

Sixty second summary

Preparing for the Pensions Dashboards



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The recent Government [consultation](#) on pensions dashboards sets an expectation that LGPS funds will connect to the dashboards' ecosystem by 30 April 2024. Given other priorities, like McCloud, as well as the technical changes required, it will be challenging to be 'dashboards ready' in this timeframe. What steps can you take now to prepare ahead of the LGPS 'connection date'?

What are pensions dashboards?

Pensions dashboards are intended to provide a secure and single port of call for individuals to access all of their pension history in one place, including eventually their State Pension. The intention is to support better planning for retirement, and help individuals reconnect with any pension pots they may have lost over time.

How will pensions dashboards work?

Multiple dashboard providers are expected in the marketplace. Individuals will navigate to a dashboard of their choice and submit a request to view their pensions information. The dashboards will then issue electronic requests to all pension schemes to search for the individual's pension. Where a match is found, the scheme returns the location to the dashboard, allowing the individual to view their pension details online. Where partial matches are made, schemes will have a short timeframe to investigate and confirm whether it is an exact match, and then provide details as required.

What will pensions dashboards mean for administering authorities and scheme employers?

Broadly, administering authorities will have to meet registration requirements with the Money and Pensions Service (MAPS). This means ensuring connection to the dashboards ecosystem (expected to be all year round), the provision of scheme specific and individual pensions information as part of "find requests", and maintaining records on a range of management information for at least six years. All of this must be provided to MAPS, the Pensions Regulator and the FCA on request.

Action required to get 'dashboards ready'

Much of the technical infrastructure will be handled by your software provider and processing of day-to-day "find requests" from individuals will be automated. There is, though, still plenty of preparation for LGPS administering authorities and their scheme employers. There are also likely to be day-to-day member enquires once dashboards are up and running. So, what should you be thinking about and when?

It's all about data, data, data.

- **Accuracy** - Scheme member data is used for different purposes and the cleanliness of that data is measured in a multitude of ways. Historically this has focused on the existence of data (TPR common and scheme specific data scores), rather than the accuracy of that data. For dashboards you will have to conform to a new standard, which is currently being developed, but should focus on accuracy. So, while you might be broadly happy with the data held on your records, you need to be confident that the member data you hold is accurate and complete, particularly in relation to data items you expect to perform data matches against – i.e. surname, initials, NI number, date of birth. Any issues or concerns could lead to increased enquiries once connected to the dashboards. **You might want to consider undertaking a data cleanse exercise now, comparing core member data with your scheme employers' payroll for example.**
- **Monthly employer returns** – if you don't currently receive monthly employer data returns, you will need to consider their introduction in order to produce future projections for new joiners. **Experience suggests you should not underestimate the effort required in getting this new regime in place.**
- **Backlogs** – it's particularly important to clear any unprocessed leavers ahead of connection to the dashboards' ecosystem. Otherwise, these will need to be processed on a case-by-case basis each time they correspond to a full match, following a "find request". **If you do have sizeable backlogs, you should be considering how best to clear these now, while you still have the time to do so.**
- **Digitisation** – if you still have records that have not been digitised then you should put a plan in place to do so ahead of connection to the dashboards' ecosystem.

There are also a number of other considerations that shouldn't be overlooked. These include **engagement with your software provider** to understand the changes they require to make and the expected timescales. You must also agree your **data matching criteria** used to process "find requests" (e.g. surname, forename, NI number, date of birth), and consider what **processes you need in place** to deal with and process "find requests".

And finally, you need to ensure you are appropriately **resourced** to deal with pensions dashboard traffic. While not official research, PLSA enquiries indicate experience from similar dashboards across Europe suggest member engagement could be in the region of 25% to 33% of scheme members across all schemes. If replicated across the UK this would equate to every scheme receiving between 16,000 and 35,000 "find requests" a day. While not every request will impact your Fund, this does highlight the increased engagement you might expect to deal with.

Conclusion

While there is much that still remains to be resolved, it is important to act now so that you are 'dashboards ready'. With so much else on the go, not least valuations and McCloud, this might seem daunting. Whether it's planning workstreams, processing backlogs or considering staffing and resources, we are able to assist you in getting yourself ready for dashboards. Please speak to your usual consultant if you would like to discuss further.