

Briefing note

One year out – connecting LGPS funds to the Pensions Dashboards



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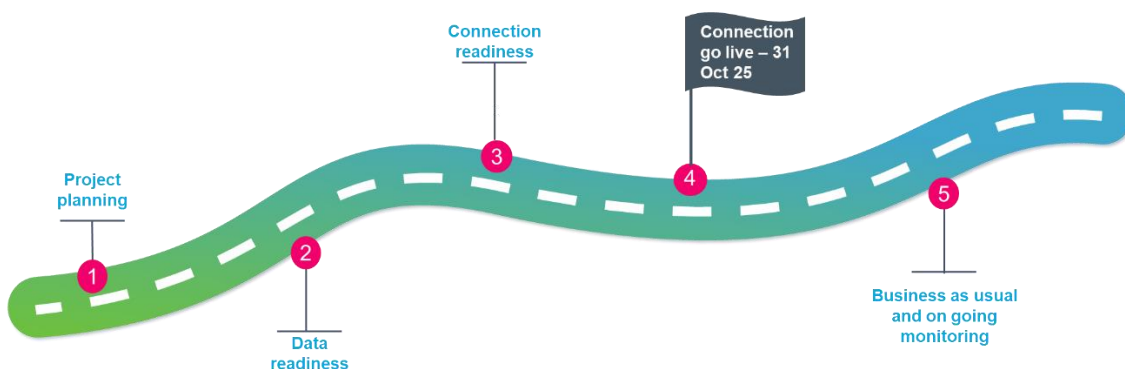
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31 October 2024 marked 365 days until all LGPS funds are due to be connected to the Pensions Dashboards ecosystem. Connecting to the ecosystem is essential to allow individuals to view their pension information online in one place, at a time of their choosing. Is your fund ready for connection by the deadline?

The road to connection

The connection journey to the ecosystem for Pensions Dashboards could be a challenging one with lots to do between now and the connection deadline. The road map below shows this journey at a very high level. A detailed, planned approach will be essential to ensure a smooth and successful onboarding.

2024/25 timeline



In order to be ready for the October 2025 deadline and fall in line with ‘dashboard duties’, there are a number of key actions that funds will need to undertake. These tasks are mainly around data, as its quality is a key aspect of this journey. Data cleansing tasks will be the biggest ask of funds; this will allow members to be matched with all of their pension arrangements (including AVC’s) once funds are connected to the dashboard and ensure that the information provided to members is correct. We consider the key checkpoints to be:

1. *Project Planning* – this will help to ensure a successful connection and an area of focus from the Pensions Regulator (TPR). If you haven't already done so, it is time to select your 'Integrated Service Provider' (ISP) and ensure you have considered resource and budget for this.
2. *Data Readiness* – we highly recommend this is your priority with the main focus around the data that is going to be used for 'data matching' to prevent false matches. It should be highlighted here the importance of working with your AVC suppliers on the data they will need to provide on your behalf.
3. *Connection Readiness* - things to consider here would include governance, knowledge and understanding requirements and that a test of your data has been completed with your ISP provider and processes have been finalised.
4. **Connection 'go live' date – 31 October 2025**
5. *Business As Usual* – ensure you have plans in place for ongoing management of the dashboard, including reporting and record keeping requirements and ensuring that new members have data available from the dashboard within 3 months.

TPR's approach

Whilst the journey towards the launch of pensions dashboards has been a bit of a bumpy road, the industry took a significant step forward in September with the publication of TPR's [Dashboards compliance and enforcement policy](#). TPR's key message for the industry was clear from the headline on a [blog](#) which accompanied the publication of the policy "Act now on pensions dashboards so we don't have to".

LGPS funds will need to be familiar with this policy. It includes helpful examples of potential scenarios, but we have drawn out some of the key points below:

- **Planning** – TPR emphasise the need for proper preparations for pensions dashboards and say that they expect funds to keep clear audit trails of how they have taken steps to prepare. When it comes to enforcement, it is clear that the efforts funds have taken to prepare will be a factor in TPR's consideration of individual cases. As TPR say in their blog – "If schemes prepare properly then we are less likely to use enforcement action to ensure that they do the right thing".
- **Compliance** – Funds will have to comply with their legal duties on pensions dashboards. TPR say that, in particular, they expect trustees or managers to be able to demonstrate how they have had regard to [DWP's connections guidance](#), which sets out the Government's staged timetable for connections to dashboards. Inability to demonstrate regard to this guidance may increase the risk of regulatory action being taken.
- **Data** – Good data is fundamental to the success of pensions dashboards. TPR say they will focus their compliance and enforcement efforts on funds where they see behaviours or breaches that "endanger savers' access to complete or accurate pension data". To ensure that the right preparations are taking place, TPR will be engaging with hundreds of schemes in Autumn 2024 on how they are measuring and improving data.
- **Controls** – For many funds, successful participation in pensions dashboards will be reliant on working with service providers. LGPS funds should be ensuring that they have robust controls and contractual agreements with their providers so they have effective oversight and can meet their legal obligations

Ministerial update

In late October, Emma Reynolds, the Pensions Minister, published a [written statement](#) affirming the Government's commitment to the successful launch of pension dashboards. In this, Reynolds confirmed that she has directed the Pensions Dashboards Programme to focus on the establishment of the state-owned MoneyHelper dashboard service, before turning to the work of connecting commercial dashboards.

Resources

For this significant development in the UK pensions system, there is a host of resources, both formal and informal, available to help funds plan towards a successful connection:

- TPR are hosting a [webinar](#) on 26 November at 2:30pm. Industry experts, including a professional trustee, will provide essential insights into pensions dashboards duties, guiding trustees and scheme managers on where they should be with their preparations.
- The Pensions Administration Standards Association (PASA) has published a [Dashboards Toolkit](#) which includes a number of tools to help schemes ensure their AVCs are successfully connected.
- The Pensions Dashboards Programme has published detailed [connection guidance](#) for pension providers, funds, third-party administrators and ISPs connecting directly to the dashboards ecosystem.
- For the LGPS, the LGA have published an [administrator guide](#) to pensions dashboards as well as a [connection guide](#).

If you have any questions about dashboard connection in your LGPS fund, or if you require any help or support on your journey, please contact Sarah Scott (sarah.scott@hymans.co.uk) or Con Hargrave (con.hargrave@hymans.co.uk).

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