

## **PENSIONS DASHBOARDS PROGRAMME**

### **Introduction**

1. This report provides an update on the Pensions Dashboards Programme and the Fund's progress in preparing for its implementation.

### **Recommendation**

2. The Committee is asked to note the position on the Fund's preparation for the pensions dashboard programme.

### **Background**

3. Pensions dashboards are digital services that allow savers to see their pension information securely in one place, including their state pension. They will not contain any details for pensions that are already in payment.
4. The purpose of pensions dashboards is to help members to plan better for their retirement and reconnect members with any lost pension pots.
5. In 2019 the Money and Pensions Service (MaPS) established the Pensions Dashboard Programme to help design and deliver the central digital architecture required to make the dashboards work. It is envisaged that there will be multiple dashboards available with banks and financial institutions offering access alongside the government backed Money Helper website.
6. The Fund was previously given a staging date of September 2024. This meant that the Fund would need to be able to connect to the digital architecture by this date and be ready to provide individuals' data to them via the dashboards.
7. However, in March 2023 a reset to the dashboards programme was announced.

### **Pensions Dashboards - Timelines**

8. On 2 March 2023 the Department for Work and Pensions (DWP) delivered a Ministerial Statement to say that the pensions dashboard programme (PDP) would be delayed, allowing more time to meet the significant challenges in developing the necessary digital architecture.
9. On 19 July the DWP laid the Pensions Dashboards (Amendment) Regulations 2023 which came into force on 9 August 2023. The amendment regulations introduced a single 'connection deadline' of 31 October 2026 for relevant schemes to connect to pensions dashboards.
10. The explanatory memorandum which accompanied the amendment regulations states:

‘Through this instrument, the Department for Work and Pensions is retaining the policy of compulsory connection by a set date and intends to encourage a staged approach set out in guidance, rather than mandated in Regulations.

The connection timetable set out in guidance will be developed in collaboration with industry and is expected to be published in due course.’

11. On 7 November 2023 the Local Government Association (LGA) published the draft Pensions Dashboards connection guide for administering authorities.
12. The guide sets out the steps that Funds will need to take to connect to pensions dashboards.
13. The guide also sets out that ‘It is important your pensions committee and local pension’s board are kept up to date with the latest guidance and developments on dashboards. Including your plans to implement dashboards and maintain dashboards once live. Dashboards should be a standing agenda item at each meeting’.
14. A separate report has been added to the Pension Fund Committee agenda for this purpose.
15. The MaPS are expected to publish staging date guidance which will confirm when LGPS funds should connect to the dashboards. The MaPS guidance is expected to be published in the first quarter of 2024 and the staging dates for the LGPS are estimated to be between April and September 2025.
16. There is a considerable amount of work to be completed for the fund to prepare for dashboards, both for the initial connection to the dashboards and the ongoing business as usual once the dashboards are live.

## **Data**

17. An important aspect of preparing for the implementation of dashboards is to have accurate data. Implementing dashboards does not generally require new information but rather that the information held by the Fund on each member is correct and available to be shared digitally.
18. As Committee are aware, a couple of the Fund’s pensions programme workstreams are around data quality and clearing casework backlogs. The Fund is working to streamline and standardise data collection practices and clear historic data queries, along with any casework.
19. The Fund also complies with the Pensions Regulators (TPR) requirement to measure the presence and accuracy of common and scheme specific data. We submit information to TPR on an annual basis as part of the Scheme Return and also report quarterly figures to the Local Pension Board.
20. The data cleansing work completed to date, and the progress being made with clearing casework backlogs, will assist in preparing for dashboards albeit there remains more work to be done.

21. The data required for dashboards is split into two main categories, matching data and value data.
22. Once a member has registered for a dashboard they will submit their personal details which will then be verified by an identification and verification service. Once they pass this stage they will be asked to give their consent to send their details to all pension funds to check whether they hold a record for the member.
23. The first stage is for the members' data to be matched with the data held by a Fund. The Fund will need to determine what matching criteria they will require for this process. Matching data typically includes surname, date of birth and address but can also include middle names, national insurance numbers and other details.
24. Where a member cannot be matched entirely, for instance if there was a discrepancy with the date of birth or the address, this would be classed as a partial match. The member will not receive any detail of the benefits at this point but would be given the contact details of the Fund so they could follow it up.
25. The Fund will also receive the details of the partial match and will need to follow this up with the member. Partial matches have the potential to add considerable extra work to the Fund in investigating and resolving them, so it is vital that the optimum matching criteria is defined from the outset.
26. Once a member is matched to the record held by the Fund, their 'value data' will be provided to them via the dashboard. That is the details of the pension we hold for them will be displayed.
27. Clearly there is a lot of work for the Fund to do in terms on ensuring all data is up to date and agreeing the matching criteria that it will use. The Fund will determine the matching criteria once an Integrated Service Provider (ISP) is appointed.

### **Integrated Service Provider**

28. The dashboards are essentially a set of related systems working together to provide the service to members and are known collectively as the ecosystem.
29. Connecting directly to the dashboards ecosystem is a significant undertaking requiring specialist resource and experience in order to meet the technical standards and requirements. It is highly unlikely that any LGPS Fund will connect directly to a dashboard and will instead appoint an ISP.
30. As ISP will create their own connections to the dashboards. They will take a regular cut of the Fund's data, typically monthly, and make that available to the dashboards so that members can be matched, and the relevant value data can be viewed.
31. The LGA guidance states that it is expected that Funds will appoint their current database provider, at least initially, as the ISP. However, there are a number of providers who can deliver this service.

32. The Fund will need to appoint an ISP as soon as practicable. Once an ISP is appointed the Fund can agree the matching criteria which will be used and then commence the baselining and data cleansing work required.
33. Setting up and then maintaining an ISP will be complicated and the associated costs are expected to be significant. Once costs are known they will be reported to Committee, together with a request to endorse any additional funding required.
34. Officers are liaising with legal and procurement on the appointment of an ISP. It is possible that this appointment may be completed before the next Committee meeting. If that happens officers will contact Committee members using the Electronic Decision Making (EDN) process to request endorsement.

### **Project Plan**

35. The Fund will need to develop a detailed project plan to prepare for the implementation of dashboards. The plan will cover all the points outlined above about data and appointing an ISP.
36. It will also include other considerations, such as producing a Data Protection Impact Assessment, to ensure all data security aspects have been considered before any data is shared with the dashboards.
37. The Fund will also need to document its internal controls relating to the project, including how decisions are made and who was consulted. For example, this will include how the Fund appointed the ISP and who was consulted as part of the decision making process.
38. The Fund will have to determine a budget for the pensions dashboard project. This will include, appointing as ISP, potentially procuring data analytics services to assist with organising the data cleansing work and potentially consultancy services to help organise the project.
39. A full budget will be presented to the Committee once it is available.
40. The main elements of this project relate to working with the ISP to implement the functionality and baselining and data cleansing. The project is being supervised by the Operations Manager with support from the project manager who sits within the Business Information Development and Improvement team (BIDI). This post is in place to work on projects to help maintain and develop the Fund's database, known as UPM.
41. The project manager will also be supported by another member of the BIDI team. Some aspects of the project will be picked up by the wider pensions team as and when required.
42. Other than the absolute connection deadline of 31 October 2026 no other deadlines are yet confirmed for the project. Despite this uncertainty the Fund will continue its work in preparation for the dashboards and will keep the Committee, and Local Pension Board, regularly informed of progress.