# PASA Consultation Response

**FCA Consultation Paper CP26/1**
**The Value for Money Framework: Response to consultation, further consultation and discussion paper**

**March 2026**

**PASA**

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# Acknowledgments

## 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 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 being delivered.

As well as raising the profile of pension 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.

## 1. Summary

The ongoing development of the VFM framework continues to support the central aim of improving outcomes for savers. The direction of travel reflects a stronger and more consistent approach to evaluating value across schemes. We welcome progress in the following areas:

- Clearer expectations around transparency, giving savers, employers and governance bodies better visibility of value
- A movement towards more comparable metrics, helping to reduce ambiguity and support a fairer assessment of how schemes perform
- A greater focus on consistent measurement, which should help reduce unnecessary variation and make the framework easier to apply
- Improved regulatory tools, providing a more structured way to address persistent issues where schemes are not delivering value

There are still areas where further refinement is needed to ensure the framework is practical, proportionate and workable across the full range of scheme structures. These include:

- Several metrics remain under development and will need clear definitions so all providers can apply them consistently
- Differences in industry terminology and reporting approaches continue to present challenges for comparability, especially where schemes operate different models or legacy systems
- Bringing together multiple strands of service delivery into a single overall judgement is helpful, but the process must be robust and avoid oversimplifying complex administrative realities
- Trustee and IGC judgement will remain an important part of the assessment, and firm guidance will be needed to ensure this is applied consistently

For the framework to deliver its intended impact, three areas require particular attention.

- Service quality must carry meaningful weight within the overall assessment, reflecting the operational moments which matter most to members
- Metrics must be clearly defined and standardised before being used for comparison, to ensure fairness and avoid distortion between different scheme models
- Regulatory interventions must be proportionate and focused on sustainable improvement, so remediation is encouraged without creating unintended detriment for members

Overall, the direction of the framework is positive. The next phase should focus on ensuring the measures are sufficiently clear, balanced and practical so they support reliable comparisons and lead to better outcomes for savers.

## 2. Consultation questions and answers

**Question 1: Do you have any comments on the proposed scope? Do you believe any further exemptions should be considered?**

The proposed scope is moving in a sensible direction, but there are still practical issues which will create challenges for schemes when applying the rules in practice. In particular, the requirement to determine whether 80% of employees are in the arrangement is unlikely to work as intended.

Schemes often don't hold accurate or current information on the total number of employees within each participating employer. What they know is the number of individuals who've been enrolled at a particular point. This means the 80% test may be difficult to calculate consistently, especially for employers with changing workforces.

A more workable approach would be to base the requirement on a clearer measure, such as whether the majority of employees are in the arrangement on a best estimate basis. This would still meet the policy intent while avoiding the risk of inaccurate assessments.

If the framework was extended to trust-based schemes, many employers automatically enrol most of their workforce into a single arrangement, so a strict 80% requirement would bring a large number of schemes into scope very quickly.

When considering smaller employers, particularly those with very few members, a lower threshold or adapted test may be appropriate. Many smaller schemes will have limited administrative support, and the burden of meeting the full requirements may be disproportionate.

A more flexible threshold would help support consistent application across the market and avoid unnecessary administrative pressure, especially for schemes with small memberships or variable workforce patterns.

**Question 3: We do not think this situation would arise for trust-based schemes. Do you agree with this understanding?**

If the framework is extended to trust-based schemes, we agree the situation described is unlikely to arise in the same way as it may for contract-based arrangements. Trust-based schemes tend to have a more stable link between the employer and the scheme, with the majority of employees typically enrolled through automatic enrolment.

However, a few practical points should be considered when applying the test in this context:

- Trust-based schemes often retain members' funds after they leave employment, and leavers may move their savings elsewhere independently. This means it will be important to define clearly whether the test should focus on current employees, enrolled members, or both

- The reliance on employer level workforce data is likely to be a challenge for trustees, as they may not have access to up-to-date information on total employee numbers. A more practical measure, or clearer guidance on the data required, would support consistent application

Overall, while the situation may not arise frequently within trust-based models, the mechanics of the test still need careful consideration to ensure the approach is clear, practical and can be applied consistently.

**Question 17: Do you agree with our proposals for disclosing employer subsidies? Why or why not?**

We support the intention to improve transparency around employer subsidies, particularly where these arrangements influence the overall cost position of the scheme. Clear disclosure helps reinforce trust and ensures governance bodies understand the true cost structure of the arrangement they oversee.

However, some points would benefit from further consideration:

- If the information has no impact on the VFM rating, it's not clear what purpose the additional data serves within the framework. Schemes and providers will need to collect, review and present this information, which adds administrative effort without influencing the overall assessment
- If the regulator intends the disclosure to support wider analysis or longer-term policy development, this should be stated clearly so schemes understand why the information is being collected
- The definition of what constitutes a subsidy should be precise and applied consistently. Without this, there may be differing interpretations across the market, which would limit the usefulness of the data
- Any disclosure requirements should be proportionate, recognising subsidies can vary in nature and may not always be straightforward to capture within a uniform template

Transparency is important, but the requirement should serve a clear purpose. If the information doesn't influence the member outcome or the VFM rating, it risks becoming an administrative burden rather than a meaningful addition to the framework

**Question 19: We would like to include 'Payments out as retirement income' as a key transaction. We are aware that some individuals approaching retirement may request payment at a future date, hence our request for data based on requests for immediate payment. We would be interested in views on whether our proposed measure above would provide a reasonable measure.**

We agree it's important to measure how quickly retirement income is put into payment, as this is a critical point in the member journey. Most individuals rely on a smooth transition from employment income to retirement income, and any delay can have a direct financial impact.

A measure based on the time taken to make the first payment is a reasonable approach, but it should be applied in a way which reflects the practical realities of retirement processes. To achieve this, we suggest the following:

- A focus on whether the first payment is made within one month of the intended retirement date would reflect the point at which members begin to rely on this income
- The measure should recognise different retirement options follow different processes. For example, annuities may involve additional steps, including finalising the fund value after the last contribution is paid. Drawdown arrangements often move faster
- Schemes which pay income directly through pensioner payroll will usually operate monthly payroll cycles. If the paperwork misses the monthly cut off, the payment may fall into the following month. A rigid 'number of days' measure may therefore give an inaccurate impression of performance
- The aim should be to assess whether the member experienced a continuous flow of income, rather than measure internal processing times in isolation

A simple, outcomes focused measure such as the proportion of cases where the first payment is made within one month of the intended retirement date would provide a clearer and more consistent basis for comparison across schemes.

**Question 20: We would be interested in views on whether the payment of Pension Commencement Lump Sum should be a transaction included in this section.**

We agree Pension Commencement Lump Sums (PCLS) should be included within the measures. For many members, the lump sum is needed immediately after retirement and forms an important part of their financial planning. Any delay can create cash flow pressures at a point where individuals may already be managing several changes in their income and expenditure.

A clear and consistent measure would help provide visibility over how quickly schemes process these payments. To support comparability, we suggest a focus on the proportion of PCLS paid within one month of the intended retirement date. This aligns with typical household budgeting cycles and is straightforward for providers to measure.

Including PCLS within the framework also creates a more complete picture of the retirement transition, ensuring the assessment captures both the initial lump sum and the commencement of any ongoing income.

**Question 21: Do you have any comments about our proposal to collect complaints data at the level at which the same service is experienced? Do you agree with our proposed definition of a platform?**

We agree with the proposal to collect complaints data at the level where the service is delivered. This helps ensure the information reflects the member experience more accurately and avoids distortions which might arise when complaints are aggregated at a higher or less relevant level.

Collecting the data in this way is more likely to support consistent comparisons between providers, as it focuses on the parts of the process members interact with directly. In particular:

- Gathering complaints at ~~the~~ an operational level allows issues to be linked more directly to the service model, helping identify where improvements are needed.
- It reduces the risk structural differences between schemes or providers obscure what the member experiences.
- It supports a more transparent view of service quality, which is central to the aims of the VFM framework.

We agree with the proposed definition of a platform. A clear and consistent definition is important if the data is to be compared across different providers, and the definition included in the consultation appears sensible and workable.

Provided the final definition remains clear and widely understood, this approach should help ensure complaints data is reported in a consistent and meaningful way.

**Question 22: We would be interested in views on whether our proposed approach to negative perception metrics will provide relevant data to indicate saver concerns.**

Capturing saver sentiment is important, but negative perception metrics are difficult to use consistently across the market. Without clear definitions and robust collection methods, the data can mislead decision makers and distort comparisons. We support the intent but recommend changes to make the approach more reliable and useful.

Given the potential for misinterpretation and unintended behavioural consequences in this area, we have provided more detailed observations below.

**Key considerations**
- **Define the scope precisely** - set clear definitions of what counts as a negative perception event. Distinguish between service-related dissatisfaction, product design concerns and outcome related issues. This separation reduces the risk of different interpretations across providers
- **Use a standard complaints taxonomy** - introduce a common taxonomy for categorising complaints and expressions of dissatisfaction. Require schemes to map their internal categories to the standard set so like is compared with like
- **Differentiate channels and severity** - record the channel of the perception event, for example phone, email, web form or social media. Distinguish low-severity dissatisfaction from formal complaints and from cases which enter dispute resolution. FCA-regulated firms must treat any expression of dissatisfaction as a formal complaint, whereas trust-based schemes aren't required to do so. This means FCA providers may appear to generate higher complaint volumes even when issues are resolved immediately. To ensure fair comparison, the framework should provide for the exclusion or separate reporting of 'one-and-done' complaints closed at first contact
- **Focus on member experience measures** - where possible, anchor negative perception metrics in moments which matter, such as response times, payment timeliness and correction of errors. These are easier to capture consistently and more closely linked to outcomes

- **Avoid double counting** - ensure a single member issue which moves through several stages is counted once with a status flag showing its progress. This prevents escalation steps from inflating the volume of negative events

- **Calibrate for scale and exposure** - present rates rather than absolute counts, using a consistent denominator such as complaints per 1,000 members or per 1,000 transactions. This allows comparison across different sizes and service models

- **Contextualise Ombudsman escalation** - escalations to the Ombudsman are informative but typically rare for most arrangements. Treat them as a rate-based indicator and present them alongside volume and severity to avoid overstating their weight in the overall picture

- **Evidence thresholds and materiality** - set thresholds to filter out random variation. For example, establish minimum volumes or confidence intervals before drawing comparisons. Include guidance on when movements are statistically meaningful

- **Guard against perverse incentives** – highlight encouraging members to raise issues early is a positive behaviour. Poorly designed metrics can discourage early resolution or bias firms against recording expressions of dissatisfaction. The framework should reward timely resolution and root cause fixes

- **Require short narrative context** - allow a brief standardised narrative to explain spikes caused by known events, such as a major legislative change or a system migration. This improves interpretation without undermining comparability

- **Quality assurance and auditability** - expect basic validation, sampling and audit trails so data is reliable and repeatable. Where surveys are used, set minimum standards for sampling, response rates and question wording

## Overall position

Negative perception metrics can provide useful insights if they're tightly defined, proportionate and supported by a standard taxonomy. The emphasis should remain on measures which reflect the member experience and can be captured consistently across different providers. With the refinements above, the data will be more reliable and actionable, and less likely to be taken out of context.

**Question 23: Does our revised approach to engagement metrics seem appropriate? Additionally, we would be grateful if you could provide us with an explanation of what surveys/data gathering exercises you currently undertake for member engagement. If you would be willing to share a copy of your member engagement survey(s) with us, please tell us.**

Member engagement is an important indicator, but it remains one of the most challenging areas to measure in a consistent and comparable way. Engagement outcomes are heavily influenced by factors outside a provider's control, including the design of the workforce, the nature of communications from employers, and the timing and framing of surveys. For these reasons, caution is needed when incorporating engagement data into the VFM framework.

The revised approach represents progress, but several challenges remain:

- Engagement results can vary significantly depending on how and when surveys are conducted. Minor changes in wording or question order can have a substantial impact on responses
- Digital channels, email delivery and device type can all affect response rates, creating variation which doesn't reflect a difference in service quality
- Response bias is a persistent issue. Members with strong views, either positive or negative, are more likely to participate, which can skew results
- Smaller schemes or those with low levels of digital contact may generate insufficient data to draw reliable comparisons

Given these considerations, schemes are likely to be cautious about how engagement metrics are used, particularly in direct comparisons. Before embedding these measures into the VFM assessment, further detailed guidance and standardisation would be needed. In terms of existing practice, most schemes already collect some engagement information through a combination of:

- Routine service interactions
- Digital usage data, such as logins or online updates
- Targeted surveys carried out on specific topics
- Feedback channels linked to key processes or communications

Where surveys are conducted, they tend to be tailored to the specific needs of the scheme and its membership. As a result, these surveys aren't easily shared or adopted as industry-wide benchmarks.

Further work is needed to improve consistency across engagement measures. A standardised set of questions, guidance on sampling, and minimum expectations for response rates would help ensure any future engagement data is meaningful and comparable.

**Question 24:  We welcome feedback on our revised proposals for engagement metrics and how that engagement generates specific outcomes.**
Focusing on outcomes of engagement is the right direction. Measures which capture whether members take actions which improve their position are far more meaningful than raw activity counts. In this context, the proportion of members with a valid nomination of beneficiaries is a strong, practical metric which can be applied consistently across schemes.

**Question 35:  Do you agree with the proposed approach to considering service value in step 2? Why or why not?**
We support the proposed approach to assessing service value within step 2. A balanced view of value must recognise investment outcomes alone don't determine the member experience. High-quality administration and

reliable service delivery are essential for ensuring members receive the benefits they expect, at the time they need them and with confidence in the accuracy of their information.

The focus on data accuracy, transaction timeliness, complaints management and beneficiary nominations align well with the moments which matter most to members. These are measurable areas which directly influence outcomes and can offer a fair basis for comparison across different providers.

To strengthen the approach, we suggest the following refinements:

- **Clarity on measurement points** - service metrics should be measured from the member's perspective. Using elapsed time rather than internal processing time avoids masking delays which affect members but not administrators
- **Consistent definitions** - clear guidance is needed on what constitutes the start and end of a service process. Without this, providers may interpret metrics differently, which would reduce comparability
- **Materiality thresholds** - minor exceptions or low-volume anomalies should not distort overall results. Introducing materiality thresholds would help ensure the ratings reflect meaningful performance differences
- **Consideration of complexity** - some cases are inherently more complex, such as transfers involving legacy data or non-standard benefit structures. The framework should allow providers to record legitimate complexity where it affects timescales
- **Transparency on root causes** - where performance issues arise due to upstream controls, such as employers not supplying data on time, schemes should be able to note this. It helps ensure the assessment reflects genuine service performance

Overall, the proposed approach provides a clear and balanced way to bring service quality into the VFM assessment. With additional guidance to support consistent reporting, it has the potential to deliver meaningful comparisons and encourage providers to maintain strong service standards.

**Question 37: Do you agree with the proposed updated RAGG ratings? Why or why not?**

We broadly agree with the proposal to introduce a four-tier RAGG rating system. Expanding the scale provides clearer separation between satisfactory performance and genuinely strong performance, which is important if the framework is to support decisions by employers, trustees and governance bodies.

The move from three categories to four reduces the likelihood of schemes being placed into a category which doesn't accurately reflect their overall performance. It also creates more space to distinguish between acceptable outcomes and areas where performance is truly delivering more value for members.

There are areas where further refinement would improve clarity and usability:

- **Clarity of the 'dark green' category** - two green ratings may not be intuitive for members. The distinction between them should be made clearer so schemes offering consistently strong performance can be recognised without creating confusion

- **Alignment of the 'amber' terminology** - in many contexts, amber is associated with 'acceptable but needs improvement', rather than 'not value'. Its use in the VFM framework may therefore cause confusion for members and employers, particularly if amber is intended to indicate value is not being delivered. If the intention is to create clearer differentiation between performance levels, it may be helpful to reconsider the terminology used for each category. One option would be to adopt a scale which better reflects how colours are commonly interpreted, for example:
    - Black as the lowest category, signalling arrangements which clearly fail to meet expectations
    - Red as a warning category, indicating material concerns which require timely remediation
    - Amber for arrangements which provide acceptable outcomes but should demonstrate improvement
    - Green for strong performance, with the potential to further distinguish 'exceptional' outcomes if required

    This type of structure may provide a more intuitive hierarchy for savers and employers and reduce the risk of misinterpreting what amber represents within the framework

- **Clear thresholds for movement between categories** - the effectiveness of the rating system depends on consistent application across the market. The boundaries which separate green, light green, amber and red must be defined in a way which reduces interpretation and ensures similar schemes receive similar assessments

- **Consistency across providers, trustees and IGCs** - because the amber and red categories trigger regulatory attention and potential transfers, it's essential these ratings are applied in the same way across the industry. This will require detailed guidance, including examples and tolerance ranges, to support consistent decision making

Overall, the expanded scale is a positive development. With clearer definitions and stronger guidance on the thresholds, it can help improve transparency, support member understanding and encourage providers to continue improving the value they offer.

**Question 39: Do you agree with the proposed transfer requirements for red rated arrangements? Why or why not?**

Schemes receiving a red rating on a persistent basis should be required to transfer members to a better performing arrangement. If a scheme is consistently delivering poor value, members shouldn't remain in it for extended periods, and a clear mechanism for moving them to an arrangement which offers better value is appropriate. However, the transfer requirements will need careful design to ensure they're workable and don't inadvertently disadvantage members. In particular:

- **Clarity on what constitutes 'persistent'** - the framework should set out how many assessment cycles or reporting periods constitute persistent failure. Without this clarity, schemes may face uncertainty about when regulatory action will be triggered

- **Criteria for receiving schemes** - to protect members, only arrangements with consistently strong performance should be eligible to receive transfers. It would be sensible to require receiving schemes to hold a rating in the higher categories rather than simply being above red

- **Appropriate timescales** - transfer deadlines should be realistic and proportionate. Schemes will need time to plan and execute a bulk transfer safely, especially where complex benefit structures or legacy data are involved

- **Member communication requirements** - a clear communication plan should be part of the process. Members need to understand the reason for the transfer, how it affects them, and what benefits the new arrangement offers

- **Exemptions where transfer isn't in members' interests** - there will be situations where transferring members would cause harm, for example where safeguarded benefits or valuable guarantees might be lost. The framework should include a clear bespoke process involving the FCA/ Regulator for these cases

A well-designed transfer requirement can act as a meaningful safeguard for members, but it must be implemented in a way which supports good outcomes and avoids unnecessary disruption.

**Question 40: Do you agree with the actions proposed for not value arrangements? Why or why not?**

We broadly agree with the intention behind the proposed actions for arrangements assessed as not providing value. A structured response to poor performance is important, and the distinction between amber and red ratings gives an opportunity to address issues before moving to more significant regulatory intervention. However, some aspects of the proposed actions require further consideration to ensure they're proportionate and don't unintentionally create barriers to improvement.

**Key points**

- **Amber ratings shouldn't trigger immediate business restrictions** - some amber ratings will arise from short term or isolated issues. Automatically closing a scheme or arrangement to new employers at the first amber rating risks worsening the problem by reducing scale and limiting the provider's ability to invest in improvements

- **Action plans should drive the response to amber outcomes** - a more balanced approach would be to require a clear and credible improvement plan following the first amber rating. Only if progress isn't demonstrated should restrictions on taking on new employers be considered

- **Encourage remediation, not retreat** - providers should be encouraged to address root causes promptly rather than being penalised prematurely. The framework should support recovery where the underlying issues can reasonably be corrected

- **Differentiate between temporary and structural issues** - some amber outcomes will reflect short lived events, such as system upgrades or one-off operational disruptions. Others may indicate deeper issues. The framework should recognise this difference to avoid disproportionate sanctions
- **Support proportionate regulatory oversight** - the combination of amber and red categories already offers a clear escalation pathway. The action plan approach for amber ratings helps ensure only persistent or unresolved problems lead to more severe interventions

## Overall position

The proposed actions are sensible in principle but should place greater emphasis on remediation at the amber stage. A measured and proportionate response will encourage providers to improve performance without discouraging participation or creating instability for employers and members.

## Question 41: How should firms and trustees provide data to the central VFM database? E.g. machine-readable flat file, file transfer, webform, direct API etc.

The approach should be secure, consistent and practical for all schemes, regardless of size or technical capability. The submission process should prioritise automation and data quality, while ensuring smaller schemes can comply without disproportionate cost.

## Submission routes

- **Primary route: Secure REST API** - an API first model supports automation, reduces manual handling and encourages accurate and efficient submissions. It also enables immediate validation and more reliable data flows
- **Alternative route: Secure file upload** - a structured file upload, based on a single standard schema, provides a practical option for firms which cannot immediately implement an API. This file should be subject to the same validation rules as the API route to ensure consistency
- **Fallback route: Webform for very small or occasional submitters** - a simple webform should be offered only where API or file upload are not feasible. It should still feed into the same underlying schema and include strong validation to reduce errors.

## Standards and validation

- The central database should require **a single standard schema,** supported by a clear data dictionary, field definitions, formats and version control
- Strong **front-end validation** should be applied at submission, with clear error messages and a simple process for correcting and resubmitting data
- Submission receipts and **audit trails** should confirm what was submitted, when, by whom and whether it passed validation

### Security expectations

- Access should be protected through **strong authentication**, including organisation level accounts and role-based permissions
- All data must be encrypted **in transit and at rest**
- Submission, assessment and public access environments should be clearly separated
- Data should only be made available for public or regulatory use **after the appropriate release point**, supported by embargo controls

### Operational design

- A stable **submission timetable** should be published well in advance, allowing firms to plan extraction, validation and governance processes
- A **testing environment** should be available for firms to trial submissions before going live or before major changes
- Any updates to the schema should be communicated with sufficient notice, including versioning and parallel support where necessary

### Proportionality and support

- Guidance should be written with different types of schemes in mind, ensuring smaller submitters can comply without disproportionate cost or complexity
- Example payloads, template files and common error catalogues should be provided to help firms implement the requirements smoothly

Overall, the focus should be on a clear, secure and scalable submission model, underpinned by a single standard schema and strong validation. This will support accurate reporting, promote consistency across the market and reduce the risk of avoidable errors.

### Question 42: Do you agree with our proposals for the central VFM database? Why or why not?

A central VFM database is the right long-term solution. A single, authoritative source of information has the potential to improve consistency, reduce duplication and support clearer comparisons across the market. It also creates a more efficient model for gathering and distributing data, reducing the need for multiple submissions to different audiences. However, there are several practical considerations which should be addressed to ensure the database delivers the intended benefits without introducing unnecessary risk or delay.

### Key considerations

- **Phased delivery is essential** - building a central database of this scale is a significant technical and operational undertaking. If it becomes clear the development timeline will delay the wider implementation of the VFM framework, an interim approach should be used. Allowing schemes to publish required information on their own websites would help maintain momentum

- **Data accuracy and validation** - the quality of the assessments depends heavily on the accuracy of the data being submitted. Clear expectations are needed on how data should be validated before submission and whether any independent assurance will be required. This is especially important where the information will be used to make regulatory decisions

- **Context for public data** - while transparency is important, publishing raw data without assessment reports can lead to misunderstandings and rushed decisions by savers or employers. Data should only be released publicly once the accompanying assessment provides proper context

- **Security and controlled access** - the database must be designed with strong security controls, recognising the information is sensitive and may carry commercial implications. Access for different stakeholders should be clearly defined and separated where necessary

- **Long-term scalability** - the system should be built with future expansion in mind. As the framework evolves, new metrics or reporting requirements may be introduced. The design should support this without requiring significant rework

## Overall position

The central VFM database is an important part of the framework and will help create a more transparent and consistent market. However, implementation shouldn't delay the wider VFM reforms. An interim alternative should be available if the database isn't ready in time, and strong controls will be needed to ensure data quality, security and appropriate contextualisation.

## Question 43: When in the VFM cycle should VFM data be made publicly available and why? For example, should data be made publicly available in March or in October alongside assessments?

The timing of publication is critical. Publishing raw VFM data without the accompanying assessment risks misinterpretation and could lead members, employers or advisers to draw conclusions without the necessary context.

The most appropriate point to release data is **alongside the full assessment report**, rather than earlier in the cycle.

## Key considerations

- **Context is essential** - VFM data on its own may be misunderstood, particularly where schemes have complex structures or where short-term events influence figures. Publishing it alongside the assessment ensures the results are interpreted correctly and with proper explanation

- **Avoiding premature reactions** - members or employers may act based on incomplete information if data is published in isolation. Waiting until the assessment is available helps prevent decisions being made on an incorrect or partial understanding

- **Operational practicality** - gathering, validating and processing the required data is a significant task. Releasing information shortly after the end of the reporting period may place unnecessary pressure on providers and increase the chance of error. A later publication point allows schemes to complete their validation processes properly

- **Consistency across the market** - publishing data in October, alongside assessments, supports a consistent reporting cycle. It avoids a situation where data appears months before the rest of the analysis, which could cause confusion among stakeholders
- **Time spent in poor-value arrangements** - we acknowledge the concern of a longer gap between the reporting period and publication extending the time members remain in poor-value arrangements. This highlights the need for timely assessments and efficient regulatory processes but doesn't outweigh the risks of releasing raw data without context
- **Data assurance** - given the significance of VFM assessments, it's important data is accurate and reliable. Publishing later in the cycle ensures data has been validated before it reaches the public domain

## Overall position

Publishing VFM data together with the assessment report provides the right balance between transparency and responsible communication. It ensures the information is contextualised, accurate and meaningful, supporting better decision making across the industry.

**Question 44: Do you have any comments on the suggestion that firm/IGC or trustees should also add a link to the final VFM assessment report onto the proposed central VFM database?**

Including a link to the final VFM assessment report on the central database would be helpful. The assessment report provides the narrative, context and explanations which sit behind the data, and it's important anyone viewing the published information has direct access to this detail. Adding the report link ensures:

- **The data isn't viewed in isolation** - reducing the risk of misinterpretation or oversimplified comparisons
- **Stakeholders can understand the drivers of the assessment** - including any relevant scheme-specific factors or commentary on areas for improvement
- **The published data and the supporting narrative remain connected** - which supports transparency and responsible use of the information
- **Users have a complete view of the assessment** - rather than having to search separately for additional documents or rely on incomplete sources.

This addition is straightforward to implement and strengthens the value of the central database by ensuring the information is complete, contextualised and accessible.

PASA remains committed to supporting the development of a VFM framework which recognises the central role of high-quality administration in delivering positive saver outcomes. We'd welcome continued engagement as the framework is refined and implemented.