



## Dashboards Working Group

Scheme administrators connecting AVCs to  
dashboards – Guidance and Checklist

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# Guidance on connecting AVCs to dashboards

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# Acknowledgments

PASA is grateful to the primary authors of the Guidance listed below. The Guidance was written with additional support from the PASA Dashboards Working Group (PDWG).

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## 1 Introduction

It's a trustee duty to connect AVCs to the pensions dashboards ecosystem and they'll look to their providers to support them.

This Guidance assumes the administrator and the AVC provider have agreed to follow the 'single source' approach, and the AVC provider will provide data on an annual basis (as a minimum) to the main scheme administrator to support trustees in meeting their dashboard duties. The 'single source' approach is where a single party will connect both main scheme benefits and AVCs.

A suggested list of activities to connect and maintain the AVC data is set out below. The suggestions have been supplemented with notes designed to explain why a particular activity is important and provide support in achieving this in a cost effective manner.

It should be noted:

- Not all steps apply to all schemes and it's for individual administrators and/or AVC providers to decide which of the steps in the checklist apply to them
- This checklist is an indicative list of the steps needed. Individual schemes may have additional requirements not detailed in this document
- The steps don't need to be completed in the order shown, nor do they need to be undertaken consecutively

Before engaging further with AVC provider(s) it's important to establish the following information as this will form part of the discussion and influence the timing of certain activities and help set expectations for all stakeholders:

- The deadline for the scheme to be connected, and the trustees' target connection date
- The suggested annual Benefit Illustration Date to be used

Any discussions between trustees and AVC providers regarding any commercial and contractual issues haven't been considered in this context. The focus of this Guidance is the steps which need to be taken to ensure AVC data is available to the ecosystem, and for compliance to be achieved both at connection and on an ongoing basis.

In summary, the key activities which should be undertaken include:

- Reconciling population and other key data between the scheme administrator's records and the AVC provider's records
- Agreeing the frequency and content of the data to be provided and how this can be transferred securely
- Agreeing a benefit illustration date to be used and putting in place a process for the data to be updated on a regular and compliant basis

## 2. Checklist

### ACTIVITY

Extract a list of all members who have AVCs with the provider from the administration database. To support future reconciliation activities this list should include:

- All relevant data items based on the Find Data list in the data standards including, as a minimum, basic member details such as name, surname, date of birth and National Insurance Number
- The AVC provider
- The member's status
- Any reference number used with the AVC provider
- Retirement Date(s) (whether a Normal Retirement Date, Target Retirement Date, or a Special Retirement Date. If multiple dates are held then all should be reviewed)
- AVCs where the member has taken their main scheme benefits but the AVCs remain with the provider. These aren't relevant members, so it's important to identify them irrespective of the method of connection

### NOTES

*This provides the starting point for the scheme's member level reconciliation. To obtain maximum value from the exercise, this reconciliation should cover as many of the shared data items as possible.*

*Undertaking this initial internal review could highlight anomalies such as:*

- *Members where AVCs have been disinvested but never paid to the member*
- *AVCs which should have been disinvested but haven't been*
- *Members who have taken their main scheme benefits but made a conscious decision to defer taking their AVCS*

## ACTIVITY

Run data checks to ensure the list of members is correct, and the data looks reasonable. The checks should focus on quality as well as the existence of data.

A 'matching readiness assessment' should have been carried out as described in the [PASA Connection Ready Guidance](#) for the personal details used for dashboards matching. This should preferably include the use of external reference data through tracing to ensure high confidence in the scheme records.

For other data items, the results of either a specific dashboards readiness assessment and/or regular TPR scheme specific checks should be reviewed for members with AVCs.

Once the list has been validated, any necessary updates should be made to the administration system and take any action in relation to individual member cases.

## NOTES

*This will help in the reconciliation process once the data is received from the AVC provider.*

## ACTIVITY

Review a copy of the latest AVC statement to check the following:

- What Benefit Illustration Date is currently used and does it align to the date to be used for pensions dashboard purposes?
- When the statements are typically issued to ensure this aligns with when you expect the main scheme benefits to be updated on dashboards (this assumes the scheme is using stored data values. Alternative considerations will apply where live calculations are being used)

## NOTES

*Checking the Benefit Illustration Date is important as all benefits within one trust must have the same date. This is a requirement of the [pensions dashboard regulations](#). [TPR's Breach of Law reporting guidance](#) provided an example of whether such a breach should be reported*

*Consult those responsible for your connection technology, such as a third-party ISP, to understand the options available in respect of alignment of benefit illustration dates.*

*Individual administrators should decide the approach to be taken to the provision of contextual data relating to AVCs. However it's likely, where the main scheme administrator is making the AVC data available to the dashboard ecosystem, they'll assume responsibility for populating the contextual data for the AVC benefits. The administrator may require input from the AVC provider when completing this work.*

## ACTIVITY

Contact the AVC provider. This communication should:

- Request a list of all members who have AVCs with the provider per scheme. It's important to remember one scheme may have multiple policies with the same provider
- Provide details of the proposed Benefit Illustration Date to be used for the data with proposals where this differs from the current Benefit Illustration Date being used by the AVC provider
- Include confirmation of the trustees intended date of connection for the scheme
- Request confirmation from the AVC provider to ensure the scheme's AVC policies won't be connected automatically along with the provider's other policies, for example at the AVC provider's connection guidance date advised by the FCA
- If data is required in a specific format, include an example of the file format required. The aim should be to agree the file format no less than three months before the intended date of connection

## NOTES

*At this stage, the focus is on ensuring:*

- *Both providers have a reconciled list of members*
- *The Benefit Illustration Dates are or will be aligned (this may be an iterative process so there's a possibility this may require further discussion. The date must be the same for all AVC providers to the scheme so one provider can't be looked at in isolation)*
- *The AVC provider is aware of the date on which the trustees are intending to connect the scheme (as a reminder most AVC providers will be connecting arrangements covered by FCA rules so are likely to be working to different staging dates)*
- *There's an agreement on the mechanism and format for exchanging data*
- *It doesn't matter whether the main scheme administrator or the AVC provider starts the member reconciliation process, the objective is the same – to obtain an agreed list of members who have AVCs within the policy. This may give rise to queries and individual member files may require investigation. However it's important to have a reconciled position*

## ACTIVITY

On receipt of a response from the AVC provider, the scheme administrator should:

- Carry out a matching reconciliation between the AVC provider listing and the administrator records:
  - Where cases can't be matched by an automated process these will need to be resolved manually e.g. how were problem cases dealt with when manual updates have been made in previous years from paper records
  - Decide on a unique ID which will be used and held on both platforms (most likely an AVC provider held data item such as a policy ID to handle situations where a scheme member has more than one AVC policy)
  - Update the administration database to hold this policy ID for use in future 'automated' matching of pension values to the correct member
- Reconcile other key data items where necessary, for example target retirement dates/ages which apply to SMPI projections
- Investigate any other remaining differences with the list of members and take any action necessary
- Respond as necessary on any of the other points previously raised
- Where necessary update the administration platform with any changes needed
- Share the outcome of the reconciliation activity with the AVC provider and the trustee

If the scheme is still allowing new AVC payments to be made then this reconciliation process would need to be carried out annually, as a minimum, to ensure the necessary unique links have been established under the BAU process for setting up a new AVC payer. The BAU process therefore also needs to be amended.

## NOTES

*Other than the member reconciliation, it's not possible to be prescriptive on other activities which need to be undertaken as they will be specific to individual schemes. For example, if all the Benefit illustration Dates are already aligned, no action will need to be taken.*



#### ACTIVITY

Check the AVC provider's approach for members where they aren't required to provide an Estimated Retirement Income (ERI) figure, for example members close to or past their benefit payable date or those with small pots.

#### NOTES

*Understanding this is important as it will affect the data the main scheme administrator will make available to the ecosystem for these members. The approach will be specific to individual AVC providers. An Accrued Value (AV) must be provided for all members, but this isn't the case for the ERI value data. It will be the responsibility of the main administrator to obtain clarity on what will be provided for these cases and to ensure the correct contextual data is supplied to the ecosystem.*

#### ACTIVITY

Check whether there are any entitled members where AVC data won't be automatically available and will need to be provided on request. If so, a process must be agreed with the AVC provider to ensure trustees can meet their regulatory duty to make this available within 10 working days.

#### NOTES

*Ideally schemes should seek to have AVC data available for all entitled members. However, if for any reason this isn't possible, an appropriate process will need to be put in place to manage any value data requests within regulatory timescales.*

#### ACTIVITY

The AVC values will need to be updated annually as a minimum and the timing will need to coincide with the uprating of the main scheme benefits:

- Establish a timeline for each scheme year and agree this with the AVC provider to ensure they adhere to the timescales requested. This will require co-ordination where there are multiple AVC providers
- Consult those responsible for your connection technology, such as a third party Integrated Service Provider, to understand the options available to support the alignment of benefit illustration dates, to ensure all updated values are available before the benefit illustration date is 'moved on' to the next year

#### NOTES

*It's advisable to establish this process as part of implementation plan. Discuss and agree with the AVC provider when you'll require the first set of values and when the first uprating or refresh of value data will happen. Ensure the plan allows enough time for the resolution of any queries.*

