

PASA Master Trust Working Group

Master Trust Pensions Dashboards Guidance

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Pensions Dashboards Guidance

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DISCLAIMER

The contents of this document should be considered as high-level guidance only. The information isn't intended to be exhaustive, and we urge stakeholders to seek independent advice and legal advice as appropriate.

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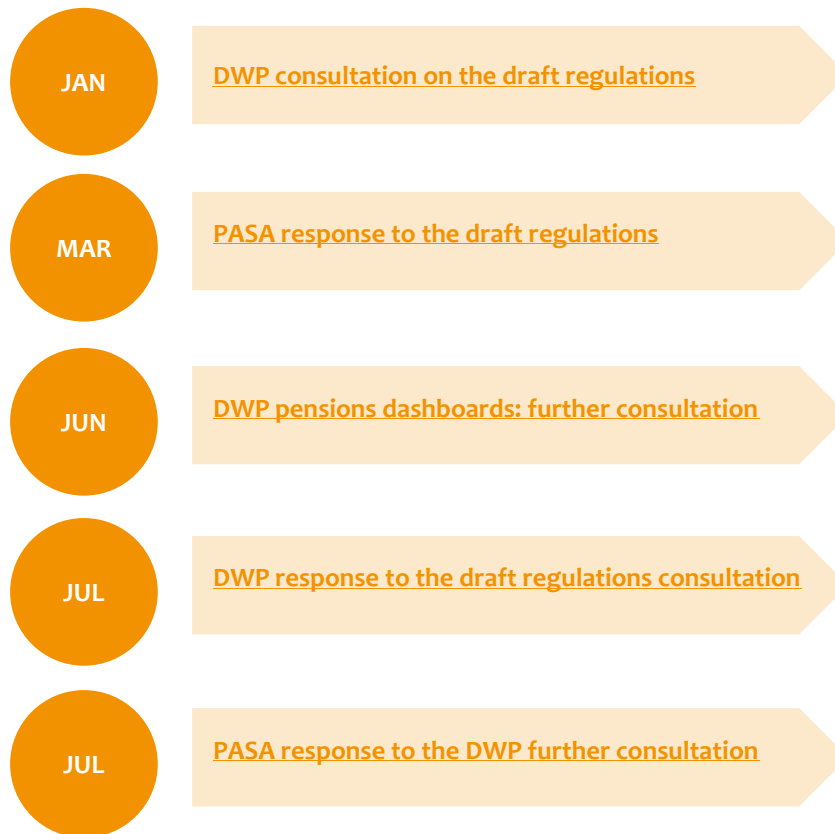
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1. Introduction

Dashboard preparation

The DWP has published numerous consultations on Pensions Dashboards throughout 2022. These are set out below, along with PASA's responses:



While final regulations and standards are expected later in the year, this Guidance aims to support master trusts in preparing to take action ahead of the staged compulsory onboarding commencing in Spring/Summer 2023.

PASA has actively supported the development and preparedness of the industry on this topic and has a dedicated [Pensions Dashboards Working Group](#) focusing on this issue. We recommend reading the Guidance produced by the group alongside this Guidance.

This Guidance considers three key practical areas to consider as part of your scheme's preparation planning:

1. data
2. technical considerations and the ecosystem
3. legal requirements and compliance

The topics are common sense activities which are likely high on the agenda of master trusts. Bearing in mind the huge volume of activity required, we encourage further discussions with qualified advisors ahead of the given deadlines.

2. Data

This Guidance looks at the key actions and decisions which need to be taken specifically by the trustees and administrators of master trusts. Reference will be made to existing Guidance where relevant for further reading.

Know your staging date

Number of active and deferred savers	Staging dates*	Staging dates for hybrid master trusts
20,000 or more	31 August 2023	30 November 2023
10,000 to 19,999	30 September 2023	31 March 2024
5,000 to 9,999	31 October 2023	30 June 2024
2,500 to 4,999	31 January 2024	31 July 2024
1,500 to 2,499	29 February 2024	31 August 2024
1,000 to 1,499	29 February 2024	30 September 2024

* as per draft dashboard regulations

Data Accuracy

Data accuracy is of fundamental importance to all pension schemes and is vital for the successful implementation of Pensions Dashboards. Name, Date of Birth (DOB) and NI Number (NINO) [see [PASA's Data Matching Conventions \(DMC\) Guidance](#)] are likely to be used by many in the matching criteria to accurately identify savers. Incorrect matches could potentially result in fraudulent benefit claims or data breaches. Data security, GDPR and pension scams are already priorities for all pensions schemes. Therefore any actionable tasks created via Pensions Dashboards-based activity will benefit from existing fraud prevention measures already established by the master trust.

The reason schemes can have a high level of confidence in the three core data elements identified by PASA's DMC Guidance is, they're static. Once they've been captured and verified, they won't change. The problem with other data items, such as address, surname and occasionally forename, is they may change. To include these will require regular screening. On average, according to ONS, approximately 11% of the UK population moves house every year; it's easy to see how quickly address details can expire.

Evaluating the accuracy of data isn't straightforward and may require an element of subjectivity. However, it's important to ensure the best experience for users of Pensions Dashboards, to reduce the risk of non-perfect matches and false positives and ensure the correct information is returned. It's particularly challenging for master trusts due to the high proportion of deferred savers and the prevalence of legacy data, much of which won't have been checked for accuracy for a considerable time, despite TPR's record-keeping requirements. Where schemes aren't confident the data they hold is a match, then a 'possible match' should be returned, where a user is asked to make contact with the scheme to verify the data they hold matches the user. Possible matches are a valuable tool to use where a match isn't certain.

For further information see [PASA's Dashboard Accuracy Data Guidance](#).

Data Validation and Cleansing

There are a number of steps master trusts can take to validate and enrich their data.

A. Existence checks

Regular checking of the existence of savers is vital to reduce the likelihood of overpayments, fraudulent benefit claims or data breaches. This can be done by writing to savers and confirming their existence, although this can be a time-consuming and costly exercise which may be subject to fraud. Existence checks can be more reliably and efficiently achieved using a third-party mortality screening service.

By applying these checks regularly, the likelihood of pension fraud and scams is reduced. It alerts past savers to benefits they may not have realised existed and may additionally trigger action by savers to think of all past pension providers and entitlements. These communications can add value to the protection of the savers and the master trust. If used correctly, they could helpfully signpost savers to the scheme's and/or dashboard portal, thereby engaging them further in their future savings planning.

B. Names and addresses

Credit Reference Data is a useful source of information for validating and updating names and addresses. This can be sourced directly through Credit Reference Agencies or via a third-party service provider. Again, this is something a master trust may decide to do regularly, especially given how often people move house. This could be linked with a mortality screening service and then implementing an Application Programme Interface (API) for continuous monitoring.

C. Other data (including DOB, NINO, email address, mobile number)

It's simple to test for existence and validate the format of data. It's less straightforward to validate and evaluate the accuracy of the data held. Often this can only be achieved by communicating with employers in respect of active savers and directly with deferred savers. This can be challenging for master trusts given the potential number of participating employers and savers. However, it could be simplified using electronic communications, web portals and automated updates.

By automating these processes, costs should ultimately be reduced as major activities (which were previously performed manually) for master trusts with their often vast memberships, will become an integrated daily hygiene process. This will enhance the governance of the scheme and support better member outcomes.

Third parties such as credit reference agencies can also validate and enrich DOB, email and mobile data to some extent. DOB is more important as it's an IDV-provided field in the Pension Finder data, so it's always going to be there.

Defining Matching Rules

Under the draft Pensions Dashboards Regulations, trustees of master trusts will be responsible for deciding what matching criteria (including ‘possible matching’ criteria) to adopt. Although in practice the criteria may be recommended by the provider (e.g. by the third-party administrator or insurer) based on evidence such as data quality and the technology options available in their ISP solution. So, deciding what approach to take will, in part, be informed by the results of the data accuracy evaluation exercise. Only where there’s a high level of confidence in the accuracy of surnames, DOB and NINO, should ‘simple’ matching be used as this will lead to a high expectation of robust, positive matches. Using ‘simple’ matching where there’s uncertainty about the accuracy of key data introduces risks, meaning more sophisticated ‘less simple’ matching approaches should be considered. This will need to be balanced against the twin objectives of satisfying the ICO’s GDPR requirements and complying with the statutory duty to carry out matching under the forthcoming Pensions Dashboards legislation.

Data Usage

In July 2022, the [Pensions Dashboards programme published a Data Usage Guide](#) providing the basis for data interoperability across the dashboards’ ecosystem. It provides an explanation of the standard data definitions and covers the data used for both finding and viewing information about UK pensions not currently in payment, whether fully or in part. It’s a technical guide aimed at those who either commission, build, populate, or consume data and is designed to help pension providers understand which data items held within their systems are required by Pensions Dashboards.

Master trusts should be looking at their data storage and the ‘up-load-ability’ of data into the provider or repository being used, to ensure its readable and flows as automatically as possible. It’s important to note data needs to be both retrievable and searchable – for example, a PDF document won’t be suitable. The Data Usage Guide is a recommended read and should be used in the current interface and data exchange planning and testing.

Schemes transitioning to Master trust

For master trusts receiving bulk transfers, consideration should be given to the length of any blackout period. The DWP consultation response confirms transfers in are to be treated as new savers, so dashboards have up to a year of grace during which member’s entitlements don’t fully need to be shown. In reality, the length of any blackout period – and how this will be communicated to savers and how it will be implemented – will need to be considered, decided and actioned. This can include a requirement to provide certain administrative data in a shorter period if so requested. Also, if the ceding scheme has already staged on to Dashboards an ISP transition will need to be carried out.

Decisions will also have to be made about whether the ceding scheme or master trust will take on the responsibility for ensuring data accuracy. Given the potential costs, it may be appropriate to factor these in when considering any transition fees. General considerations for transitioning to master trusts can be found in the [PASA Master Trust Transition Guidance](#).

Pension Values

Master trusts will be required to make a number of decisions about benefit values, including whether to use:

- A. values from a statement provided within the last 12 months (even if the values in the statement were calculated more than 12 months ago), or
- B. a calculation performed within the last 12 months (always in line with FRC rules and updates)
- C. a statement provided to the member within the last 13 months, even if the calculation was done over 13 months ago where specifically requested.

The value data required by dashboards can be grouped into two distinct sections:

- A. accrued benefit data - the values relating to the user's benefits to date; and
- B. estimated retirement income – the values relating to the user's estimated retirement benefits.

The data elements for each group of value data are described at a high level in the Data Usage Guide referenced above. Detailed data definitions for each data element can be found in the [PDP Data Standards](#).

Other useful sources:

[Pensions Dashboards Programme - Data standards usage guide](#)

[Pensions Dashboards Programme - Glossary](#)

There's a general expectation data valuation from DC master trusts will be easier to provide on a 'live' and more frequent basis than annually. This is an important consideration for all master trusts in terms of active engagement with savers and making a reputational connection with them, which leads to trust. Schemes may take the initial approach of using data from a member's latest benefit statement before providing more regular updates using 'live' data as the industry leans into pensions dashboards going live. Having a series of iterations for delivery is perfectly sound, but it's important to ensure the scheme's end position is achievable during the planning phase and to limit the amount of development work needing to be discarded.

3. Technical Considerations and the Ecosystem

Connecting

There's a legal requirement to connect to the Pensions Dashboards' ecosystem to provide pension information. A master trust's administrative system's connection to the Pensions Dashboards will be via a digital interface. Providers may consider becoming a dashboard provider (i.e. to operate your own pensions dashboard). Being the provider of a pensions dashboard is entirely voluntary. However, if a master trust chooses to go down this route, it will be a regulated activity. All potential Pensions Dashboard providers will need to contact the FCA to gain authorisation and approval.

Options

Master trusts will have a deadline for connecting to pensions dashboards, which is called a staging date. It's important to consider the options available when connecting to the dashboards. These include:

1. using an interface built by the scheme's third-party administrator or software / IT supplier
2. building your own interface
3. using an interface provided by a third-party integrated service provider (ISP)

Master trusts should speak to their administrator and software/IT suppliers to understand what their proposal is to connect to Pensions Dashboards and how confident they are in meeting the staging date. Schemes should also review their future development plans, operability and communication tools and widgets available to savers and trustees. This decision is important for the future engagement of savers and connecting with the 'individual'. Master trusts shouldn't feel constrained to their current IT supply chain if it doesn't provide what the scheme and its savers need. If a master trust is considering building its own connection to the dashboard ecosystem rather than using a third party, it's important to make contact with the Pensions Dashboards Programme as soon as possible to understand what's required, including operational, capacity, and testing implications.

Capacity

There will likely be an impact to the master trusts operational resource and IT Infrastructure. Consider the specialist resource and experience required to meet the standards set by the Money and Pensions Service (MaPS) and the impact the volume of data traffic will have on the scheme's IT infrastructure. The master trust must account for the volume of traffic to its administrative systems, which will need to be available 24/7 to savers. This could create large spikes in demand, requiring careful consideration to avoid system connectivity issues. If the master trust is working with dashboard providers, and integrating into its IT ecosystem, software technicians would be well placed to assist in understanding demand and capacity and best application of APIs. In addition, consider the impact on the administration team as savers seek assistance with pension values within the three day timescales. As well as match resolution and the general follow up queries likely to occur.

Testing

Prior to launch, extensive testing of how the master trusts systems connect to the Pensions Dashboards' ecosystem will be necessary to show systems meet the standards and specifications set by MaPS. Extensive testing is important to understand how the IT infrastructure reacts to the connection. It should look at performance and how this is impacted by load testing. The testing process should also consider savers understanding of how the Pensions Dashboards operates and be able to capture and act on feedback received on the saver experience.

The criticality and importance of this development requires practical and direct support and engagement from the trustees and their commercial owners and a commitment to see this through.

To support these activities, it will require a control framework and dedicated project management resource to help deliver a successful outcome. Project management, while critical, shouldn't become bureaucracy for bureaucracy's sake.

Register

Whichever method chosen to connect to dashboards, the master trust will be expected to be registered with MaPS' Governance Register. This will ensure the dashboards ecosystem is kept safe and the required security and performance standards are met. The master trust will need to co-operate with requests made by MaPS about the connection and let them know of any barriers or connection issues.

Once complete, the master trust should be able to:

- receive personal data on savers (find requests)
- use this personal data to find savers' pensions in its records (match)
- provide pensions information to savers via dashboards (respond to view requests)

Connecting with MaPS and registering is a recommended early step in order to meet obligations.

Accountable

The master trust remains accountable for ensuring it's connected to dashboards appropriately and the connection remains compliant. The master trust must have confidence all necessary technical and security specifications/standards are met with testing being carried out. To facilitate this, robust processes should be in place for the selection, appointment, management and replacement of any suppliers and records kept of key decisions throughout the process.

Master trusts have an obligation to ensure there's relevant, regular and ongoing governance and oversight of key suppliers and their appropriateness for the roles they play – are they still fit for purpose? The **TPR has issued Guidance on this** as part of the application process and regular reviews should be adopted as best practice.

Ongoing

Once connected, schemes are expected to remain connected to the system. The master trust should notify MaPS as soon as any connection is lost, and keep MaPS informed of any planned maintenance or cyber-attacks/system issues potentially impacting the connection. Ongoing engagement with MaPS will allow schemes to plan for any updates and/or understand any required changes to standards. It's important to keep the scheme's information on the Governance register up to date. If the master trust doesn't meet these standards and requests, it runs the risk of being automatically disconnected from the ecosystem.

Other sources:

[**Pensions Dashboards Programme-Code of connection**](#)

[**The Pensions Regulator Pensions dashboards: initial guidance**](#)

The following link provides a useful checklist master trusts can refer to covering connection, governance, matching savers to pensions, providing pension information to savers – together with a suggested preparation timeline:

[**Preparing to connect: checklist | The Pensions Regulator**](#)

Summary and key steps

1

Process

Make any required changes to administration processes, for example to provide the pensions values required for dashboards

2

Connecting

Check your connection deadline

3

Options

Decide how you will connect

4

Data

Ensure your data is of a high quality and in the correct format

5

Capacity

Consider any capacity issues

6

Register

Register with MaPs

7

Testing

Plan for and execute extensive testing

8

Accountable

Ensure you're connected to the dashboard on time and your connection remains compliant

9

Ongoing

Remain connected at all times with appropriate oversight and governance

4. Legal Requirements and Compliance

The Pensions Dashboards requirements will apply to all registrable UK-based occupational pension schemes with 100 or more active/deferred savers, including all public and private sector schemes with active and deferred savers. It's not intended those in receipt of pensions will need to have data provided. The staging dates for master trusts are the earliest, which means the requirements will need to be complied with via co-operation and connection to the digital architecture.

Earlier connection than the stated Staging dates is permitted but would require engagement with MaPS and would need to follow [early engagement guidance](#).

Impact of non-compliance

TPR may use enforcement powers which could include a fine of up to £50,000 for non-compliance. DWP regulations provide TPR with powers of enforcement, which include compliance notices, third party compliance notices, and even fines. TPR will be publishing their Compliance & Enforcement Policy for consultation in the Autumn of 2022 when you can see what to reasonably expect. Scheme managers and trustees can ensure compliance as follows:

Project Plan – top 10 actions

Project Plan	
Top 10 Actions	
<input type="checkbox"/>	Identify staging deadline and monitor regulatory updates and compliance
<input type="checkbox"/>	Get data in order and review/make required changes to administration processes
<input type="checkbox"/>	Get ready to connect
<input type="checkbox"/>	Ensure the ability to match and respond
<input type="checkbox"/>	Ensure suppliers and outsourcing arrangements are reviewed
<input type="checkbox"/>	Prepare for save engagement (and nonsavers!)
<input type="checkbox"/>	Review data protection and cyber security risks
<input type="checkbox"/>	Review risk monitoring procedures and actions
<input type="checkbox"/>	Review record keeping requirements
<input type="checkbox"/>	Review reporting/compliance requirements

TPR recommends Pensions Dashboards is included as a regular agenda item at trustee meetings in order to keep track of progress.

The Connection

Trustees will need to connect by their staging date and:

- consider connection standards published by MaPS
- review and action pre-connection steps
- ensure ongoing connection with all security and technical standards

Connection will enable a scheme to receive both **find requests** (a request sent by the pension finder service to all schemes searching for a pension match) and **view requests** (a request to see the relevant pensions information).

Data protection - UK GDPR/ Review Data sharing contracts

Compliance with UK GDPR responsibilities as set out in the [Information Commissioner's statutory code of practice on data sharing](#), will need to be reviewed and followed. Effectively, Trustees should satisfy themselves they've clarified and understood the legal basis for processing member data having regard to and reflecting on any data shared in a pre-connection period.

In addition, trustees will need to consider the following

- ensuring a suitable agreement is in place with administrator/provider
- whether a Data Protection Impact Assessment (DPIA) has been completed in respect of matching criteria
- if updates to privacy notices etc are needed

Master trusts will need to ensure privacy policies are updated to reflect the legal basis for processing and sharing data to include dashboards.

Cyber Security

Trustees are responsible for the security of measures afforded to and protection of member data. Trustees will need to be aware of the cyber security measures required for connection with the dashboards. The DPIA should be reviewed specifically to ensure risks are identified and mitigation measures are in place.

Governance, liability and review of Trustee protection

Trustees need to consider how data is provided to scheme savers and how it's to be relied upon. This may give rise to exposure where, for example, the pension isn't accurate or not shown and an individual then takes action on the data. In addition, risk assessment and reviewing measures to ensure fraud and scams are mitigated – and repurposing existing fraud detection measures – would be a sensible consideration. It also gives you the opportunity to review any fraud processes already established.

Review capacity

Indications from the launch of Pensions Dashboards in other countries suggest a large increase in engagement and requests from savers (and potential non-savers). Being able to facilitate and respond to the increase in demand

from savers should be anticipated. Typically, this could range from a quarter to a third greater volume of member queries.

5. Conclusion

It's clear even without any future changes to regulation, Pensions Dashboards will evolve through different iterations, expanding data points and useability by savers. As a result, engagement with savers will increase. There's so much potential good to come from this and PASA fully supports this direction of travel.

While evolution takes time, there are immediate actions needed to fulfil your obligations for connecting to Pensions Dashboards which we've signposted in this Guidance. Whatever planning you're doing to deliver dashboard data for your savers, we wish you and the industry the very best in providing our savers with increased information from which they can make healthy decisions.

This Guidance is intended to help master trusts on their journey, to assist in planning and as a sense check they have it all covered.



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