

DRAFT PENSIONS DASHBOARDS REGULATIONS

Comment from the Association of Consulting Actuaries (ACA)



PRESS RELEASE: IMMEDIATE

ACA expresses concern over dash for dashboards

14 March 2022: In its [response](#) to the DWP Consultation on draft Pensions Dashboards regulations, the Association of Consulting Actuaries (ACA), whilst supportive of the policy intent, has called for a further consultation on the regulations due to gaps and lack of clarity found in the initial draft regulations. As a result, concern is expressed as to whether the staging timetable needs to be reviewed given the dangers of ‘dashing for dashboards’ at the expense of sound preparations.

Commenting on the ACA response, Peter Williams, Chair of the ACA Pension Schemes Committee said:

“We think it necessary for there to be a further consultation on the regulations once they have moved from being the ‘indicative’ in this consultation, and before the final version intended to be laid in Parliament. This is because in their current form they lack precision in a number of important areas, such as the value data that needs to be returned for different benefit types.

“We are disappointed that there is no signposting in the consultation document about potential changes to the disclosure regulations as a result of the information that will become available on the dashboard. We think it important that, once the dashboard information has been settled, consideration is given as to how the disclosure regulations should change, particularly in the area of benefit statements, in order to ensure consistency in the information provided under the two routes and possibly the satisfaction of certain disclosure requirements through the dashboard.”

On the staging timetable, the ACA says it is supportive of the intended profile, with the largest of schemes connecting first, but there is concern that the staging timelines are too ambitious. It is almost 12 months before the first schemes are required to connect, but it will be many months from now before the regulations become law and before all the necessary guidance and standards are finalised. The ACA response asks how IT projects to ensure this information is available can be delivered against such uncertainty and with so little time once there is certainty?

The ACA also notes that the dashboards will be implemented at a time when pension administrators are already under resource strains from other significant projects, including GMP rectification and equalisation. Firms where ACA members are based and clients with in-house pension administration teams report challenges in recruiting experienced administrators to adequately resource existing workloads.

On compliance and enforcement, the ACA response says it remains unclear how the Pensions Regulator will be policing compliance.

Peter Williams added:

“We envisage that, in the early days, there could be multiple failures by schemes of all sizes and given this it will be important for the Regulator to acknowledge that what the legislation requires may not always be deliverable. It should take a risk-based and proportionate approach and focus its attention on those who are wilfully refusing to rise up to their new duties. Schemes and their third-party providers should not be fined or served compliance notices where they are doing their best in the circumstances.

“It needs to be borne in mind that pension benefits have been successfully delivered for many decades without having a pensions dashboard and that dashboard compliance failures are not putting benefits at risk. Indeed, in the dash to make pension benefit information available to all, it may be better for a scheme to adopt a ‘tortoise’ approach, ensuring that when it does connect, the information is of the highest quality, rather than be driven by what might turn out to be impractical legislative deadlines and end up displaying incomplete and/ or sub-standard information, generating multiple queries and undermining the confidence of members in both the dashboard and the scheme administrators.”

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About the Association of Consulting Actuaries (ACA)

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