

Pensions Dashboards Programme

Progress Update Report
April 2020



**Money &
Pensions
Service**



**Pensions
Dashboards**
Programme

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Foreword

Welcome to this publication which sets out how the Pensions Dashboards Programme intends to deliver its objectives within the context of the Money and Pensions Service 10-year UK Strategy for Financial Wellbeing. This document is for anyone interested in or involved with making pensions dashboards a reality.

These are clearly not the circumstances in which I expected to be bringing you this first update. In these difficult and uncertain times, I know that many of you will be rightly focussed elsewhere on very challenging and more immediate priorities, whether at work or at home. I recognise the unprecedented global impact that coronavirus has had, and will continue to have, on everyone, including the UK pensions industry and wider society. This document is therefore for information only – we are not asking you to take any additional action now.

The vision of the Pensions Dashboards Programme could not be simpler ‘To enable individuals to access their pensions information online, securely and all in one place, thereby supporting better planning for retirement and growing financial wellbeing’. The delivery challenges underlying this vision would be significant at any time, but even more so in the current circumstances.

As many organisations and individuals have devoted significant efforts over the last four years, much important groundwork has been done to consider some of the delivery issues and challenges. That work has helped lay solid foundations on which we plan to build and, notwithstanding the current challenges, we will continue our work to make pensions dashboards a reality.

It is our intent to release a progress report, on the enabling programme to support the development of pensions dashboards, every six months. This is the first of these reports which sets out our broad approach and focus for the first phase of work. We will make clear

what our key dependencies are, what we regard as the key challenges we foresee and over time set out how we propose to tackle these in each phase of our work. The pace of progress will inevitably be determined by the operating environment, both internal and external. We will continue to adjust our plans in recognition of this.

It had been our intention to publish two data-related Calls for Input alongside this update, but we have decided to defer that active engagement for the time being. I want to be transparent though about the work that we are doing and the progress we are making. We will therefore continue to share current thinking online and would welcome any feedback.

Successful delivery of this Programme does depend upon close collaboration across a wide range of stakeholders. Therefore, when the time is right we will formalise our engagement approach to ensure that we are able to get comprehensive and considered feedback from you on this and other key topics.

I would like to take this opportunity, on behalf of the Pensions Dashboards Programme, to wish, you, your families and colleagues well in these most difficult times.

Chris Curry – Principal, Pensions Dashboards Programme



Executive Summary

The widely shared aim for pensions dashboards is to enable individuals to access their pensions information online, securely and all in one place, thereby supporting better planning for retirement and growing financial well-being.

The Money and Pensions Service established the Pensions Dashboards Programme (PDP), formerly known as the Industry Delivery Group, with the appointment of the Principal in July 2019. This programme will develop the secure digital architecture and governance framework to support and enable the development and operation of pensions dashboards.

Separately, the Money and Pensions Service is developing a pensions dashboard in addition to other dashboards that Industry are anticipated to build.

Notwithstanding the unprecedented global impact of the coronavirus pandemic on everyone, including the UK pensions industry and wider society, we recognise the need to provide a clear delivery timetable with firm dates. We want to provide this certainty as soon as possible, but we are also realistic about the scale of the challenge both from a delivery and external environment perspective. We intend to set out the shape of a more detailed programme timeline before the end of the year but inevitably uncertainty will remain.

We have appointed a Steering Group to represent the interests of consumers, and stakeholders within the pensions, financial services and fintech sectors. We will stand up a Working Group for each significant workstream to do the detailed analysis and options appraisal of how key aspects of the programme will be delivered.

Implementing pensions dashboards is a significant undertaking and is constrained by several dependencies including legislation, data quality and matching, provision of an identity service and the development of the Integrated Service Provider (ISP) market which will all impact delivery timelines.

Given the scale and complexity of the UK pensions industry, a staged approach to onboarding providers and schemes is necessary. In terms of data, the government response was clear about the expectation that in the first phase of development there would be no more information than is already available to people on statements issued annually (such as annual benefits statements) or on request.

Focus and priorities

Our focus over the next six months will be on progressing and resolving the key dependencies and most significant challenges. A priority element is the development of the data standards with which pension providers and schemes will have to comply. To aid the development of our work in this area, we have articulated our current thinking in two documents, namely:

A ***Data Scope: Working Paper*** setting out options for achieving comprehensive coverage across all pension sectors in order to deliver an acceptable early breadth of coverage for individuals; and

A ***Data Definitions: Working Paper*** listing the set of data items that could be included in the dashboards data standards. This thinking will need to be developed further and tested to help define the data items pension providers and schemes will, initially, be required to make available to individuals via pensions dashboards.

The **Data Scope** document addresses the breadth of coverage and the **Data Definitions** document explores the depth of information dashboards could show.

In these difficult and uncertain times, many of our key stakeholders are rightly focussed on very challenging and immediate priorities, whether at work or at home. When the time is right, we will seek views on the issues addressed in these two data documents to enable us to refine our working assumptions. Whilst we are not calling for formal feedback now and will do so at an appropriate moment in the future, any informal feedback would of course be appreciated.

In addition we will:

- Specify our requirements for the high-level design of the core service - the Pension Finder Service and the Governance Register.
- Closely with Department for Work and Pensions (DWP), The Pensions Regulator (TPR) and the Financial Conduct Authority (FCA) as the legislation and rules are developed.
- Establish a consumer working group with consumer representatives and potential dashboard providers (including MaPS) to ensure that service design is based on robust user testing.
- Work with the Digital Identity Unit, and industry colleagues, to further develop the requirements for the Identity Verification Service and will be carrying out market engagement with industry experts to explore potential solutions.
- Start to engage with the potential Integrated Service Providers (ISP) market to understand the solutions they may bring which could help the programme.

Context

Since 1997, the proportion of employees in Defined Contribution (DC) pension schemes has risen and this presents a challenge as the increasing reliance on DC provides less certainty for the individual regarding their income in retirement. This shift to DC pensions places increased responsibility and risk on the individual for making financial decisions when compared to a Defined Benefit (DB) Scheme, however despite this significant change in the Pensions landscape, engagement with pension savings remains low.

The need for Pensions dashboards follows from over a decade of pension reforms. Automatic Enrolment (AE) has dramatically increased the number of individual pension savers. Pension freedoms have provided consumers with greater choice and flexibility, which is better suited to the changing shape and nature of retirement. The new State Pension is providing a simpler system and a foundation on which people can build private provision.

However, combined with a trend towards individuals having multiple jobs over their

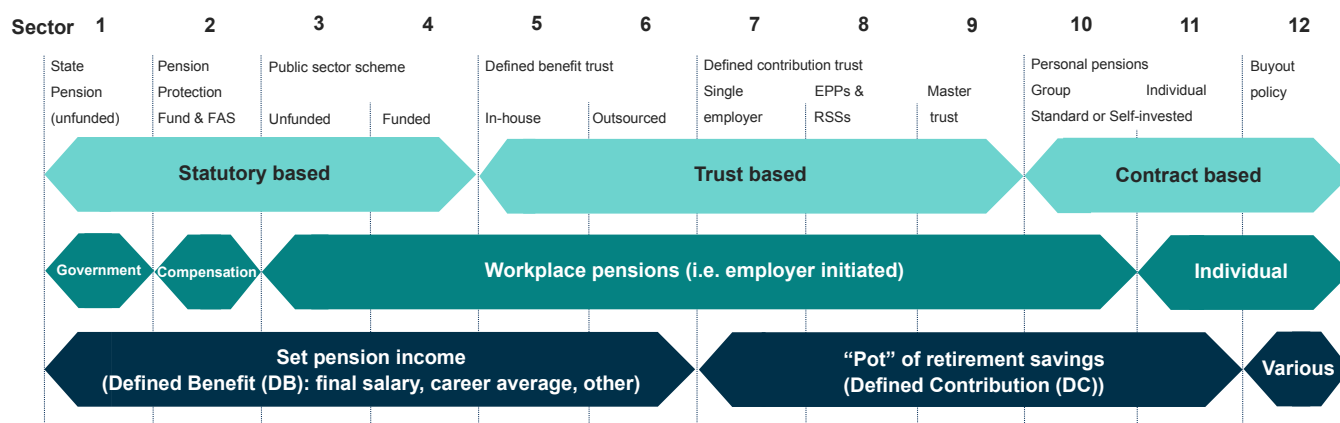
lifetime, AE is expected to lead to individuals accumulating more pensions which may increase the possibility of some becoming 'lost'. It is estimated that nearly two thirds of UK adults have multiple pensions.

Additionally, research indicates that 4 in 10 employed adults over the age of 50 with a personal pension find it difficult to keep track of their pension pots.¹

There are 52m adults in the UK who could use a pensions dashboard service to find and view their pensions information. These individuals will need to be connected with up to 43,000 providers and schemes to search for their pensions.

The pensions industry is fragmented and complex. There are around 43,000 private pension schemes², (including both open and closed schemes), many different administrators, including individual employers undertaking in-house administration with trustees providing the governance. Together, these schemes manage tens of millions of pension entitlements with each scheme having different deeds and/or legal structures. The diagram below shows the spread of entitlements across the different pension sectors.

UK Pensions Provision Sub-sectors



¹ Which? (2016), <https://press.which.co.uk/whichpressreleases/which-urges-government-to-act-on-pensions-dashboard/>

² <https://www.pensionspolicyinstitute.org.uk/media/3158/ppi-pension-facts-may-2019.pdf>

Background

The Financial Conduct Authority (FCA) recommended in its Financial Advice Market Review in 2016³ that industry should make pensions dashboards available to individuals to make it easier for them to engage with their pensions, a view which the Government echoed in its Budget that same year.

An industry-led project, set up in 2016 sponsored by HM Treasury and managed by the Association of British Insurers (ABI), developed and demonstrated a prototype for the dashboard in 2017. The project continued independently of Government, publishing its findings in October 2017⁴. It flagged the need for legislation to compel providers and schemes to connect to the dashboard ecosystem and for a Government-backed delivery authority for the project to succeed.

In December 2018 Government launched a consultation, engaging widely with stakeholders across the pensions industry, to identify issues and options for delivering the service. The Government's response set out that there should be multiple user interfaces (dashboards) and one secure digital architecture that connects these interfaces to the information in the pension providers and schemes. It went on to set out some details of what this would entail:

- Government will legislate to compel pension schemes to provide their data.
- The Money and Pensions Service (MaPS) will have responsibility for enabling delivery of the dashboard service working with the pensions industry.

It also set some overarching design principles which set out that all dashboards should:

- Put the individual at the heart of the process by giving individuals access to clear information online.
- Ensure individuals' data is secure, accurate and simple to understand - minimising the risks to the individual and the potential for confusion.
- Ensure that the individual is always in control over who has access to their data.

Pensions dashboards will for the first time provide clear and simple information about an individual's multiple pension savings, including their State Pension. They will also help them to reconnect with any lost pension pots.

The Money and Pensions Service began setting up the Pensions Dashboards Programme (PDP) with the appointment of the Principal in July 2019. This Programme will develop the secure digital architecture to support and enable the development of pensions dashboards. Separately, the Money and Pensions Service is developing a pensions dashboard in addition to other dashboards that industry are anticipated to build.

³ <https://www.fca.org.uk/publication/corporate/famr-final-report.pdf>

⁴ <https://www.abi.org.uk/globalassets/files/subject/public/lts/reconnecting-individuals-with-their-pensions-final-10-october-2017.pdf>

Alignment with MaPS objectives – user needs and dashboard goals

In January 2020, MaPS published The UK Strategy for Financial Wellbeing. It asserts that a financially healthy nation is good for individuals, communities, business and the economy. The MaPS vision is therefore: *Everyone making the most of their money and pensions.*

The UK Strategy sets out five Agendas for Change including 'Future Focus'-seeking the following outcome: *Individuals will engage with their future and be empowered to make informed decisions for, and in, later life.*

The changes sought include:

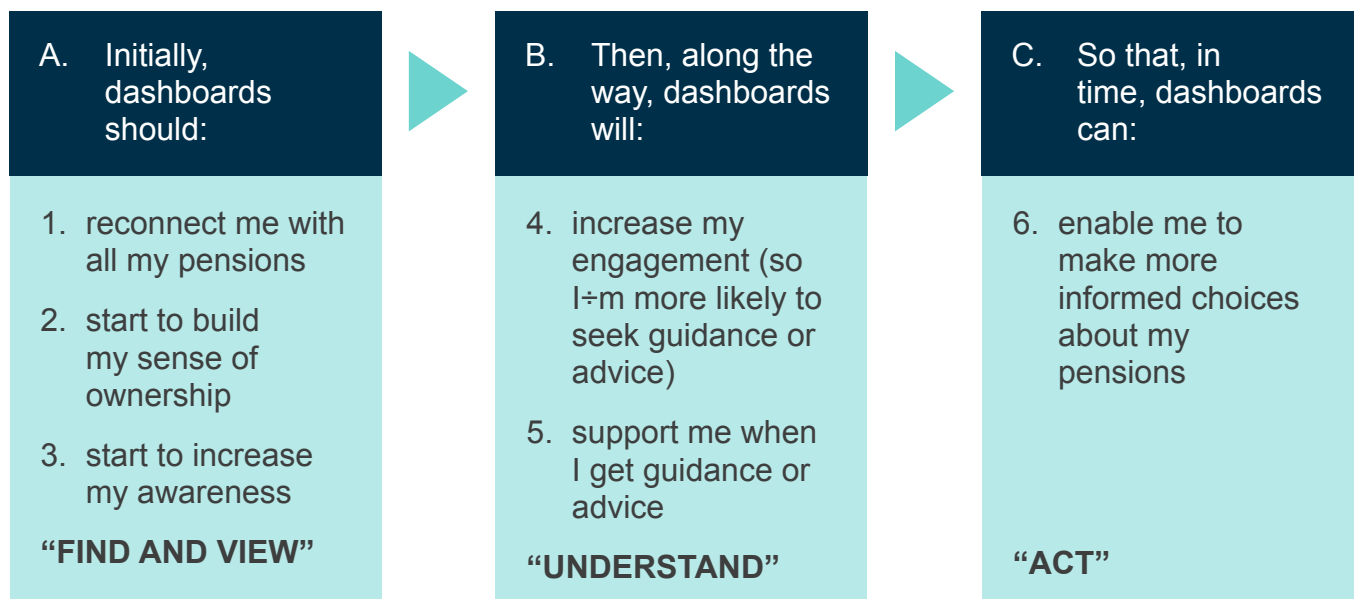
- **More individuals connecting with their pensions and confident in their choices:** enabling individuals to make active choices and get help at the right time and different life stages
- **Systems and products that support customers:** removing barriers which prevent individuals from making decisions and taking action. Enabling individuals to access the products and services they need, when they need them.
- **A cultural and attitudinal change towards long term savings:** making conversations about pension savings normal so individuals take ownership of their pension and build trust between customers and industry.

The work of the PDP and the development of the MaPS dashboard is a key element in helping MaPS achieve these changes and the overall outcome of the UK Strategy.

The Government's 2019 response document set out that pensions dashboards could help to achieve the following objectives:

- increase individual awareness and understanding of their pension information and estimated retirement income;
- build a greater sense of individual control and ownership of pensions;
- increase engagement, with more individuals (regardless of their pension wealth) taking advantage of the available impartial guidance and advice;
- support the guidance and advice processes by providing individuals with access to their pensions information at a time of their choosing;
- reconnect individuals with lost pension pots, benefitting the individual and industry; and
- enable more informed user choices in the decumulation phase (the point when a decision is made by a saver on how to access their savings) by making it easier to access the information on which to base these decisions.

These are set out below in terms of the user needs that dashboards will meet:



Pensions dashboards goals

Synthesizing the user needs and design principles alongside the framework of the MaPS UK Strategy, The PDP's long-term goals for pensions dashboards are therefore:

PENSIONS DASHBOARDS GOALS

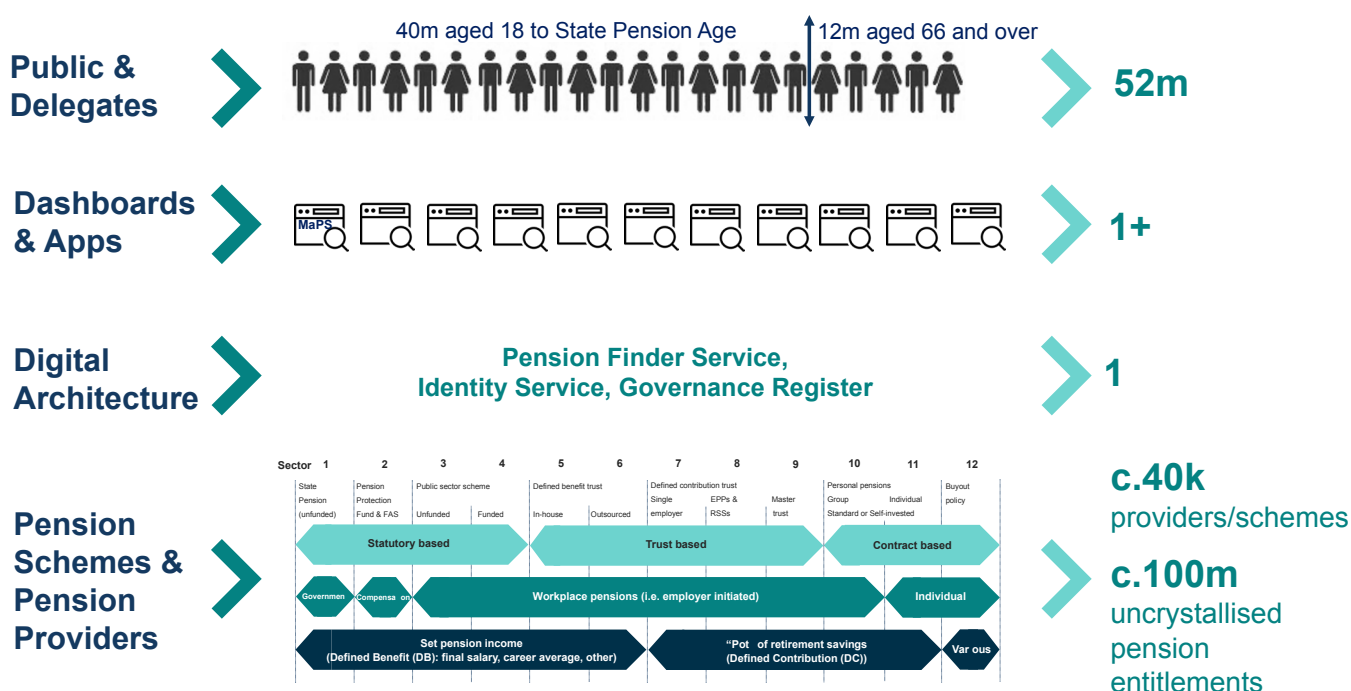
1. Connect people with all their pensions.
2. Present information clearly in plain English.
3. Show a comparable estimated retirement income for each pension (enabling people to see the total income they might have to live on in retirement).
4. Signpost people to impartial guidance and/or regulated advice.
5. Enable people to understand the information they're seeing.
6. Increase people's confidence making them feel more capable.
7. Empower people to make more informed choices about their pensions.
8. Contribute to people's overall financial wellbeing.

All work undertaken by the PDP and our delivery partners must enable the incremental achievement of these goals. Later in this document we set out the dependencies and challenges associated with delivery.

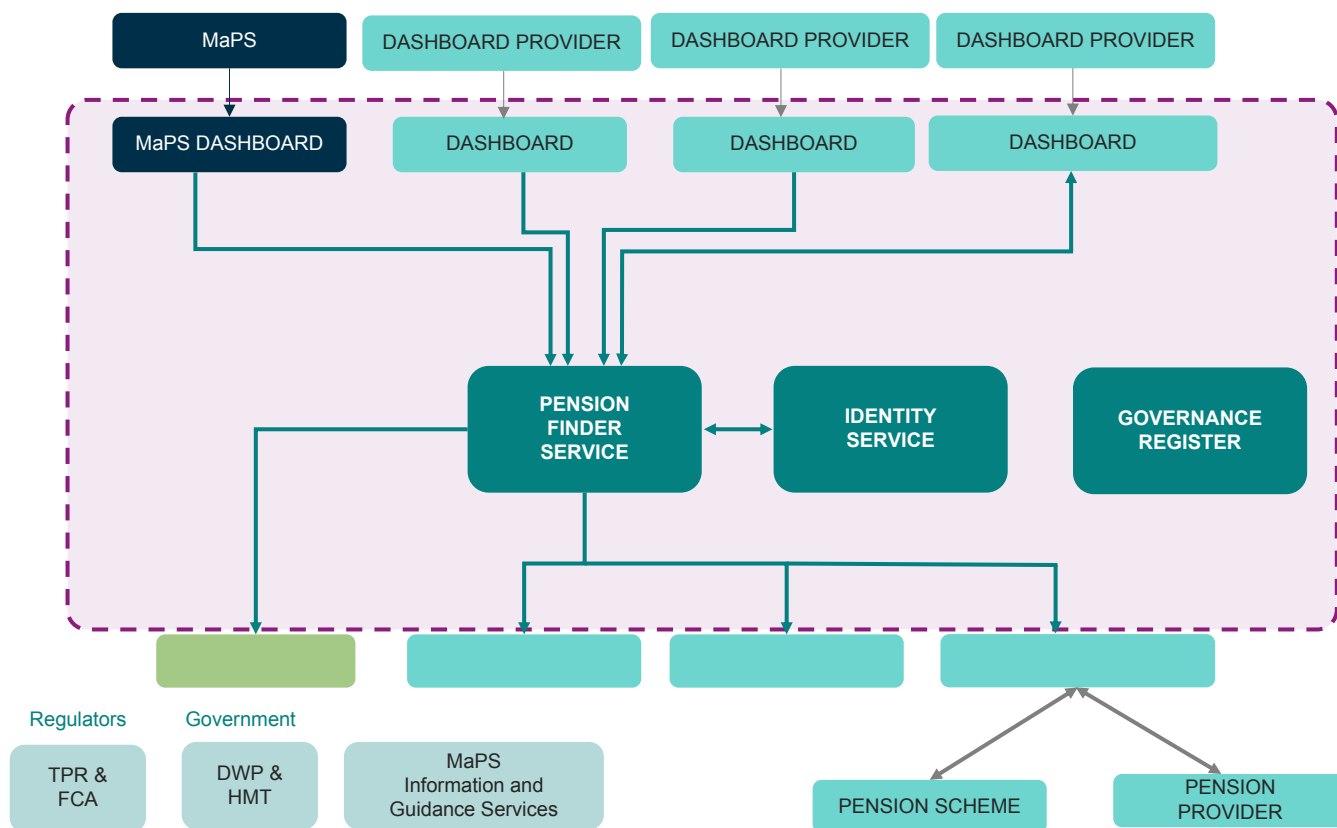
Pensions Dashboards Ecosystem

The diagram below shows the scale of the challenge of connecting individuals with their pensions. There are around 52m adults in the UK who could use a pensions dashboard service and they would need to be connected with up to around 43,000 providers and schemes to search for their pensions. The Government's response was clear that it expected there to be multiple user interfaces (dashboards) and one secure digital architecture that connects these interfaces to the information in the pension providers and schemes.

Pensions Dashboards Landscape



Work carried out to date has led to the solution proposition as set out in the Government's response. This digital architecture will enable multiple parties to be connected in a secure ecosystem that delivers for individuals. The diagram shows at a high level the different parties involved and how they are connected.



Key

MaPS Dashboard **MaPS**

Digital Architecture **PDP**

Dashboards/Pension Providers and Schemes - **Industry**

State Pension - **DWP**

Ecosystem Governance Framework (Technical, security, design, accessibility performance and user experience standards) - **PDP to set and monitor**

The PDP is responsible for delivering the digital architecture depicted in the centre of the diagram in teal and includes all the necessary interfaces between parties. This digital architecture will allow dashboards to provide a front-end service for users.

This is composed of:

Pension Finder Service

The Pension Finder Service (PFS) sends out an instruction to all data providers to search for a user's pensions. If a match is found, the location where the data can be found is returned to the user's chosen dashboard along with a key (a token ensuring secure access). This then allows that dashboard to access the data and display it to the user. In the proposed ecosystem the PFS also acts as a trust anchor, providing critical assurances for other elements within the ecosystem. For example, it initiates user authentication and manages user consents and permissions.

Identity Service

The identity service allows users to authenticate themselves (prove they are who they say they are) so that they can access other elements of the ecosystem. It provides the verification required to assure data providers that they are returning data to the correct user and no one else.

Ecosystem Governance

An ecosystem governance framework, set by the PDP, will set out how the technical components will work together with dashboards and data providers. This includes all the associated technical connections and their operation in a live environment.

The framework will include data, technical, security and performance standards as well as design, accessibility, and user experience standards that dashboards must meet to be connected to the digital architecture. The ecosystem governance framework stretches as far as the connection to the data providers as the PDP will set the data and security standards for interacting with the digital architecture. The data providers are already subject to regulation by the

Pensions Regulator (TPR) and Financial Conduct Authority (FCA). The data providers will become subject to new additional requirements (to provide data to individuals via their chosen dashboard when requested) that the regulators can enforce against.

The Governance Register includes a record of all elements within the dashboard ecosystem. It is a technical service that provides assurances that the different elements of the ecosystem (dashboards, identity services, PFS and connections to pension schemes) meet the required standards to participate. It ensures that all these elements operate correctly and securely and allows access to be revoked if any party is found to be operating incorrectly, for example by misusing data. It will also enable compliance and monitoring of the system as a whole.

Linked to this will be the development of a clear and comprehensive complaints process for users in case something goes wrong. In this ecosystem, with multiple parties, it will be important to help users quickly identify who they need to contact to resolve their issue. This needs to be coupled with a clear liability model, which all parties are signed up to, with routes to redress for any individuals who believe they have suffered detriment.

Dependencies and Challenges

Whilst the PDP is responsible for overseeing the successful implementation of the pensions dashboards digital architecture, its delivery is subject to several significant dependencies and challenges, some of which are outside our remit and control. This adds uncertainty to the timeline for delivery.

Dependencies

Legislation and Rules

DWP and the FCA will set out the timetable for schemes to comply with the requirements to connect to the dashboard ecosystem in regulations and rules. While volunteer providers and schemes may come on board before being required to, good coverage is unlikely to be achieved until compulsion applies. The Primary legislation required for compulsion is being debated by Parliament as part of the Pension Schemes Bill. Once the Bill completes its passage and receives Royal Assent the DWP and FCA will consult on the development of the regulations and rules. Once finalised, these will give legislative certainty about the requirements placed on providers/schemes and dashboard providers and firm dates by which providers and schemes must comply. This will also clarify the role of the MaPS and the PDP in setting the detailed standards, specifications and technical requirements. We need to ensure that the regulatory frameworks fully support the liability model for the dashboard ecosystem.

Dashboard Interfaces

As the PDP is not responsible for building a dashboard on which users will be able to view their data, we are reliant on other organisations (including a separate part of MaPS) to build and test dashboards and connect them to the digital architecture. As part of its pension guidance function, MaPS has begun working to develop a pensions

dashboard, but we expect other private sector organisations will also want to do so.

Estimate Retirement Income – i.e. supplying an estimated income, for each found pension, on a standardised / comparable basis

For comparable estimated retirement incomes from each pension to be included on initial dashboards, Government and industry must address this challenge before compulsion starts to apply. This is not just a PDP issue: it is an existing problem that needs to be resolved collaboratively working with DWP, TPR, FCA, Financial Reporting Council (FRC), providers & schemes, and other parties.

User testing and user acceptance

User-facing dashboards will be needed, as the infrastructure and supporting services are designed and developed, in order to test and assure the security of the whole ecosystem, as well as developing the design, performance and user experience standards. User testing will continue during the onboarding of pension providers and schemes as the ultimate test for a public launch of a dashboard service should be whether it meets a genuine user need for a large enough group of individuals. Any service available to the public must have a clear communication strategy so that users can understand any limitations of the service.

Challenges

Online identity verification

Pensions dashboards are online services and so one of the first hurdles to overcome is proving that an individual is who they claim to be. Secure, effective and efficient delivery relies on being able to verify individuals' identities online. The Government's response document said:

"To enable a sufficient level of trust in the service, the department expects a standard level of identity assurance for all users (individuals and delegates) that satisfies the National Cyber Security Centre's Good Practice Guide 45 on 'Identity Proofing and Verification of an Individual'."

We will need to source an identity verification service or services that meet(s) this level of assurance but is also able to verify a high proportion of users' identities without creating too much friction in the user journey. Developing a solution that achieves this is widely recognised as a complex and difficult technological problem.

Matching individuals to pension records

Once an individual's identity has been verified, it will be sent securely to all pension providers and schemes in the UK for them to search their records (via an automated matching process) for a matching pension record. Approximately 25m working age adults currently have private pensions (in addition to the State Pension) in over 40,000 pension providers and schemes. The pensions industry currently administers more than 60m separate pension entitlements. On average, each working age individual has 3-4 pensions each (including their State Pension).

Internationally, many dashboard programmes were able to utilise existing systems of national electronic IDs, which are recorded by all pension providers. Connecting an individual with their pensions in this scenario is clearly a simpler matter.

The UK does not have such a system, so records will need to be matched based on certain core information about the individual, such as their name, date of birth and address. National Insurance number (NINO) may also be useful but cannot be relied upon to match all records. Changes of name and address, over the long periods of time for which pensions are held, will be significant complicating factors.

The UK's diverse pension schemes are also much older than, and many times the size and complexity of, those of the countries that have already developed pensions dashboards. Multiple, compounding perspectives of complexity, spanning many decades, surround pensions record keeping, including:

- Law – change in pensions legislation
- Tax – change in tax treatment of pension contributions and benefits
- Source data – human resource records and payroll data deficiencies outside the control of pensions administrators
- Supply-side churn — mergers, take-overs in the pension provider/administrator community
- Administration practices – historical lack of administration controls and incomplete records
- Life circumstances – personal life circumstances of members including job churn, house moves, divorce and other personal complicating factors.

These challenges, and more, are very well known to the UK pensions administration community.

TPR's Corporate Plan 2017-2020⁵ highlighted data integrity as an industry issue, stating:

"the quality of record-keeping in the public and private sector remains unsatisfactory" and represents a "long-running risk to member benefits and the accuracy of benefit statements, scheme returns and valuations."

5 <http://www.thepensionsregulator.gov.uk/docs/corporate-plan-2017-2020.pdf>

The Pensions Regulator set out its expectations in 2010 and has been increasing scrutiny in the last few years, including the recent launch of a specific targeted initiative in October 2019.

Matching verified identities with pension records, is expected to be outsourced by many providers and schemes to what the government's response referred to as an Integrated Service Provider (ISP).

"An Integrated Service Provider (ISP) allows pension information to be securely held on behalf of pension schemes and accessed by the user via a dashboard where the provider is not able to do so (e.g. where a small pension scheme does not have the system capability or resources to connect to the ecosystem directly)."

The ISP will handle find requests and undertake matches on behalf of their provider/scheme clients. This is not a service market that currently exists and so the pace of development of these services, and the take-up by providers and schemes, will inevitably have a direct impact on the possible pace of the onboarding of providers and schemes.

It is anticipated that, once there is legislative certainty, the ISP market will develop during the development of the dashboard digital architecture and voluntary data provision phases, so that ISPs can start providing live services when compulsion applies.

During the pre-compulsion period, the ISP market will determine the services they need to offer their provider and scheme clients, and how they need to operate these services, including (but not limited to):

- Receiving bulk data loads from providers/schemes, on a regular basis (frequency to be determined) so pension records are ready to be found
- Being audited on the quality of the data they hold on behalf of their provider and scheme clients
- Connecting with the dashboard's digital architecture, ahead of each client's staging date (including testing prior to each staging date), and

- Receiving and actioning ongoing find requests, in accordance with the agreed data standards.

Data providers will need to ensure their data is of a suitable quality to be included forcing them to improve the data they hold. Regardless of whether schemes provide their data to dashboards via ISPs or directly, they must comply with GDPR and the Data Protection Act. The success of pensions dashboards in the UK is therefore highly dependent on the quality of data held and maintained by a wide range of pension providers and schemes (or their administration partners).

Pensions Data

Specifying a consistent set of data standards so that all of an individual's pensions information can be displayed on a consistent basis, is a significant challenge in such a large and complex pensions landscape. The principal user need identified for dashboards is that:

"Individuals need to know how much they might have to live on when they retire so that they can plan effectively."

Similarly, the provision of a comparable estimated income for each pension will present difficulties given the wide-ranging policy requirements on different types of pensions.

Approach

Having identified several of our key dependencies and most significant challenges, this section sets out what we will be focusing on to resolve these over the coming months. The pace of progress will inevitably be determined by the operating environment, both internal and external. We will continue to adjust our plans in recognition of this.

Legislation and rules

We will work closely with DWP, TPR and the FCA as the legislation and rules are developed. This will ensure that the development of policy and regulation is aligned with the delivery approach and that the delivery approach remains aligned with the policy and regulatory frameworks. This will also ensure that detailed standards, specifications, technical requirements and the liability model developed by the PDP will work with the regulatory frameworks.

DWP, TPR and FCA will be fully engaged with the working groups, but the PDP is also represented on DWP's Dashboard Policy Committee along with HM Treasury, TPR, FCA and BEIS. The purpose of the policy committee is to oversee the development of policy, the legislative framework (primary and secondary) and long-term strategy for dashboards. It will enable join up between key players involved in delivering the dashboard and provide advice and assurance to Ministers.

Dashboard user interfaces

We will establish a user needs working group with potential dashboard providers (including MaPS) and consumer organisations to ensure that they are able to input into and benefit from the coordination of user testing. User-testing and research is critical to ensuring that pensions dashboards provide a useful and useable service for individuals. We will ensure that user research and testing is carried out at

all key stages of the Programme.

We are currently developing a joint user-needs research plan with MaPS and this will serve as the first input for discussion by the user needs working group. This will help potential dashboard providers identify and prioritise user needs to inform their front-end design based upon comprehensive user research and insight.

Online Identity Verification

We will be sourcing a functioning, workable, Identity Verification (IDV) Service as a critical part of delivering a secure, effective and inclusive identity service for users of pensions dashboards. In the March 2020 budget the government reiterated its commitment to the creation of a ubiquitous digital identity market. It has created the Digital Identity Unit, a collaboration between the Department for Digital, Culture, Media and Sport (DCMS) and Cabinet Office. It published a call for evidence in July 2019 to gather insights and evidence on how government can support improvements in identity verification and support the development and secure use of digital identities and ensure that the potential benefits of this approach are open to all. Government is due to publish a response in Spring 2020.

We will work with the Digital Identity Unit and industry colleagues, to further develop the requirements for the IDV Service and will be carrying out market engagement with industry experts to explore potential solutions.

Matching individuals to pension records

When the time is right, we will seek views on this issue to enable us to refine our working assumptions.

We will combine this feedback with the indicative findings from our qualitative research (currently in field) with pension providers and schemes

This will inform the list of attributes that will be needed by pensions schemes to match a high proportion of verified identities with pensions records and will define the next logical steps in helping the industry prepare for data matching. This could include working with regulators to define the next stage of quantitative research (to better understand the prevalence of the indicative qualitative findings).

We will also start to engage with the potential Integrated Service Providers (ISP) market to understand the solutions they may bring which could help the programme.

Estimated Retirement Income

The wider development of data standards is addressed below, but this is such an important issue to resolve as it goes right to the heart of the user needs for dashboards. As stated above this is an existing problem that will require a high degree of collaboration and take time to solve. As a starting position, the incomes supplied by pension providers and schemes, for display on dashboards, could be defined as follows:

- **For DB entitlements:** for active members this could be as at latest annual statement; for deferred members this could be deferred pension at leaving revalued to date (within the last 12 months)
- **For DC entitlements:** for all individuals this could be the Standard Money Purchase Illustration (SMPI) projected retirement income that appeared on the last annual statement

We will engage with the actuarial and regulatory communities to understand what policy alignments in this area may be possible, including engaging with the Simpler Annual Benefit Statement initiative, and will thoroughly test all new proposals with all relevant segments of individuals and pension providers and schemes.

Developing data standards

The pensions dashboards data standards will comprise of a set of data items which define:

- the attributes that will be shared with pension providers and schemes to enable them to search for a matching pension record, and
- which elements of an individual's pensions information must be supplied by pension providers and schemes for display to the individual (or their delegate) via a pensions dashboard.

Evidence from countries that have already launched pensions dashboards shows that it is essential to properly define the scope of the data standards at the outset.

A priority element of the PDP's work is the development of the data standards. To aid the development of our work in this area, we have articulated our current thinking in two documents, namely:

- **Data Scope: Working Paper** setting out options for achieving comprehensive coverage across all pension sectors in order to deliver an acceptable early breadth of coverage for individuals; and
- **Data Definitions: Working Paper** listing the set of data items that could be included in the dashboards data standards. This thinking will need to be developed further and tested to help define the data items pension providers and schemes will, initially, be required to make available to individuals via pensions dashboards.

The **Data Scope** document addresses the breadth of coverage and the **Data Definitions** document explores the depth of information dashboards could show.

To minimise the initial cost of pension provider and scheme participation and maximise consumer protection, Government has placed some limitations on the initial data requirements. Specifically, initial pensions dashboards will:

- offer a simple 'find and view' function showing individuals some consistent 'basic information' about their pensions;
- show, at maximum, the information already available on annual statements, or on request; and
- be, therefore, necessarily limited in functionality.

However, we recognise that, across the various sectors of the UK pensions industry, supplying pensions data for individuals to view on dashboards will be complex. We must strike a balance between delivering a useful dashboard experience without placing unreasonable burdens on providers and schemes.

During the first quarter of 2020, the Programme's Steering Group (SG) debated data scoping and data definitions options in detail and, based on these discussions, the data scope and data definitions papers present our current working assumptions on breadth and depth of pensions data.

How our assumptions will be refined

In these difficult and uncertain times, many of our key stakeholders are rightly focussed on very challenging and immediate priorities, whether at work or at home. When the time is right, we will seek views on the issues addressed in these two data documents to enable us to refine our working assumptions. Whilst we are not calling for formal feedback now and will do so at an appropriate moment in the future, any informal feedback would of course be appreciated.

Our working assumptions will be refined in due course with the aid of:

Industry Feedback: Input from industry stakeholders (including consumer groups, pension providers/schemes, and other interested parties);

Government Feedback: Ongoing feedback from relevant government departments and regulators as we develop our assumptions;

Sector Research: Independent qualitative research with different types of pension providers and schemes that seeks to generate a better overall understanding of the discrete data challenges they will face when interacting with the dashboards ecosystem; and

Consumer Research: Future independent qualitative research with consumers that seeks to understand, in granular detail, individuals' views about the usefulness of various combinations of information on pensions dashboards.

We will look to provide an update in the next progress update report to be published in 6 months' time.

Creating the digital architecture

We will specify our requirements for the high-level design of the core service - the Pension Finder Service and the Governance Register. Our starting point is the candidate architecture set out in the government response document. The Programme's Steering Group will discuss the details of, and rationale for, the candidate architecture described by DWP, the alternatives considered and the reasons why they did not meet the principles set out by Government or were deemed inferior.

Following this review and having understood the full range of options available, we will finalise the commercial procurement strategy which will set out the options appraisal for the build or buy decision for the technical architecture.

If we decide to procure the technical architecture as a product or service, this will be via one of the following two routes and will depend on the outcome of the market engagement exercise:

- An existing suitable digital technology Crown Commercial Service (CCS) framework agreement (such as the **Digital Marketplace**) which has already been competitively tendered through the Official Journal of the European Union (OJEU). This is the default route to market for all digital service projects in the public sector. The tendering timescales are shortened, and a typical procurement exercise takes around 3 months.
- A full direct OJEU tender if the existing CCS framework agreements are unsuitable for the PDP digital architecture requirements. Timings can vary from 6 months to around 2 years and the exact timescales that must be adopted and the procedures for the award of contract will depend upon whether the tender is an open procedure, restricted procedure, competitive dialogue procedure or competitive negotiation procedure.

Critical path

Over the coming months as work progresses on the activities set out above, we will be able to determine and validate the critical path for the programme.

Developing our communications and engagement strategy

Engaging stakeholders is a critical part of this programme. We will work with DWP, the regulators and industry to coordinate effective communications, as appropriate throughout implementation. We will continue to ensure that we share details of our progress via our webpages, at industry events, via the MaPS regular stakeholder newsletter and other communications channels.

Timescales

Given the long history of this initiative and the need for industry to act, there is understandably a strong desire for there to be a clear delivery timetable with firm dates. We want to provide this certainty as soon as possible, but we are also realistic about the scale of the challenge, and the critical dependencies set out earlier. We are optimistic that we will be able to set out the shape of a more detailed programme timeline before the end of the year, but it will inevitably still have some variables and dependencies.

Implementing pensions dashboards is a significant undertaking and as described above is constrained by several dependencies including legislation, availability of an identity service and the development of the ISP market which will all impact delivery timelines. Given the scale and complexity of the UK pensions industry, a staged approach to onboarding of providers and schemes will be necessary.

If a relatively small number of large pension providers and schemes were to stage first, then a significant proportion of all of the UK's pension entitlements would be available to individuals via dashboards relatively quickly. At a certain point during the staging of providers and schemes, most people logging on to an initial dashboard will reasonably expect to find and view all their pensions. We are referring to this point as the "Dashboards Available Point" (DAP). This is the point at which it will be possible to make pensions dashboards available to all members of the public.

The period prior to this point will be used for private testing with real users to better understand their needs and behaviours. It is not yet possible to know precisely where the DAP will fall, though we estimate it will be somewhere between when 40% and when 90% of all the UK's pension entitlements are available to be displayed to individuals via dashboards. Extensive testing is required to discover what proportion of their pensions being found is acceptable to individuals.

The Government's consultation response acknowledged:

"Once the supporting infrastructure and consumer protections are in place, and data standards and security are assured, most pension schemes should be ready to provide consumer's information to them via dashboards within three to four years."

The implementation timetable for schemes to connect to the dashboard architecture will be developed collaboratively with DWP, TPR and the FCA, but will ultimately be set out in regulations and FCA rules. Once known this will be used to inform more detailed timelines.

During this period of **staged onboarding** of providers and schemes there will be an extended period of private user testing. We expect to work with the MaPS dashboard and others to extensively test the user experience as pension providers and schemes are onboarded.

Only when:

- the security of the ecosystem is fully assured,
- the user experience has been extensively and robustly tested,
- user behaviours have been understood and any adverse impacts or unintended consequences mitigated,
- the right rules and regulations are in place, and
- the service has enough coverage of pension providers/schemes and enough information about those pensions so that it has been proved to meet a user need and be useful to a significant majority of people,

will the service be made publicly available to any individual who wants to use it.

Our role and the role of our delivery partners

The government's consultation response, set out its expectations for the roles of government, the Single Financial Guidance Body (now the Money and Pensions Service) and for industry.

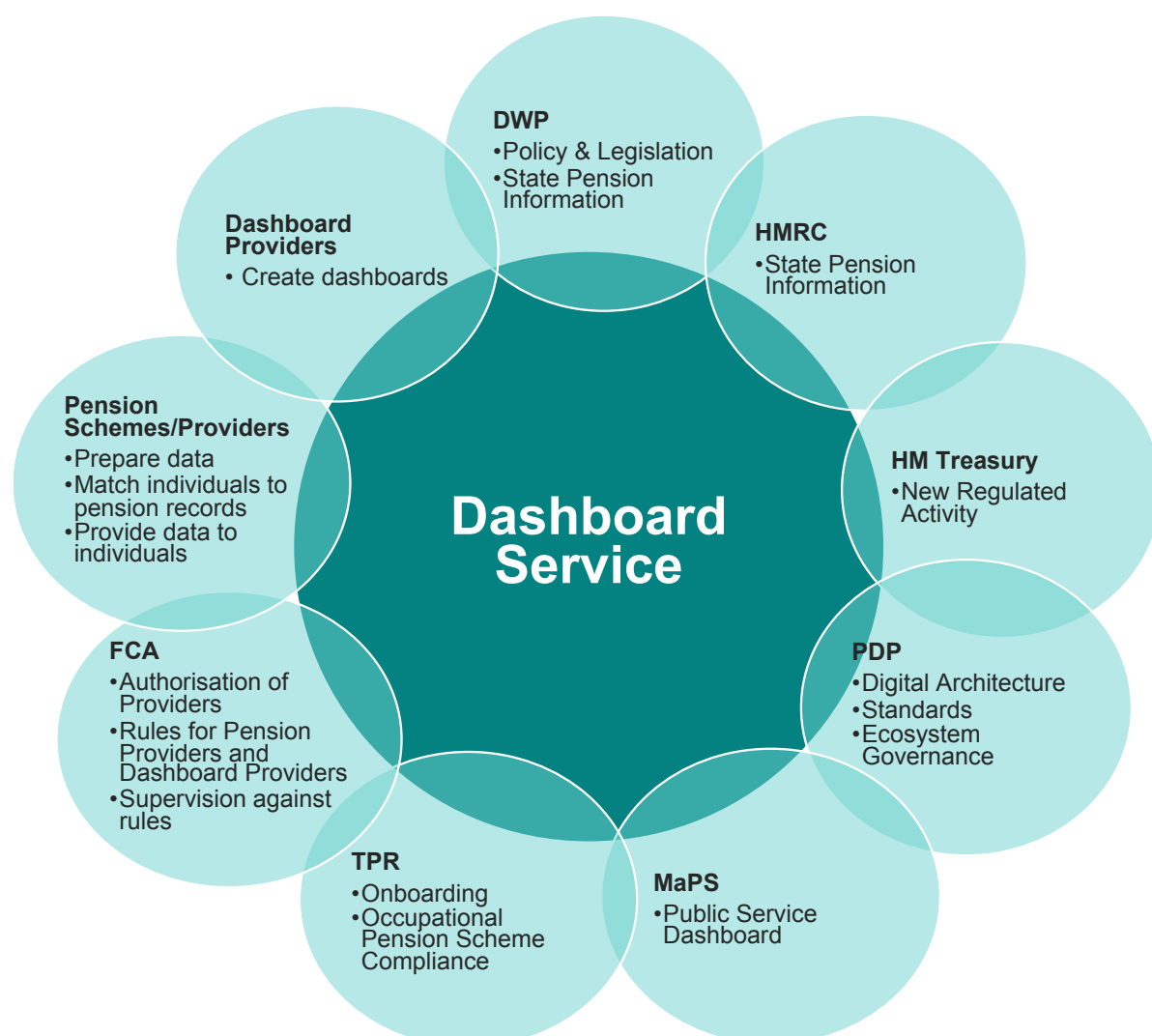
The Government will:

- Ensure legislation is in place which requires pension providers and schemes to make individuals' data available to them through their chosen dashboard
- Work towards making state pension information available as part of the dashboard service at the earliest opportunity
- Work with regulators to ensure the right

consumer protections are in place as dashboards evolve.

The PDP is responsible for developing the required standards, specifications and technical requirements as well as the technology and governance to enable individuals to view all of their pensions data via their chosen dashboard. MaPS will develop a dashboard as part of its function to provide information and guidance on pensions, but other organisations will also provide dashboards. We are working closely with industry, government and the regulators to maintain alignment.

The diagram below shows the responsibilities of our key delivery partners.



Pensions Dashboards Programme

MaPS has brought together a programme led by Principal and Senior Responsible Owner (SRO), Chris Curry, to oversee and drive the implementation of the dashboard ecosystem.

Principal & SRO – The SRO has overall responsibility for making decisions about delivery, but remains accountable to the MaPS Chief Executive and the MaPS Board via a Sub-Committee.

Steering Group – This is a strategic body made up of industry representatives, responsible for informing the design and delivery of the entire dashboards ecosystem and helping prioritise and scope the work of the Working Groups. Decisions are taken by the Principal based on the steers, views, advice, guidance and assurance given by the Steering Group.

As the pensions industry has got to do most of the 'heavy lifting' and as dashboards will have a diverse and broad set of users once implemented, it's critical that representatives of end-users and industry are helping us to drive the strategy that will shape the delivery and operating model of the pensions dashboards ecosystem.

The PDP Steering Group provides strategic direction across a range of topics to support the delivery of pensions dashboards. It has a specific focus on building consensus amongst and representing the views of industry and individuals who will be involved in, and impacted by, the implementation and rollout of pensions dashboards.

Between July and October 2019, the PDP selected and appointed ten Steering Group members through a robust selection process, with applicants asked to provide written submissions demonstrating their expertise against selection criteria, as well as testimonials proving their leadership in the field.

Representing the interests of consumers and stakeholders within the pensions, financial services and fintech sectors, the Steering Group members are:

- Andrew Lowe, Change and Data Solutions Director, Institute and Faculty of Actuaries (IFoA) and Equiniti
- Dominic Lindley, independent
- Francis Goss, Chief Commercial Officer, Anthony Hodges Consulting Ltd (AHC)
- Kim Gubler, Chair, Pensions Administration Standards Association (PASA)
- Nigel Peaple, Director of Policy and Research, Pensions and Lifetime Savings Association (PLSA)
- Paddy Greene, Head of Money and Individual Rights Policy, Which?
- Romi Savova, CEO, PensionBee
- Samantha Seaton, CEO, Moneyhub
- Will Lovegrove, independent
- Yvonne Braun, Director of Policy, Long Term Savings and Protection, Association of British Insurers (ABI)

Programme Team – Led by the programme director, the programme team is responsible for driving the implementation of the dashboard ecosystem, providing support and input to the PDP Steering Group and Working Groups.

Working Groups – These are the key forums for representatives across industry, which bring together subject matter experts with relevant skills and practical expertise to input into the design, build and run of the whole pensions dashboards ecosystem.

In August 2019, the PDP called for expressions of interest from industry representatives who would like to get involved with the work of the working groups. We have received nearly 200 offers of help from a wide range of consumer, fintech, and pensions industry sub-sectors.

We will stand up a working group for each significant workstream to do the detailed analysis and options appraisal of how key aspects of the programme will be delivered and will seek a steer from the SG based on the input from the working groups.

We will be developing tools and ways of working to ensure that the work being undertaken by the working groups is visible, transparent and collaborative.

Legislation and regulation

The Pension Schemes Bill (introduced to Parliament in January 2020) will create a legislative framework for pensions dashboards, providing the Secretary of State a range of powers such as to set standards for qualifying dashboard services and the mechanism to compel pension providers and schemes to provide adequate data within a specified timeframe. Much of the detail will necessarily be in secondary legislation, Financial Conduct Authority (FCA) rules, and guidance.

The government has made a commitment to make the provision of pensions dashboards an FCA regulated activity⁶. HM Treasury will be proposing amendments to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 in order to facilitate this. Those organisations wishing to become pensions dashboard providers will have to apply for FCA authorisation. Creating a new regulated activity will allow the FCA to create specific rules in relation to dashboard providers. These rules may, subject to consultation, evolve over time as the role of pensions dashboards develop, ensuring individual protection in the future.

The role of Regulators

The draft legislation currently before Parliament sets out significant roles for The Pensions Regulator (TPR) and the FCA. They will regulate the compliance of pension providers and schemes in providing data to individuals via their chosen dashboard.

- TPR will regulate trust-based and public sector pension schemes
- FCA will regulate personal and stakeholder pension schemes

DWP will develop secondary legislation which will set out the requirements for occupational pension schemes and qualifying dashboards. The FCA will consult on and make corresponding new rules for the pension providers it regulates. Furthermore, the FCA will develop an authorisation and supervision regime for dashboard providers.

As it did for the successful automatic enrolment programme, TPR will work proactively with industry partners as they prepare to participate in dashboards. This includes pension schemes, administrators, administration software providers and the emergent Integrated Service Providers. TPR will engage early and systematically, identifying risks and working collaboratively with industry, the PDP, the FCA and other relevant parties to resolve issues.

This gives us a view of the multiple parties who will all need to play their part in delivering pensions dashboards services that enable individuals to find their pensions.

⁶ Hansard HL Deb (28 February 2020) vol. 802 col. 184GC. Available at: <https://bit.ly/2PypBAD>

Glossary

Term	Definition
Pensions Dashboards	Pensions dashboards are the public facing user interfaces that will enable individuals to access their pensions information online, securely and all in one place, thereby supporting better planning for retirement. Dashboards will provide clear and simple information about an individual's multiple pension savings, including their State Pension. They will also help them to reconnect with any lost pension pots.
Pensions Dashboards Programme (PDP)	<p>The PDP (formerly known as the Industry Delivery Group) was set up by the Money and Pensions Service (MaPS) and is responsible for developing the pensions dashboards digital architecture which will enable individuals to view all their pensions data via their chosen dashboard within a secure ecosystem.</p> <p>The PDP will not be responsible for developing a front-end dashboard.</p>
Pensions Dashboards Ecosystem	Multiple parties, technical services and governance need to be connected in what we are referring to as an ecosystem. This is made up of the supporting digital architecture which allows dashboards to work, the dashboards themselves which individuals interact with and the governance system which monitors the whole ecosystem.
Digital Architecture	The digital architecture will enable multiple parties to be connected in a secure ecosystem that delivers pensions dashboards for individuals. This includes a pensions finder service, identity verification service and a governance register.
Ecosystem Governance Framework	<p>The ecosystem governance framework sets out how the technical components will work together with dashboards and data providers. This includes all the associated technical connections and their operation in a live environment.</p> <p>The framework will include data, technical, security and performance standards as well as design, accessibility, and user experience standards that dashboards must meet to be connected to the digital architecture.</p> <p>The Pensions Dashboards Programme will also develop a clear and comprehensive complaints process for users in case something goes wrong and a clear liability model, which all parties are signed up to, with routes to redress.</p>

Term	Definition
Steering Group (SG)	The Pensions Dashboards Programme Steering Group represents the interests of consumers and stakeholders within the pensions, financial services and fintech sectors and provides strategic direction across a range of topics. They are responsible for informing the design and delivery of the pensions dashboards ecosystem and steering the work of the working groups. The Steering Group has a specific focus on representing, and building consensus amongst, the industry and consumers who will be involved in, and impacted by, the implementation and rollout of pensions dashboards.
Working Group (WG)	<p>The Pensions Dashboards Programme Working Groups are forums for representatives from across our stakeholders, which bring together subject matter experts with relevant skills and practical expertise to input into the design, build and run of the whole pensions dashboards ecosystem.</p> <p>A WG will be set up for each significant workstream to do the detailed analysis and options appraisal of key aspects of the programme and will seek a steer from the Steering Group.</p>
MaPS Dashboard	The Money and Pensions Service will develop a pensions dashboard (the MaPS dashboard) as part of its function to provide information and guidance on pensions.
Pension Finder Service (PFS)	The Pension Finder Service (PFS) is a piece of technology that sends out an instruction to all data providers to search for a user's pensions. If a match is found, the location where the data can be found is returned to the user's chosen dashboard along with a key (a token ensuring secure access) which allows that dashboard to access the data and display it to the user.
Identity Verification Service	<p>The PDP will need to agree a standardised level of identity verification which set the levels of assurance required in line with the National Cyber Security Centre's Good Practice Guide 45.</p> <p>The identity service allows users to authenticate themselves (prove they are who they say they are) so that they can access other elements of the ecosystem. It provides the verification required to assure data providers that they are returning data to the correct user and no one else.</p>
Governance Register	The Governance Register is a technical service that provides assurances that the different elements of the ecosystem (dashboards, identity services, PFS and connections to pension schemes) meet the required standards to participate. It ensures that all these elements operate correctly and securely and allows access to be revoked if any party is found to be operating incorrectly, for example by misusing data. It will also enable compliance and monitoring of the system as a whole.

Term	Definition
Integrated Service Provider	<p>An Integrated Service Provider (ISP) allows pension information to be securely held on behalf of pensions schemes.</p> <p>This will enable pension information to be accessible via a dashboard in those instances where the pension scheme provider is unable to do so themselves.</p> <p>These arrangements already exist and are contractual relationships between the two parties. These arrangements are outside of the scope of the ecosystem.</p>
Dashboards Available Point (DAP)	The DAP is the point at which it will be reasonable to make pensions dashboards available to all members of the public, meeting the first dashboards goal ("connect people with all their pensions") for most individuals.
Estimated Retirement Income	An estimate of the income that an individual pension entitlement might itself provide or enable to be provided.
Data Standards	<p>The pensions dashboards data standards will comprise of a set of data items which define:</p> <ul style="list-style-type: none"> ■ the individual attributes that will be shared about a verified identity to enable pension records to be searched for a match, and ■ which elements of an individual's pensions information must be supplied by pension providers and schemes for display to the individual (or their delegate) via a pensions dashboard.
Individuals	People who can use one of the dashboards to find and view their pensions.
Data Providers	<p>Occupational and personal pension schemes, administrators, Integrated Service Providers (ISPs), DWP (State Pension)</p> <p>Pension schemes may choose to provide the data directly to the ecosystem, or via an ISP (an intermediary who will prepare and present the data on the pension scheme's behalf).</p>
Industry	The wider pensions industry who may be involved in dashboards in different ways. This includes private and public sector pension schemes of all types, financial technology firms, third party administrators, independent financial advisers, insurers and employee benefits platforms, among others. Other interested parties include banks, employers, consumer representative bodies and the voluntary sector.
Regulators	The Financial Conduct Authority (FCA) and The Pensions Regulator (TPR) which work in tandem to address risks and harms in the pensions and retirement income sector. The organisations have different statutory remits set by Parliament.

Term	Definition
Compulsion	To require in law that pension schemes make individuals' data available to them via their chosen dashboard
Staging	Pension scheme providers will connect to the ecosystem over a period of time rather than all at once. Schemes will be given a specific date within this period by when they must have connected.
Compliance	The process of supporting pension scheme providers to prepare for their legal duties to supply pensions information to the requisite standards and timetable; the process of monitoring that provision; and the process of enforcement should they not.

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