

## The dash to be dashboard ready

**Pensions analysis:** It seems that it is now full steam ahead for the introduction of pension dashboards. A pension dashboard will be an online platform that can be used by pension scheme members to access information about all of their occupational pension schemes (including the State Pension) in one place. It is the responsibility of the Pensions Dashboards Programme (PDP) to design and implement the infrastructure that will make pensions dashboards work. The government is currently consulting on draft regulations which set out the detailed framework for the provision and operation of this service, as well as the obligations on occupational pension schemes to onboard onto a dashboard. Graham Wrightson, partner, and Julia Ward, senior knowledge development lawyer, at Stephenson Harwood LLP examine the consultation and its implications.

This analysis was first published on Lexis®PSL on 1 March 2022 and can be found [here](#) (subscription required).

### What is the background to the consultation?

Long gone are the days that an employee remained in one job for life. As a result, it is not uncommon for someone to have pension arrangements with a number of different employers. The aim of the dashboard service is to put members in control of planning for their retirement and, generally, to improve their financial wellbeing. This would be achieved by allowing individuals to access their pensions information online, securely and all in one place. It is hoped that, in time, the dashboard service will allow members to keep much better track of, and become more engaged with, their pension arrangements.

The 'Pensions dashboards: consultation on the draft Pensions Dashboards Regulations 2022' can be found [here](#).

### What are the key aspects? What particular issues are raised?

The [draft regulations](#) place obligations on three different players in the pensions industry:

- those who intend to establish and provide a pensions dashboard service
- trustees and managers of occupational pension schemes
- The Pensions Regulator (TPR)

### Pensions dashboard providers

The first pensions dashboard will be developed by the Money and Pension Service (MaPS). The PDP is responsible for developing the pensions dashboards ecosystem which will enable individuals to access their pensions data from their chosen dashboard. The MaPS pensions dashboard is a non-commercial dashboard being established under a separate process to the draft regulations.

However, the [Pension Schemes Act 2021](#) and draft regulations made under it provide scope for commercial dashboard providers to enter the market. In an approach similar to that taken to automatic enrolment, if a commercial provider wishes to establish a pensions dashboard it will need to meet the standards and requirements for being a 'qualifying pensions dashboard service'. These requirements will include:

- registering with MaPS
- being authorised and regulated by the Financial Conduct Authority (FCA)
- connecting its pensions dashboard to MaPS

- complying with specified service and operations standards (including the provision of adequate data within specific timeframes)
- complying with design standards sets out by MaPS

### Trustees and managers of relevant occupational pension schemes

The requirement for an occupational pension scheme to onboard to a pensions dashboard will apply to registrable UK-based occupational pension schemes with active and/or deferred members (including public service schemes). Pensioner members are outside the scope of pensions dashboard requirements, as are personal pension schemes (which will be covered by a similar regime governed by the FCA).

Given the scale and complexity of the project and following a number of separate development and testing phases, schemes and providers will be compelled to onboard onto a pensions dashboard in a phased manner. The draft regulations set out the following timelines:

Stage	Compulsory staging date	Size (pensioner members not included)	Further information
One: Large schemes	April 2023 – September 2024	1000+ relevant members	Priority order for this stage will be: <ul style="list-style-type: none"> <li>• large master trusts</li> <li>• other large schemes providing money purchase benefits for automatic enrolment purposes</li> <li>• all remaining large occupational schemes and public sector schemes</li> </ul>
Two: Medium schemes	October 2024 – October 2025	100 to 999 relevant members	Relevant occupational pension schemes
Three: Small and micro schemes	Not covered by regulations, but expected to stage from 2026	99 or fewer relevant members	The timing for these schemes will be set out in future regulations

Schemes can, however, request to connect to MaPS early.

Under the draft regulations trustees must (among other things):

- connect their scheme to the MaPS pensions dashboard no later than their staging date
- comply with specific connection, security and technical standards (many of which are still to be issued)
- ensure members are provided with certain information via a dashboard within a specific period starting from the member's request for information. Some of the information will need to be made available immediately to members. The information that needs to be available to a member through the dashboard service includes basic administrative information about the member's pension schemes, financial information about the scheme generally and individual information about the member's pensions (for example, the value of the member's accrued benefits and, in some instances, the projected value of the member's pension)

Trustees must comply with certain reporting requirements and working through data protection issues will also play a major part in trustees' project planning.

In addition to the requirements set out by the draft regulations, both trustees and qualifying dashboard providers will need to comply with the standards that will, initially, be set by MaPS and, later, by TPR.

### The Pensions Regulator

Under the draft regulations, TPR has power to take the following enforcement action:

- issue a compliance notice or third party compliance notice requiring the person to whom the notice is directed to take, or refrain from taking, action specified in the notice
- issue a penalty notice of £5,000 for an individual or £50,000 for a corporate trustee

### What are the implications for pension schemes?

Trustees, especially of schemes in the initial stage of the onboarding timetable, will need to familiarise themselves with the new requirements. Although the regulations are not yet in final form, trustees should already be taking action to ensure that their data is accurate and in order. Data held will also need to be consistent with the data standards required and pension schemes should therefore ensure their data meets those requirements.

Trustees should also ensure that they are aware of their proposed staging timeline and discuss implementation of a suitable project plan with advisers.

### What happens next?

The consultation closes on 13 March 2022. The government's response to the consultation will set out the next steps which are likely to include the final regulations and the date they will come into force.

*Interviewed by Banita Kalia*

Graham Wrightson is a partner at Stephenson Harwood LLP and pensions expert. He has particular expertise in pension scheme mergers/demergers, employer debt and corporate guarantees, scheme liability management and cross-border pension arrangements. Graham regularly advises on pension scheme governance issues and Pensions Ombudsman cases. Graham is listed as a recommended lawyer for non contentious pensions by the Legal 500 UK 2021 legal directory, and was shortlisted for the Pensions Age Pensions Law Firm of the Year 2018 award.

Julia Ward is a senior knowledge development lawyer for the pensions team at Stephenson Harwood LLP. Julia delivers legal training, drafts client briefings, and updates the team's precedent documents. Prior to this role, Julia practiced as a pensions associate and advised on both trustees and sponsors on day to day advisory matters as well as providing the pensions advice for complex and high value corporate transactions.

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