful delivery of key milestones enabling the launch of the dashboard ecosystem, Dashboards and by extension the confirmation of any Dashboards Available Point (DAP).

We appreciate it's complex to balance stakeholder needs with PDP delivery to give certainty around DAP.

3. Consultation questions and responses

Q1. Do you agree that 90 days is a reasonable period between the DAP formally being announced, and the DAP itself?

On balance we don't believe 90 days is a reasonable period between DAP being announced and DAP itself.

Given the different stakeholders, it's reasonable 90 days may indeed be too long for some and not long enough for others. As part of this response, we have:

- outlined the needs of the different stakeholders as we understand them
- highlighted why 90 days between formal announcement of DAP and DAP itself isn't a reasonable period for some, and
- made recommendations as to what could be done in the run up to DAP and beyond to better support the needs outlined

Needs of the saver

Savers need to be informed about Dashboards shortly before they become available for use. Having a long gap between announcement of DAP and DAP itself could lead to a lack of focus in terms of attention on Dashboards being available from the press, within pensions communications and ultimately from savers.

From the savers' perspective, this may mean 90 days is too long and leads to dilution of the impact of the DAP/Dashboards launch itself.

The planning for promotion and engagement activity within the 90 day period would need to be planned and developed in advance – presumably requiring targeted activity before the 90 day timeline. Having increasing certainty on dates to support this activity may align closely to our recommendation below for a targeted DAP with regular review.

Savers also need the Dashboards customer journey to be effectively supported from end to end. Defining a DAP where the PDP eco-system is ready for launch, but the wider industry can't support, from a query handling perspective, will lead to poor consumer experience and reflect badly on the dashboard initiative itself. As such, it's essential the DAP allows for the whole industry – not just the PDP eco-system – to be ready to serve the needs of the savers using the Dashboards.

Impact on the Pensions Industry

schemes, administrators and providers must be able to support the full journey of savers from engagement with the dashboard to the - as yet unknown - next steps this may trigger. From an administration point of view this could include dealing with:

- queries on saver possible matches
- requests for ERI/accrued value requests where automation is unachievable
- queries on the information shown on Dashboards
- general enquiries about savers' pensions
- an increase in numbers claiming their pension
- an increase in numbers changing saving patterns
- an increase in numbers moving/consolidating their pension

All of the above will require increased resources - at least in the short term. Recruitment and effective training would normally take a minimum of six months to achieve, but in the current recruitment climate even this may not be enough.

The recruitment process shouldn't be commenced until there's certainty around DAP as this is potentially passing undue cost burden to schemes/trustees. **As such, from an industry perspective, a minimum of six months between DAP being announced and the DAP itself is essential to allow for appropriate preparation.**

Dealing with conflicting needs

We recognise a response outlining three months is both too long and too short is contradictory and unhelpful. The key issue is uncertainty around what happens between now and DAP:

- The decision-making process/timeline for the DAP announcement
- The anticipated promotion of Dashboards and/or DAP
- The expected number of users of Dashboards
- What potential pinch points in the Dashboards process may emerge
- What savers will do next

We agree with the expectation the evidence shaping the DAP criteria will emerge through testing, whether private Beta testing as currently envisaged by PDP, or 'live testing' between scheme staging dates and the DAP, when the Programme can test the service with invited users at scale. As an industry, we need clearer information on the above to help shape the way in which schemes, trustees and administrators can prepare for DAP and support savers once Dashboards are here. If this information is accessible to the pensions industry, the gap between announcing an upcoming launch of Dashboards and the launch itself can potentially be reduced.

We've made a number of recommendations below to support all parties and ensure the gap between the announcement of DAP and DAP itself is one which provides a successful platform for Dashboards' launch.

Recommendations

1) Indicative date for DAP with regular updates

The DAP is defined as the point at which pensions dashboards services, as provided for in the Regulations, will be made available to all members of the public. If this is the intention then formal announcement of DAP should serve as the trigger for promotion of Dashboards to savers. Ideally this could be linked to and included within wider promotion of pensions to optimise the effectiveness of all engagement activity.

On the other hand, it needn't be a binary, standalone point for informing schemes, trustees and administrators of the likely timing of DAP. Creating a launch strategy and timeline which iteratively provides the industry with greater information to support planning and certainty around timing of DAP would be incredibly valuable. Indicative dates for DAP with regular updates (perhaps quarterly) can be used as planning assumptions for industry which become more specific as PDP progresses.

2) Linking DAP to PDP milestones

Outlining key milestones and gateways within PDP and linking these to DAP/timelines to DAP would give an increasing level of certainty to support industry in its planning. Outlining DAP will be no sooner than 6/12/18 months from key milestones could provide extra certainty in the planning process. Confirmation of these

milestones could, in some instances, come with key insights/lessons learned which would further help industry preparation

3) **Soft Launch**

PDP has outlined ‘large scale’ customer testing will take place (likely in 2023) as part of the programme. We believe a soft launch of Dashboards is essential as part of a ‘launch strategy’ in advance of DAP. Whilst we see great value in large scale testing, it will be hugely valuable to understand how this will be achieved as the population of individuals involved may not be adequately representative of Dashboards user population after launch.

A soft launch targeted at a more representative audience (including savers who aren’t currently engaged with pensions or Dashboards) would both help test the infrastructure from end to end and provide insight into the queries and next steps these generate. This can be achieved without widespread promotion and access to Dashboards. We strongly recommend this launch be carefully co-ordinated with the industry as without doing so there would be a significant risk of generating responses from savers which cannot be adequately resolved – jeopardising saver experience in terms of Dashboards use and beyond.

4) **Agree Testing Plan and sharing of results**

A detailed suite of testing criteria should be agreed between Government and industry, which the soft launch must evidence before the DAP is allowed to happen. Criteria would need to include security, performance, coverage, level of matching success, level of user understanding and learning what users do next. The incremental testing during the beta and then soft launch phase would indicate the anticipated level of support from industry to be ready for a full DAP. The usability of this information is improved significantly as long as the soft launch user base is sufficiently large and varied.

5) **Insight into plans for promotion of Dashboards**

As outlined, the number of users of Dashboards is a key planning assumption. Understanding the proposed timing and scale of promotion of Dashboards will help the industry identify what impact this may have on user numbers.

6) **Graduated implementation of Response Time Regulations**

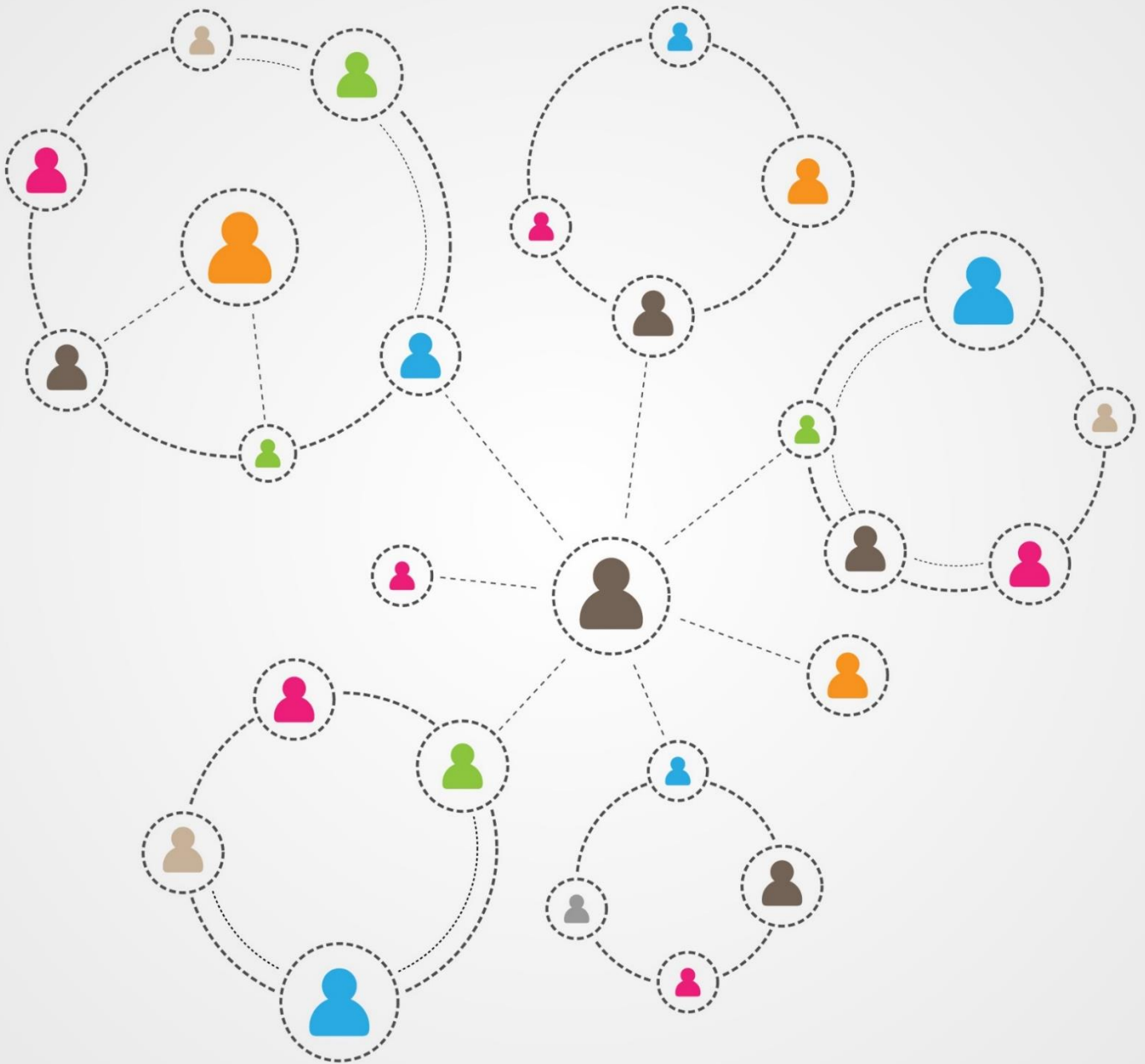
As outlined in our [response to the consultation on draft regulations for Dashboards in March 2022](#), we agree all schemes should aim to provide value data instantly. However, this is far more complex and, at this stage, the regulations shouldn’t aim to impose penalties on schemes which can’t provide instant values for a myriad of reasons. Given the unknowns outlined above which may prevent effective resourcing at DAP, it’s even more important regulators should monitor schemes where values aren’t being provided in a consistent or timely way.

In the first instance, we believe regulators should seek explanations and approaches to improvements these schemes and providers are making to move towards an instant value approach rather than impose response

times which are unlikely to be met. Without the understanding from a soft launch, immediate implementation of strict response times may potentially create negative impacts on wider administration support – ultimately damaging savers' experience.

Q2. Do you have any comments on the proposed powers to disclose information?

We understand and agree with the needs of MAPS and TPR in respect of their need to share information between each other to support the dashboards eco-system. We have no concerns about the proposals in this consultation.



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