

Meeting of the Board 24 March 2022

Dashboard consultation response

Introduction

1. On 31 January 2022, the Department for Work and Pensions (DWP) published a [consultation on draft Pensions Dashboards Regulations](#). The consultation ran for six weeks and closed on 13 March 2022.
2. Pensions Dashboards will allow individuals to see information about all their pensions, including the State Pension, in one place. These draft regulations set the requirements to be met to deliver this and will place a legal duty on pension providers to provide information to the dashboards.
3. The consultation proposes a staging deadline of the end of April 2024 for public service pension schemes, including the FPS. This means that FPS administrators will 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.
4. Given the similarities between the structure of the English and Welsh Fire schemes and the Boards having a number of members in common, a joint response was made with the Scheme Advisory Board for Wales:

[FPS SABE and SABW response to DWP consultation on draft Pensions Dashboards Regulations](#).

5. The response expressed significant concern about FPS administrators' ability to meet the staging deadline given the other pressures they face and the data that will be available at that time.
6. This paper confirms submission of the Board's response and the key points raised.

Summary

7. Capacity

7.1. Retrospective remedy is due to come into force from 1 October 2023. FPS administrators will already be under huge pressure at this time, implementing the rollback from career average to final scheme service for eligible members.

7.2. It is possible that a second options exercise for special members of FPS 2006 (Matthews) may be underway by then too, adding further resource pressure on FRAs and their administrators.

8. Availability of McCloud data

- 8.1. The staging date for Public Service Pension Schemes (PSPS) is 30 April 2024. By that time, a remediable Annual Benefit Statement (ABS) or remediable service statement (RSS) to include McCloud data will not have been produced and it will not be possible to include more than one value for the dashboard. RSS are not legislated to be provided for eligible members until 18 months from October 2023, which would be April 2025.
- 8.2. Providing members with incorrect or incomplete information could undermine the credibility of the dashboard and decrease member engagement.

9. Size and definition of the scheme

- 9.1. It is not accepted that numbers of members alone signify a scheme is able to join the dashboard. Fire is a locally administered scheme, each the responsibility of the individual scheme manager with two different software suppliers and 18 administrators working across the sector to provide software and administration services.
- 9.2. Many of the Fire schemes individually have less than 1,000 members. As such being treated as a medium scheme and staging to commence from 31 October 2024 with a deadline of 30 April 2025 may more readily enable Fire schemes to provide credible data to the dashboard.

10. Value to the “pension saver”

- 10.1. Typically Fire scheme members have one period of continuous employment and do not have lost pensions. Their priority is likely to be having information about the value of their pension in the scheme that they are currently a member of. If they receive information that is not credible to them, i.e. data that is not McCloud remedied they will not value that information, and worse still it may further undermine their belief in the value of public sector pensions.

11. Projections and the definition of Normal Pension Age

- 11.1. From April 2022 all active members will have accrued benefits in both a legacy and a new scheme. This causes complexity in providing projected benefits for members with transitional FPS 1992/ 2015 benefits as each set of benefits has a different NPA. So schemes will need to provide separate values for each tranche, plus values to reflect the DCU choice. This will take additional time to work through.

12. For these reasons, the Board response states that it is doubtful that a staging deadline of April 2024 is achievable. The response also stressed the impact of any costs of connecting to the dashboard on the financial viability of the FRAs.

Board actions

13. The Board is asked to note the contents of this paper.

Board Secretary

March 2022

Further resources

- [SAB response to DWP consultation – Pensions dashboards: Working together for the consumer](#) (January 2019)
- [SAB response to PDP call for input on dashboard staging](#) (July 2021)
- [Pensions dashboards](#) (Featuring Heywood Pension Technologies) (22 February 2022)
- [Pensions dashboards - an overview](#) (The Pensions Regulator) (7 February 2022)
- [Supporting information from PDP](#) (including webinar recordings)