

Pensions Dashboards; how to make best use of the reset

While the Pensions Dashboard Programme (PDP) continues to work through its 'reset', there is plenty that pension schemes can be getting on with to ensure they are prepared and ready to meet the requirements of the dashboard, while improving their data too!

Although the recent announcement of the Dashboard 'reset' did not come as a surprise to some, it could turn out to be a timely wake-up call for schemes who have not yet given thought to how they are going to comply with the looming dashboard requirements. While confirmation of final staging dates (now referred to as connection dates) is yet to be announced, the message we are hearing from the DWP is for schemes to continue to work towards dashboard connection.

So what should schemes be doing now? And how can trustees ensure their administrator is ready for their connection date? We have put together a list of key considerations for schemes and trustees to discuss and agree what actions they will take.

How will we know we are dashboard ready?

- We know how our administration service will connect with the dashboard ecosystem*
- We have considered and discussed our intended approach to data matching with our administrator*
- We understand what data we will need to share with the dashboard, we have considered the completeness and accuracy of those data items and have planned any data rectification activities*
- We have identified any automation requirements we might need for our Scheme, and have a plan in place to address any calculation gaps*
- We have discussed the impact on our BAU service and our commercial arrangements with our administrator*
- We know how AVC values will be shared with the dashboard*

Pensions Dashboards – a recap

Pension Dashboards are tools by which individuals will be able to access all their pension information. They will be an important tool to help individuals locate and engage with their benefits; something that isn't that easy if individuals haven't kept track with which provider the trustees or employer have selected to administer their pension. Requests made by individuals will be compared with key member information to find matches in records across pension schemes.

There are two key dates to note: the connection date and the dashboard availability point (DAP).

- The connection date is the date by which the scheme must be connected to the pension dashboard 'ecosystem'. This is not the date at which requests will begin being made by members. This date will vary between schemes, but the larger the scheme the earlier the expected connection date. The connection date isn't just a systems connection. Schemes will need to comply with new statutory duties from this date, including being able to carry out data matching. So trustees will need to consider how they will match, whether the matching approach can be accommodated by their administrator, and whether they have the data to support their matching process.
- The dashboard availability point (DAP) will be the date on which the dashboards will be launched to the public. The gap between the two separate dates will allow testing of the data to be undertaken, and more fundamentally to ensure adequate coverage of memberships.

What do you need to consider?

Even though we are waiting for confirmation of the new connection deadlines, you may still need to take action now. There are various views across the industry about how long connection deadlines may be pushed back, and we've heard views across the industry, with estimates ranging from 6 months to 2 years, and with a broad consensus being that a 12-month delay feels likely. It is not yet known whether new connection deadlines will take place over the same duration as the previous dates. and it is possible that new connection deadlines will be scheduled at an accelerated pace. This would reduce the gap between the early connection dates and the DAP. We imagine that the Pensions Regulator is unlikely to have much tolerance for those trustees that aren't then ready because they haven't used the pause to address any readiness gaps.

Overall responsibility for complying with the dashboard regulations lies with the trustee, even if they outsource the development of the infrastructure and other readiness work required to their administrator.

While we expect that the majority of schemes will use their existing administrator's chosen system to connect to the dashboard, the trustee retains overall responsibility and should understand their administrator's progress in building a connection to the dashboard system, which in most cases will be by selecting an ISP, as well as seeking confidence that they have capacity to deliver any data cleanse work or automation required ahead of the connection date, to ensure the scheme records are digitally available and searchable.

How do you decide how much to do now?

You need to decide what's right for your Scheme, but here are some things you might want to consider:



Things to think about now

Assess your data and automation readiness

You can then decide whether to address any gaps now or later. For example, if you are undertaking other data cleanse projects, there may be synergies if you cleanse dashboard data at the same time.

Determine your approach to data matching

Assessing your data will help you to determine what data matching approach will work best for your scheme. If this doesn't align with your administrator's standard approach, then any bespoke requirements can be planned.

Consider your member engagement strategy

How do you plan to service those members who engage as a result of the dashboard? If you want your members to continue the digital journey (they used the dashboard after all!) will your current online platform support those needs?



Activities that could follow later

Development of the administrator's dashboard connection solution

If your administrator is appointing an ISP provider, they may choose to delay contracting with that provider until the new connection deadlines are available. This prevents costs being incurred and passed on to clients earlier than necessary.

Agreeing any dashboard contract changes or addendums with your administrator

Understanding what your administrator is proposing to change in your contractual arrangements is helpful, and to the extent possible it's better to understand these sooner rather than later – especially if you are about to renew or sign a new contract. But you may wish to hold the pen on signing up to any changes until your new connection date is confirmed.



Other things to think about?

If your scheme includes AVCs you also need to consider how any AVC data will be shared with the dashboard ecosystem. Specifically, whether AVC data will be shared by the administrator (if they hold sufficient data to be able share it), or whether your AVC providers intend to connect directly with the dashboard ecosystem. Depending on the options available to you, you may need to consider any implications to your AVC provider governance and/or member experience,

Whilst the new connection dates are not yet known, connection to the dashboard is still likely to come at a time when many schemes are still tackling GMP projects and de-risking projects. With the whole industry working towards the same timeframe, and lots of data projects required, there is an administration capacity risk for schemes. Early engagement with your administrator and careful planning should allow this risk to be managed.

So, what if you are not happy with your administration service?

It may seem counterintuitive to change administrators during a period with lots of project work going on, however the trustees remain responsible for the governance and delivery of their administration service, and this might mean taking action if the service is continually not up to par. There are a few approaches schemes can consider in these circumstances:

- Engage with your administrator to develop and implement a service transformation project;
- Employ a separate provider to manage your data projects; or
- Consider moving your administration service. In managing a transition to a new TPA, data analysis work could be undertaken simultaneously, therefore removing the need for as many separate data projects. Whilst we have seen some TPAs decline to bid on opportunities due to capacity concerns, there are a number of TPAs who remain 'open for business' and are continuing to deliver high quality administration services to their clients.

There is still a degree of uncertainty around dashboards. We are looking forward to increased clarity as announcements are made by the DWP and the PDP.

Want to know more?

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