

Pensions Dashboard Project

Reconnecting people with their pensions

October 2017

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1. Executive Summary

“The government will ensure the industry designs, funds and launches a pensions dashboard by 2019. This will mean an individual can view all their retirement savings in one place.” (Budget 2016)

Pensions are a critical part of social policy, helping people to enjoy the retirement they hope for, supported by the state and employers. As life expectancy and pressure on public spending increases, private provision becomes even more important. And as defined benefit schemes have declined, consumers have more choice and more responsibility.

However, the long-term nature of pensions means it is easy for consumers to become disconnected from a pension, maybe even forgetting or never realising that they were entitled to it. Already, it is estimated that there is at least £3bn of unclaimed pension money¹. Automatic enrolment into workplace pensions increases this risk still further as it is a policy based on inertia, which requires no activity on the part of the pension saver. The policy is creating millions of new savers, many with a number of small pots from different employments. A more flexible labour market, with the average person now having 11 jobs in a career², will also contribute to the risk of pensions getting lost. As a result, pension savers need a simple answer to the question, “What have I got, and where is it?”

A number of countries have successfully introduced online services to enable consumers to find all of their pension entitlements, and their value, in one place. In the UK, a “pensions dashboard” has been recommended as a solution to several policy problems.

FCA: Retirement Income Market Study	<i>The need for better informed decisions when taking benefits.</i>	2014
HM Treasury and FCA: Financial Advice Market Review	<i>Affordability of advice and control over retirement planning.</i>	2016
HM Treasury: Budget	<i>Keeping track of pension pots.</i>	2016
Cabinet Office: Dormant Assets Commission	<i>Tracing and reuniting lost assets with consumers.</i>	2016
DWP: State Pension Age Review	<i>The need for a communications strategy encouraging greater engagement.</i>	2017

Table 1: Policy initiatives

These policy problems have a common thread: the need to find pensions, in order to make decisions about them. Pensions dashboards, and an “open pensions” data infrastructure, would enable consumers to do this in a way that is not currently possible, by making information about pensions much more easily available, and advice and guidance much more efficient.

¹ DWP Research Report 697, The Pensions Tracing Service: A quantitative research study, by Jan Shury and Christoph Koerbitz, 2010, p. 7.

² <https://www.gov.uk/government/news/government-reforms-to-stop-savers-losing-mini-pension-pots>.

Therefore the overall policy aim driving pension dashboards as a concept is that **pension savers can easily and securely find all of their pensions together, to enable them to understand and make informed decisions about their savings.**

Momentum has built around the idea of pension dashboards, and in the Budget 2016 the Government made the following commitment:

“The government will ensure the industry designs, funds and launches a pensions dashboard by 2019. This will mean an individual can view all their retirement savings in one place”.

The Pensions Dashboard Prototype Project³ followed, running from September 2016 to May 2017. It was funded and resourced by industry, sponsored by HM Treasury (HMT) and managed by the Association of British Insurers (ABI), with input from the Department for Work and Pensions (DWP) and the Pensions and Lifetime Savings Association (PLSA), and engagement across the sector.

The Prototype Project designed and developed a prototype, demonstrating that it is possible to build the “plumbing” to connect multiple pension schemes to dashboards and for people to see their pensions in one place; that a dashboard infrastructure can be delivered, and a data standard for sharing information can be agreed; and that the industry can work successfully with FinTech providers to make this happen.

The general election in June 2017 created an inescapable hiatus in Government’s engagement with the pension dashboard concept. To retain momentum, the Pension Dashboard Prototype Project’s industry contributors agreed to a further project without Government involvement (the Project), focusing on four workstreams: consumer research, industry research and further work on data standards and requirements. Each workstream was led by an industry chair and engaged closely with a wide range of stakeholders.

The Consumer Workstream held workshops with consumer organisations and industry associations, commissioned qualitative consumer research (jointly with the Money Advice Service (MAS)), and held interviews with representatives from countries who have implemented similar services.

The Industry Research Workstream conducted over forty interviews with senior stakeholders from across the industry.

The Data Standards Workstream worked with industry and regulators on refining the data standards and guidelines, as well as on a review of data quality across the industry.

The Service Requirements Workstream developed the requirements for live services.

This Report summarises the findings of those four workstreams.

Key recommendations

The overall policy recommendation from this Project is that **citizens should have a right to access information about all of their pensions in one place of their choice in a**

³ <http://pensionsdashboardproject.uk>

standardised digital format, via regulated services. This can be broken down into several more specific recommendations, all evidenced by the Project's findings.

- 1. All pension providers and schemes must make data available to consumers via regulated third parties, including occupational, personal and public service pension schemes. This compulsion requires a legislative change and a completion date stated by Government.**
- 2. DWP must make data about the State Pension available alongside private pension information from day one.**

Several strands of research supported the need for compulsion:

- Consumer representatives and guidance bodies highlighted the significant burden faced by consumers in finding information about their pensions. Independent consumer research commissioned for the Project found that consumers would expect to find all of their pensions, or at least an indication of when they would be available.
- When interviewees from other countries with dashboard services were asked what they would have done differently, all cited the need for compulsion. Where compulsion had happened, it was cited as a success factor.
- Industry research found that legislation was seen as essential for the project to be a success. Some schemes said they would be unable to share data due to the costs and risks to consumers associated with this, unless there was an obligation to do so; and others would struggle to make the case for it to be prioritised over other initiatives, without a mandatory change.

Most fundamentally, several stakeholders felt that pensions information belongs to the consumer. It should therefore be a duty of pension schemes to share that data so that consumers can find it in a secure and trusted place. This would require legislation, and could potentially be achieved through secondary legislation through a change to the disclosure regulations.

Including all pensions means including the State Pension. DWP was instrumental in the Prototype Project as a provider of State Pension information. Consumer research underlined that the State Pension is seen as an anchor of pensions information and will comprise the majority of retirement income for the majority of people for many years. This has also been the norm in international examples.

- 3. A non-commercial service, endorsed by the Government, must be made available.**
- 4. To enable innovation, the Government must enable an "open pensions" infrastructure that allows consumers to access their data via regulated third parties.**
- 5. Dashboards and any other third party services showing consumers their data must be regulated to ensure consistency. Consumer protection requires legislation to establish one or more new regulated activities, which are most likely to be overseen by the Financial Conduct Authority (FCA).**

Consumer research, engagement with consumer representatives and industry research found that having a dashboard that is sales-free and Government-backed is important, so that there

is a venue that is unequivocally impartial. The role of Government or a guidance body in developing or hosting a dashboard itself will require an early policy decision, as it could affect the market for commercial services.

It was also noted that one size would not fit all consumers, and third parties would be able to provide additional tools, products and services. Industry research identified tremendous scope for innovation, with “open pensions” data being part of a wider universe of information to help consumers manage their overall financial well-being. It was felt that this could transform the industry for the benefit of consumers, by improving engagement and providing access to data wherever it is convenient for them.

It was widely seen as critical that dashboards and related services with a consumer interface are regulated, as consumers will rely on the information presented to make decisions. The consumer research indicated that consumers expect to see the estimated value of their income, and that this should be consistent to avoid consumer detriment. A requirement to signpost to guidance services to help consumer decision-making was also seen as necessary. Industry research found a need for a clear role for regulators and clarity on obligations and liabilities, closely related to the need for governance.

Organisations who are likely to offer dashboards may already be regulated by the FCA, The Pensions Regulator (TPR), or both or neither of these, so consistent regulation would be required. The FCA was seen as the most appropriate regulator to lead in setting rules for dashboards. Its existing rules on financial promotions and investment advice would apply as a matter of course; but additional regulated activities were thought to be required, which could be similar to those for Account Information Service Providers introduced following the Payment Services Regulations.

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| <ol style="list-style-type: none">6. There must be an implementation plan and timetable, endorsed by Government and industry, including an approach to funding implementation and a major programme of communications.7. An implementation entity must be charged with delivering the service and its governance. This will include establishing a governance body which oversees the network, establishes and manages data standards, is accountable for data security and setting up data sharing agreements. It must also be sustainably funded. |
|--|

Implementing the recommendations will be complex and require industry collaboration, including communications to set and manage expectations and build awareness. Consultation, Departmental capacity and parliamentary time will also be required.

As with automatic enrolment and Open Banking, an implementation entity or delivery authority must be given Government backing to proceed. Detailed industry input will be required, and therefore appropriate industry representation on the body would be needed. A key role of the implementation entity would be to establish the governance structure, and it may eventually become the ongoing governance entity itself.

Implementation will also require policy decisions in conjunction with industry, such as whether and how compulsion might be phased. The Project Group believes phasing is inevitable, to

de-risk delivery and make some data available sooner; that it is feasible to launch services in 2019; and that DC pensions data are overall more likely to be made available before DB data.

All workstreams identified the need for strong governance to make clear what obligations, liabilities and controls are in place, and to oversee the setup and maintenance of all technical aspects. A governance entity would need to work with regulators. It may have features of a public body but will require industry input. Therefore an early decision is required on the degree of Government involvement; if a new public body is set up, it may require primary legislation.

Most immediately, to maintain the momentum created by this Project, the industry requires clarity on the Government's intentions and future role. The most critical decisions are, firstly, whether it is minded to compel providers and schemes to make data available, and by when; and, secondly, at high level, whether it expects any ongoing project to be more Government-led or industry-led. This decision involves a steer on the relative involvement of Government and industry in an implementation entity; and how this entity, a future governance body and a non-commercial dashboard would be run and funded.

There are steps that industry can take towards implementation but it requires the explicit endorsement of Government. This could be achieved by a Memorandum of Understanding or similar.

- 8. Data must be made available in a standardised digitally consumable format. This needs agreed standards, which are being delivered by industry, but which must be mandated by Government and regulators.**
- 9. An infrastructure must be set up to link schemes to dashboard providers so that consumers can find their pensions. This requires the Government's backing.**
- 10. An identity assurance scheme must be agreed. This requires a policy decision about the use of Verify in this context.**

This Project continued many of the technical workstreams started in the Prototype Project and concluded that while these can be delivered by industry, they require the explicit support of Government.

The Project has developed a data standard in consultation with TPR and worked with the Pensions Administration Standards Association (PASA) on a Guidance Note to be published in the Autumn. There is very good alignment between the mandatory data fields proposed in the data standards and existing requirements. They would need to be agreed by a future governance body. TPR has been involved in this work, but mandatory use of the standards would ensure consistency.

Evidence from the Data Standards Workstream suggests that data quality will not pose a significant risk to the project, given the continued focus of TPR on this issue. However, a mechanism for the industry to validate and maintain National Insurance Numbers with the assistance of HMRC would help address concerns over whether schemes hold the correct information.

The architecture in the Prototype Project involved one messaging hub known as a Pension Finder Service. The Service Requirements Workstream confirmed that all Project contributors

wanted to connect with one central service, so that there is only one party with which to connect and one party to trust. While some other stakeholders have different views, this position was shared by almost all stakeholders in the Industry Research Workstream, including those involved in the Prototype Project. It is acknowledged that this requirement may change over time.

This approach would need to be officially recognised by the Government to give certainty to data providers and users – particularly because of DWP's position in providing State Pension data. Government support could be achieved either by the governance entity mandating the Pension Finder Service, or if deemed necessary, by specifying this in legislation.

Similarly, to provide data, providers and schemes must be certain of the identity of the consumer. During the Project, we received assurances that private sector-assured digital identity services, equivalent to those provided by GOV.UK Verify, will be available to be included within future live services. This removes a significant risk to the delivery of live services. It is expected that the governance entity would procure and oversee these services in future phases of the project based upon this requirement. The Government, including the Information Commissioner, would need to be satisfied with this approach, and maintain open dialogue about the development of Verify.

The Project now has clear next steps in order to continue:

- For Government to confirm on the record whether delivering these recommendations is a priority and indicate whether it will compel schemes to make data available; and to set out its views on the roles and responsibilities of the Government and industry in making it happen.
- For industry, depending on the Government's position, to fund and run the next phase or part of it, and to develop firm and detailed proposals and an implementation plan.

This Project has received overwhelmingly positive support and found a clear public and private purpose for pensions dashboards, and confirmation that they would deliver the policy aim. While developing an open pensions data infrastructure to enable this will be a complex project, with clear support from the Government and regulators, the industry is willing and able to deliver it.

The Project Group would like to thank all those who have contributed to this Report.

On behalf of the Pensions Dashboard Project Group

Participating Pensions firms



Other parties



Project Management



2 Consumer Research

2.1 Introduction from the Chair

The aim of pensions dashboards is to help consumers answer the questions, “*Where are my pensions and what are they worth?*”

One of the consumers interviewed for this research was Mandy, aged 50:

“...When trying to find information on my pensions, I did not find it easy at all – it was way too much hard work so in the end I just gave up. I think these things are set up to make it difficult so that we don’t want to do it. I don’t understand a lot to do with pensions and it brought home to me just how difficult it is to find things out and ask questions. Pensions are a minefield and unless you’re on top of it, which I’m not, then I think things can get lost and mislaid. Who keeps paperwork from 20 years ago? I certainly don’t. So, I think it’s really difficult”.

Done well, dashboards will make it easy for people like Mandy to find their pensions, they will increase transparency, and help people plan for their futures. Dashboards have the potential to revolutionise pension saving and bring pensions into the 21st Century.

But there are significant risks and challenges. Done badly, dashboards could further damage confidence and trust in an already fragile industry. People generally do not trust financial services, they understandably lack confidence and often feel at a loss when it comes to making difficult decisions about their financial futures. A dashboard service could turn this on its head, but it will only deliver positive change if it delivers for consumers.

That is why it is essential that the pensions dashboard service is built first and foremost with the consumer in mind. Only in that way will dashboards contribute to the overarching societal objective of getting more people to save more for their retirements and for people to have a better, more secure and more prosperous financial future.

So, what we wanted to do is to understand consumers’ needs and wants from dashboards, and learn lessons from those that have delivered dashboards in other countries. Over the past few months, we have developed a wealth of new evidence and information that we hope will be instrumental in driving delivery of the dashboard service. This evidence leads naturally to a number of key asks, that we feel need to be addressed to make the dashboard service a success from a consumer’s perspective.

Key themes and findings

While the analysis and evidence can be found in the Report, the group wanted to highlight particular areas where focus is needed to deliver consumer-centric dashboards – our key findings. Underpinning all of this is what we believe to be the consumer need of sharing pensions data in a legal, safe, secure and trusted way.

In thinking about the consumer research, and to set an overarching context for our recommendations, we feel it is important to distinguish between pensions dashboards and the dashboard infrastructure that has the potential to open up data sharing and accessibility, with the savers consent, to people’s pension data. This latter point is particularly important, not

least as we must view members' data as their own in the wider context of the new General Data Protection Regulations.

Our key findings are as follows:

- **Consumers want a centrally accessible, consumer-facing dashboard that is free from commercial pressures and is linked to and sponsored by the Government.** It was widely believed that the new public advice and guidance body would be well placed to undertake such a task. The rationale is that it is important that there is a “safe” place for consumers to access pension data, particularly for those who are less financially capable and might otherwise be excluded.
- However, it is clear that a one-size-fits-all approach would not benefit all consumers, as not all consumers have the same needs or levels of financial capability. **The dashboard infrastructure should facilitate the sharing of data (with members' consent) to allow third parties to provide additional tools, products and services – this infrastructure could be called “open pensions”.** Innovation in the use of open pensions data to help people plan their financial futures is key to addressing consumer needs, now and in the future, and to facilitating the widest possible number of consumers engaging in their pension savings.

In essence, the natural conclusion or consequence of these first two findings is that there would be a pensions dashboard that has a relationship with Government. Additionally, the dashboard infrastructure would be opened up within a trusted framework of consent and governance to allow the sharing of pensions data with third parties offering pension dashboards (“open pensions”, similar to the open banking initiative). The group believes this is an important distinction and balances protecting consumers while creating the space for innovation.

- **Any use of dashboard data needs to be appropriately regulated and governed,** with the critical requirement that data can only be shared with the proactive and clear consent of pension savers. The group believes the dashboard provider (or providers) should be regulated by an appropriate regulator (e.g. the FCA) or through appropriate governance. The type and degree of regulation should be commensurate with what the data is being used for. **This regulator should also set standards to ensure consistency of information between dashboards – there should be a single source of the truth.** It is also the firm view of the group that dashboards should show consistent estimated projections of people's pensions, again appropriately governed, as this would be most useful to people in helping to plan their retirement.
- **For a dashboard service to be a success, we need to strive for universal coverage as consumers tell us that they will only see real value from full coverage. Consumer groups tell us that compulsion is the means to achieve this,** and while it may take time to reach full coverage, there needs to be a clear timetable that works towards that, driven by legislation (compulsion on schemes to share data). The workstream recognises that a staged approach, whereby just flagging the fact that an individual has a pension even if the value was not readily available, would be better than nothing. Regardless of approach, **consumers and consumer groups all agree that the State Pension needs to be there from day one.** The

critical lesson from other countries was that this legislation is needed at an early stage to avoid a very prolonged roll-out and to drive coverage.

Finally, we would like to thank all those who have contributed to and helped deliver this research programme. In particular, we would like to thank the Money Advice Service who co-funded and jointly commissioned the in-depth consumer research used as a vital aspect of our analysis; the consumer groups and forums who were all very clear on what they wanted to see from dashboards; and colleagues from other countries who generously shared their practical experience and lessons learned in developing and delivering dashboards in their jurisdictions. We would also like to thank the ABI for helping coordinate some of this work.

As ever with reports like this, there will be points of agreement and disagreement. We have done our best to present the analysis and information in a neutral way, but we make no apologies for being clear on our findings and what we think is needed to make dashboards work for consumers.

**Darren Philp, The People's Pension
Chair of the Project's Consumer Research Workstream**

2.2 Approach and Findings

The voice of the consumer must drive decisions on the future of the pensions dashboard concept.

The Project took the view that talking widely to consumers, to groups representing consumers and to organisations in other countries with experience in the impact of pensions dashboards were important steps towards live services.

An initial exploratory project, the Open Identity Exchange's (OIX) 'Creating a Pensions Dashboard' undertook some qualitative consumer research which was published as part of a project report in May 2016. The aims of that consumer research were to validate the concept of the Pensions Dashboard.

The Project sought to go further, and, through a Consumer Research Workstream, to capture the voices of consumers on the vital questions of whether substantively all pensions should be brought within any future service or whether a piecemeal approach would be sufficient to deliver the intended outcomes of a dashboard service.

The Consumer Research Workstream tested three hypotheses:

- That consumers would like to find their pensions information prior to retirement in order to have more knowledge to manage their future, and that bringing pensions together (in one place) significantly removes the barriers to achieving this.
- That the ability of consumers to see all rather than some pensions together is required to make the dashboard both usable and engaging; positive actions can only be taken when in receipt of information on all pensions.
- That better consumer outcomes will come from Government compelling pensions schemes to participate through legislation and / or regulation at the beginning of the project as evidenced following the launch of similar services in other countries.

The Consumer Research Workstream had three areas of focus:

- To engage with a wide variety of Consumer Groups;
- To better understand the needs of consumers; and
- To learn the lessons from other countries.

The learnings are set out below. All hypotheses were supported by the work undertaken.

The foundation of the work of the Consumer Research Workstream is that dashboards are for consumers, and need to be supported by industry and by Government. It is the strong view of the workstream that pensions information belongs to the consumer and that pension schemes should have a duty to share that data such that consumers can find all their pensions in one place of their choice, in a safe, secure and trusted way.

Consumer Groups directly involved in pensions, including TPAS, PensionWise and MAS all highlighted the significant burden faced by consumers in finding information about their pensions before being able to make judgements, access guidance or obtain advice. This can result in exclusion and poor outcomes.

They highlighted a number of needs: the vital importance of the State Pension as the 'anchor' for all pensions; the need for all or a majority of pensions to be 'found'; the importance of a clear and consistent indication of estimated income in retirement; the legal requirement of consumer consent and data protection; and the role of the regulator in reducing the conduct risk inherent in presenting information to customers.

Given the State Pension is the critical foundation of people's retirement income, it needs to be included in dashboards from day one.

All the evidence points to consumers benefiting from finding all their pensions information together in one place, as this will lower the barriers to engagement and give them more control over their future.

Qualitative research into the expectations of seeing information on pensions together indicated that 'finding' some pensions is useful provided it is clear why other pensions may not have been found. In addition, finding pensions is useful even when 'valuations' are not possible, and basic 'valuations' are useful as a precursor to obtaining more information.

Consumers would gain some benefit from just knowing that a pension exists, even if providing valuations might not be possible. However, in doing so it needs to be made clear when such other information will become available.

Consumer Groups and qualitative research indicated that a primary consumer expectation is to see the estimated value of their income at retirement, rather than seeing only current fund values. Another theme that emerged was the need for basic information, such as estimates of income at retirement, to be consistent between different dashboards to avoid consumer detriment. Consumer Groups highlighted the importance of governance and regulation in this context.

Projections of estimated income at retirement are an essential feature of any dashboard. This and the display of other essential information needs to be consistent between dashboards. This means that offering dashboards should be considered a new regulated activity with appropriate regulatory oversight.

Consumer Groups, our consumer research and representatives from other countries all highlighted that there is a wide spectrum of consumer needs and of financial capability which means that 'one size does not fit all'. However, it was universally acknowledged that there needed to be at least one trusted dashboard free from commercial pressures, sponsored by

Government and supported by appropriate guidance. This was seen as essential to build trust and engagement with consumers.

Representatives from other countries with dashboard experience highlighted in particular the major challenge of clear communications when launching services, especially if a phased approach is taken and some pensions information is not available until some later time.

As a result, for the dashboard service to succeed, the Government and the industry must plan for a major programme of communications before and after the launch of pensions dashboard services to ensure continued consumer engagement.

All three strands of research noted the need for strong protections for consumers and for pensions schemes, for example to avoid data being shared inappropriately.

Pensions Dashboards should be delivered under strong governance and regulation with consumer protection as the primary principle. This has to ensure that all parties participating in sharing information between pension schemes and their members are under clear obligations and controls, for example, the identity and personal data of consumers must be assured.

Consumer Groups and consumer research also highlighted the question of “What next?” which arises when consumers are given access to all their pension information in one place for the first time, and the need for access to guidance or advice for many.

Dashboards must sign-post consumers to guidance services. It is expected that this will enable guidance services to improve their efficiency, effectiveness and improve the quality of consumer outcomes arising from access to pensions information in one place.

All representatives from other countries were asked “What would you do differently next time?”. All referenced the need for compulsion.

The UK should learn from the practical experiences of other countries who have implemented pensions dashboards. It is a must that legislation is in place before official launch of services to avoid the adoption of services taking typically 10 years.

2.3 Research undertaken

a) Research with Consumer Groups

The workstream held a workshop with the following organisations to consider the future of the pensions dashboard service:

- TPAS
- SavvyWoman
- Step Change Debt Charity
- Which?
- Mumsnet
- The Open University
- FCA
- Prudential
- MAS
- Young Money
- PensionWise
- PLSA
- ABI

The workshop was followed up by a number of detailed interviews.

The Consumer Groups highlighted a number of topics, including:

- The different needs of different consumer groups, one size does not fit all
- The need for consumers to see all their pensions
- The positive impact of pensions dashboards in changing behaviours
- The need for and challenges associated with digital identities to verify identity
- The close links with the future single guidance body
- The importance of consent, data and consumer protections
- The need for simple and consistent valuations and projections of value
- The good and less good unintended consequences
- The need for regulation

See Appendix 1 for more detailed research output.

b) Consumer research

The workstream jointly commissioned independent qualitative consumer research with MAS. Other prior research includes: Alpha Project Research, Financial Capability Research, and the FCA Retirement Outcomes Review Report.

As it is likely that not all pension scheme data will be available from the service at launch date and that more data may only become available months or even years later, even under compulsion, the primary research objective was to explore individuals' tolerance levels for the amount of data/information that should be available when accessing pension dashboards.

Research headlines included:

People find it really hard to find out about their pensions.

- Many have low awareness, little control and limited understanding of their pensions.

There is a clear need for the Pensions Dashboard and people are excited by it – it has a major role to play in helping people feel more in control and make informed decisions by:

- Reconnecting them to forgotten pension pots.
- Helping them to understand how much money they have, and what their future retirement income and lifestyle will be like.
- Allowing comparison of pensions to support decisions on consolidation.

Information prioritised on the Dashboard should support these needs.

- People prioritise information that would help them take action (e.g. seeing their retirement income estimate could prompt increased contributions).

There is low tolerance for an incomplete Dashboard.

- Many would rather wait until the majority of providers are 'online' – it does not feel urgent as they didn't know it was something they really needed until engaging in this research (an unconscious need).
- Furthermore, if providers don't sign up to the Dashboard and allow their pensions to be seen, the public may wonder what they are trying to hide and why – presenting a reputational risk.

Government involvement is seen as crucial to ensure trust in an online environment which some fear could be misused to sell consumers' data or market to them.

- There is a broader distrust in financial services and institutions that leaves people feeling that the Government should take the lead with this.

Communications and framing will be crucial in setting and managing expectations.

- At the moment, people don't have any expectations and therefore are not disappointed, but that could soon change – particularly if the Dashboard does not meet their main needs or the expectation that the term 'dashboard' sets (that it will be interactive).

See Appendix 2 for the detailed research output.

c) Country research

The workstream identified seven countries which have implemented or are in the process of implementing a Pensions Dashboard service (Sweden, Denmark, Netherlands, Finland, Israel, Norway and Australia). Representatives were asked to complete a survey questionnaire and take part in one-to-one phone interviews to discuss the workstream hypotheses and lessons learned.

Compulsion was singled out as critical to gaining pension data mass quickly and to facilitate industry engagement and allocation of resources. Where the initiative was left to a 'coalition of the willing', it has taken significant time to get provider coverage, in some cases it has taken between 10 - 15 years to get complete (near complete) coverage.

Four out of the seven countries now have some form of compulsion. The other three countries recommend compulsion as absolutely necessary to support project objectives and to gain critical mass as quickly as possible.

It should be noted that even if compulsion is introduced, pension providers and the wider industry must be given enough time to undertake the necessary internal development and for on-boarding activities to the central service. It is not realistic to have all providers on-boarded at the start of live services.

See Appendix 3 for the detailed research output.

3 Industry Research

3.1 Introduction from the Co-Chairs

It is unacceptable that in this day and age, some people are retiring without accessing pension savings that they have made in the past because they have lost track of them. It is only right that consumers can easily access their pension data in order to help them understand what they may have in retirement, and to hopefully enable them to engage with pension saving to better meet their retirement goals. Pensions dashboards could resolve this.

Significant progress was made in the Prototype Project proving that the architecture for dashboards could work. However, the Prototype Project left unanswered questions ahead of any dashboard delivery that needed to be addressed. Not least how and on what basis would the pension industry and potential dashboard providers develop dashboard services? It was acknowledged that in order to progress there needed to be a greater understanding of the drivers and barriers to participation for different parts of the industry and what role, if any, the Government would need to play.

Over the last few months, we have engaged with decision makers in all parts of the pension industry to ask what they believe is required to make dashboards happen. These interviews have established a clear set of asks that will need to be addressed if dashboards are to be delivered within a reasonable timescale.

Key themes and findings

While there were differences in perspective, there were remarkably common views expressed:

- All parties saw a clear public and private purpose for pensions dashboards. Reasons cited included the problem of 'gone away' members, the direction of travel with automatic enrolment and the expectations of citizens in the digital age for immediate easy access to all their pensions data. They also very clearly set out that in general there are no compelling commercial reasons for schemes to provide data and little commercial opportunity for firms to display information on just some of a consumer's pensions.
- It is clear that whilst the belief in the consumer value of dashboards was widespread, other regulatory or commercial priorities will take precedence in the near term and without a clear regulatory framework, wide-reaching dashboards will not be developed within an appropriate timescale.
- All industry segments interviewed expressed a strong need for compulsion. Some stated the lack of a commercial imperative for sharing data and others cited the need to override concerns of funding, priorities, legal constraints (trust-based), commercial pressures (contract-based), data protection (data providers & trustees) and regulation (data providers).

- Regulation of pensions dashboards is required. It is essential that a balance be struck between regulation and innovation, with regulation focused on ensuring that consumers are protected and that their data is safe.
- Universal coverage is required within a defined, and relatively short, timeframe. The industry was very clear that any commercial drivers for participation in dashboard services will arise where there is demand from consumers. This demand will undoubtedly be driven largely by coverage. Furthermore, lack of coverage could lead to inappropriate decision making and lack of trust in the industry thereby both undermining the success of the dashboard, and the credibility of the industry.
- Both data providers and data consumers are clear that the State Pension must be available on the first phase of any dashboard services to help ensure the success of the service.

Whilst there was clear consensus in the areas outlined in the findings inevitably, given the range of participants in the research, there are areas of disagreement. We have aimed to present the views of participants fairly and have highlighted where further work will be required to increase this consensus.

We would like to thank all those who have helped deliver this research, we have had open and enlightening conversations across the industry which have provided a concrete basis on which to move forward and a clear understanding of the issues that need to be addressed.

Finally, the Co-Chairs of the workstream would like to thank the project team for the support they have provided us in completing this research.

**Carolyn Jones, Fidelity International, and Ross Dunlop, Standard Life
Co-Chairs of the Project's Industry Research Workstream**

3.2 Approach and Findings

The Project took the view that engaging very widely with industry, with groups representing industry and with participants in the Prototype Project were important steps to gain an understanding of areas of consensus and issues that would need to be addressed in order for dashboard services to be developed.

The Industry Research Workstream was set up to engage with those likely to participate in some way in dashboards provision to ensure a wide range of views were obtained both from those who would be required to supply data and those who may wish to provide dashboards.

The findings fall into four main areas: *Consumers, Coverage, Compulsion and Governance*:

Consumers

The basis of the research of the workstream is that dashboards are for the benefit of consumers, and need to be supported by industry and by Government.

Respondents noted that benefits and costs arising from the delivery of dashboard services vary widely depending upon the nature of the organisation and whether they intend to share data or consume (and display) data – but by and large it is mostly consumers that will benefit.

Some representing public sector schemes highlighted that any costs incurred would have to be weighed against the perception of lack of investment in front-line services.

Some in the trust-based sector noted that their remit may preclude them from incurring any costs which were not mandated by regulation no matter how small. A number of large third-party administrators and software houses noted that while costs were small, each trust must agree to any costs.

Industry acknowledged the many benefits to consumers, and the additional value created for those guiding and / or advising consumers, and that all would benefit in the medium term from the introduction of greater transparency, inclusion and accessibility.

Dashboard services were reported to be of significant benefit to society and to consumers, enabling an increase in engagement, a giant stride for technology in pension provision, and a potential market disruption, enabling a variety of new innovative services to bring benefits to the public.

The workstream found that industry broadly supports the objective of consumers seeing an aggregated view of all of their pensions but cannot in many cases see a directly attributable commercial return for them alone compared to the wider market.

In particular, data providers (pension schemes and their trustees and administrators in the main) see no direct financial benefit. For example, smaller schemes acknowledge some wider benefits for members but do not see the direct value in their own schemes providing data, particularly if those schemes are underfunded.

Coverage

There is clear interest from potential data consumers (larger employers, pension providers, banks, financial advisers, guidance services and Fintech companies) to provide pensions dashboards. It is clear, though, that this will require comprehensive coverage of pensions arrangements to justify the development of dashboards – in particular, State Pension was seen as the ‘anchor’.

Many thought phasing was inevitable and agreed that a clear timetable be issued with a clear end point. Without full or near full coverage, any services for consumers will be at risk of failing to deliver the intended benefits and may be misleading.

Many respondents proposed that dashboard services begin as soon as possible with minimal features rather than be delayed in order to be more comprehensive before launch.

Those responding on behalf of data providers acknowledged that existing obligations to maintain data (including the regulator’s common and conditional data standards) mean that many are well placed to participate in sharing data with dashboard services.

Those responding on behalf of data consumers echoed the sentiment that schemes should already maintain data.

Respondents were asked whether they were committed to launching services in 2019 and while many parties suggested they could be ready from a technical standpoint alone, almost without exception they drew attention to question of compulsion.

In summary, the industry favours dashboard services being introduced in a phased manner over an appropriate timescale to achieve coverage, providing always that State Pension is available from day one.

However, any phasing must be against a clearly communicated staged plan which can be relied upon with the support of Government and which still delivers full coverage within a reasonable timescale.

Compulsion

The majority of respondents indicated that they would find it desirable to participate at some point in dashboard services. However, without regulatory imperative the timing of this would be dependent on commercial drivers, such as consumer demand.

Without regulatory imperative, other funding priorities were likely to take precedence in the short to medium term until commercial drivers are in evidence.

In particular, some in public sector and in trust-based schemes noted that without strong legal guidance from Government, concerns over the ownership of data and about data protection were likely to delay engagement, as each trust or administrative unit would otherwise have to individually obtain the assurances that they had the remit to share data.

Although very supportive of the initiative, respondents overwhelmingly noted that hurdles to participating in dashboard services, (which included competition for scarce resources, the

priority given to legislative and regulatory change projects, and the legal obligations upon scheme governance) could only be overcome through some form of compulsion.

The broad consensus of industry, whether data providers or data consumers, is that without compulsion, which delivers a clear plan for industry support of the dashboard, parties will find it very difficult to voluntarily prioritise the sharing of pensions data with the service.

Some parties, including public sector and some in the trust-based sector, require legal guidance from Government to allow them to share data.

Trustees have specific risks and costs associated with this which make it unlikely they will support the dashboard unless there is an obligation to do so.

Other parties, including those in the contract-based sector, require that change be mandated in order to prioritise dashboard development over other required initiatives, including the ongoing significant workload already required by regulation, such as the Retirement Outcomes Review, the Markets in Financial Instruments Directive (MIFID), the Markets in Financial Investments Regulation (MIFIR), the Insurance Distribution Directive (IDD) and most recently the FCA's Platform Market Study.

Governance

A common observation from respondents was that strong governance is required, with clear legal, commercial and operational controls to protect all parties and to make obligations and liabilities clear, and that there is a clear role for the regulators.

It was recognised that there is tremendous scope for innovation in the delivery of services to consumers, with pensions data being part of a wider universe of information which can help consumers manage their overall financial well-being and reduce financial stress.

There was consensus that pensions dashboards must be regulated. It is essential that a balance be struck between regulation and innovation, with regulation focused on ensuring that consumers are protected and that their data is safe. A number of respondents noted the approach taken by the FCA to regulate third parties consuming Open Banking data.

The industry are clear that the dashboard service needs a governance body to provide the necessary oversight for the delivery and operation of services, and that the remit, structure and funding of such governance, delivery and operations must be agreed as soon as possible.

Consumer protection requires that those who provide data to the pensions dashboard service must play a key role in the governance of the initiative and of live services given they are custodians of the members' data and subject to regulatory, legal and commercial obligations.

Continued wide engagement with all facets of the pensions industry is desirable in the delivery of live services and mechanisms should be put in place to engage more formally with these groups (e.g. financial advisers) and to link them to the overall governance of dashboard delivery.

3.3 Research undertaken

Approach

The Industry Research Workstream tested six hypotheses through interviews and research:

- the strategic value proposition – there are more benefits than costs from the delivery of dashboard services similar to those demonstrated in the prototype;
- the need for scale – many will only participate in dashboard services when a significant proportion of the marketplace has already participated;
- the sharing of data – existing obligations to maintain data mean many should be well placed to participate in sharing data with dashboard services;
- the need for regulation – hurdles to many participating in dashboard services can only be overcome through some form of compulsion;
- commitment - if many were required to start participating in dashboard services from 2019, many would not do so voluntarily while others would; and
- the future – future extensions to dashboard services will provide even greater value to consumers and the industry.

The Industry Research Workstream had two primary areas of focus which are reported below:

- To engage widely with industry groups; and
- To understand the needs of industry.

a) Industry groups research

A large number of trade bodies represent the industry. Several of these were brought together in two sessions hosted by the Pensions and Lifetime Savings Association (PLSA):

- Association of British Insurers
- PLSA
- Society of Pension Professionals
- UK Platform Group
- Association of Pensions Lawyers
- Association of Consulting Actuaries
- Local Government Association
- Pensions Management Institute
- UK Finance/British Banking Association
- Tax Incentivised Savings Association
- Rewards & Employee Benefits Association
- Personal Investment Management & Financial Advice Association

- Tech UK

b) Industry research

The project first considered the challenge of representing the pensions 'industry'. While there are numerous ways to do this, the project considered the 'connection points' where data will be exchanged on behalf of a consumer. There are those who might provide data to the pensions dashboard service and those who might consume data from the pensions dashboard service, e.g. FinTech, banks, IFAs, and pension firms. Some parties may play both roles.

While there are an estimated 80m or more pension pots, and many tens of thousands of pension schemes, much of the industry is consolidated into large schemes, large providers and large third-party administrators, platforms and software houses, with an emergence of new organisations in recent years accelerated by automatic enrolment.

The workstream interviewed a number of senior stakeholders in organisations across the pensions landscape with questions aligned to the hypotheses of the workstream.

Interviews were conducted anonymously, typically with three separate organisations within each area of industry. The results are set out in Appendix 4.

c) Contributor research

The workstream also interviewed parties involved in the project group, some of whom had also developed integration with the Pensions Dashboard Prototype. The questions were similar to those asked of the wider industry. This information is in Appendix 5.

4 Data Standards

4.1 Introduction from the Chair

Pensions Dashboards are, at heart, a way for consumers to see all of their pension savings in one place. This inherently means transmission of data, hence the Data Standards Workstream was tasked to build upon the provisional data standards developed for the prototype in December 2016 and successfully demonstrated in March 2017.

A number of challenges were addressed, including to:

- Review these provisional standards and develop them as necessary;
- Take account of the requirements and feedback coming out of the other workstreams that were running in parallel;
- Pragmatically consider the data held by administrators, so that the data being transmitted was meaningful to the consumer, without being onerous on the pension administrator;
- Verify how consumer identity data could be reliably matched to data held by pension administrators in a way that returns the most matches whilst avoiding the pitfall of returning pensions for the wrong individual; and
- Consider the requirements for projections of benefits.

Key themes and findings

- There must be a defined, agreed and compulsory data standard under strong governance with collateral provided to support the standard.
- The data items are designed to maximise participation and be consistent with TPR's principles of good record keeping.
- The standard developed for the prototype was suitable to be retained and built upon. It is for a governance body to approve the data items to go into the final data standards.
- Data quality issues do not pose a significant risk to the project. Activities undertaken by HMRC and TPR are helping administrators understand the importance of holding high quality data.
- Further work should be undertaken by Government to help to validate and maintain National Insurance Numbers held by pension administrators as this will be a key element of matching consumers to the pension savings.
- Codifying a matching policy will give trustees and administrators confidence that pension data will never be sent to the wrong person.

The proposed changes are effective, practical, and facilitate a meaningful yet concise dataset. There is more potential than just returning a valuation; the design has taken account of the need to put members back in touch with 'lost' pension pots. The DWP has reported that there are around £3 billion of unclaimed pension assets in the UK. Providing a way of allowing

consumers to find and be reunited with their savings will change the retirement outlook for many families.

Consumer needs have been central throughout this workstream, although there are secondary benefits to the wider pensions landscape. The data being proposed allows FinTech to develop new ways of engaging the public with pension savings, including linking into existing services to create an overall solution far beyond the sum of their constituent parts. Pension Dashboards are an opportunity to seed investment and creativity into retirement savings.

The workstream worked collaboratively with external bodies, notably PASA and TPR, with contact also being made with the Information Commissioner's Office (ICO) and Pension Protection Fund (PPF). I cannot overstate my gratitude for the contributions their representatives made to this workstream.

There are still challenges ahead. Work needs to be done with regards to security and to confirm the architecture of the service. The government needs to support the industry with cleansing National Insurance Numbers held by administrators to ensure the best matching of clients to pension savings. These are 'known knowns' and are surmountable.

Paul Wood, Aviva
Chair of the Project's Data Standards Workstream

4.2 Approach and Findings

Summary

The Pensions Dashboard Prototype Project set basic requirements for the sharing of pension information and the exchange of related messages.

The intention was both to prove such data could be found and retrieved by the pension providers or administrators and that independent third parties could build systems which interoperated.

The data shared by parties participating in the pensions dashboard prototype includes the minimal information required for finding (matching) a person and their pension, and returning the last known value of those pensions.

One of the most significant parts of the data exchange is the initial matching. The dashboard infrastructure and member journey means that a scheme will be presented with a small set of data, representing the simple question: “Do you have any benefits for this member?”.

Schemes will not have to undertake any further validation that the member is who they say they are. That will have been performed by a third-party ID service. Schemes will match the request received to the member records held in their administration system.

Basic information used to ‘match’ members includes personal identity data such as surname, Date of Birth, and National Insurance Number (NINO or NiNo).

The Dashboard Prototype can send two types of message. One checks for the presence of benefits and the second checks for benefits and asks for a most recent valuation. The prototype will respond to the enquiry with: “Yes we have benefits for you. Please contact us for more details” or “Yes, I have benefits for you and they are currently worth £X” or “As at the date of last valuation, your benefits were worth £Y per annum”. For the prototype, certain assumptions were made regarding the projection of future values; this is an area where the further guidance of the regulators will be required.

It is important that schemes hold the right data and that it is up to date, otherwise they will not be able to say with certainty whether the incoming request matches individuals’ records.

There may be work to be done by pension schemes to be confident in their data, but the effort is outweighed by the long-term reduction in queries or the increase in member engagement.

Activities undertaken

The workstream tested four hypotheses:

- That guidance for administrators of pensions schemes will show that the data standards are simple, straightforward and in line with existing requirements.
- That the data standards for a live service would build on those determined for the prototype.
- That the key external requirement of the quality of data may be met.
- That 'matching' of pensions to consumers may be achieved with high accuracy.

The workstream then had five areas of focus which are set out below:

- To review and validate the content of data standards used by a Pension Finder Service.
- To develop best practice guidance for administrators and trustees.
- To validate the data required for the data standards (used within the prototype).
- To review the impact of the quality and availability of pensions data.
- To document guidance for 'matching' pensions to consumers.

All four hypotheses were supported by the work undertaken.

Any recommendations of this workstream for changes to the data standard as published for the Pensions Dashboard Prototype should later be put to any governance body for ratification.

It should be noted that this workstream has not considered the data standards required for communicating State Pension from DWP.

Also, the workstream did not consider the detailed requirements of IFAs seeking to use dashboards as a tool for consolidation or advice directly.

The workstream put the needs of the consumer first. All pension schemes should be able to share pension information to the data standard, and where possible allow for dashboards to find and value pensions and provide an estimated income at retirement. Recommendations on such estimates are included elsewhere in the Report.

Findings

There must be a defined, agreed and compulsory data standard under strong governance with collateral provided to support the standard.

There is very good alignment between the mandatory fields in the data standard and existing requirements, whether legal or as set by TPR's common data set.

The data set out in the standard is in line with good record keeping as set out by TPR and where differences arise the regulator should update its guidance to include the dashboard data standards.

The Data Standards Workstream reviewed the data standards used in the Pensions Dashboard Prototype. The Pensions Dashboard Prototype project data standards were then seen fit for purpose with minor revisions. See Appendix 1.

The data standard as published during the Pensions Dashboard Prototype Project should be carried forward with a number of proposed clarifications and extensions. Such amendments should be agreed by a future Governance body before being included within the data standard.

The workstream undertook qualitative research into data quality – assessing whether and how data was held, and its correctness and currency. See Appendix 2. There remains a concern over difficulties for schemes validating that they hold the correct NINOs for members.

Data quality issues will not pose significant risk to the project given the current assessment of data quality. TPR should focus on driving improvements in record keeping in trust based and public service schemes.

Government should provide a mechanism for the pensions industry to validate and maintain NINOs given that this remains primary information linking members to pensions.

The workstream considered the approach to matching of members to pensions – it was agreed to take a policy-led approach supplemented by guidance rather than be prescriptive. See Appendix 8. This requirement is within the report of the Service Requirements Workstream. Matching should be codified by a ‘matching policy’ under governance, with the intention of never returning a pension to the wrong consumer, while finding the right pensions belonging to a consumer as often as reasonably possible. It will remain the responsibility of a scheme to implement a matching approach that meets their own internal standards.

PASA are drafting a ‘Guidance Note’ offering practical information for scheme administrators in adopting the data standards. We welcome the support of PASA to provide this ‘Guidance Note’ at a later stage.

4.3 Research undertaken

a) Guide for administrators

There is very good alignment between the mandatory fields in the data standard and existing requirements, whether legal or set by TPR’s common data set.

PASA are drafting a ‘Guidance Note’ offering practical information for scheme administrators in adopting the data standards.

PASA formed a Pensions Dashboard Working Group (PDWG) in part to create this information, and presented this to the Pensions Dashboard Project Group for inclusion within the project.

In compiling this note, PASA took as a starting point the data standards as published for the Pensions Dashboard Prototype. The Data Standards Workstream further considered the

requirements for live services, incorporating changes implied by the Service Requirements Workstream.

It should be noted that the guidance applies to all schemes and providers, for example to platforms, and is not exclusively aimed at workplace pensions.

PASA intend to publish the guidance note before the end of 2017, which will develop over time as the Pension Dashboard service evolves.

b) Data standards

The Data Standards Workstream reviewed the data standards used in the Pensions Dashboard Prototype and considered additions required for live services, taking account of feedback received from the other workstreams.

A small number of clarifications or extensions were made to account for requirements emerging from the Consumer and Industry Research Workstream.

A special meeting was called on the topic of projections of income at retirement, given the need for this to be consistently presented on any dashboard is known to be a key consumer need, and yet there are challenges of comparing 'apples' and 'oranges' (when comparing DB pensions and DC fund values). The recommendations of that meeting are included in the report of the Service Requirements Workstream and reflected in this document.

The workstream considered the peculiarities of different types of pensions and the needs of pension schemes and of consumers.

For example, the need to capture contributions in some form was addressed, as was the need for consumers to be able to contact the pension scheme or its administrator in the event of queries.

It should be noted that the data standards cover only the data required from pension schemes or their administrators for the purposes of finding and valuing a pension – and do not for example cover further data which may be required to be captured from a consumer by the dashboard and communicated to the pension scheme, including consent to access data.

Appendix 6 summarises the proposed clarifications and extensions to the data standard.

c) Quality

The workstream undertook qualitative research into data quality. A survey was carried out by all contributing members of the Project Group, and separately by Aquila Heywood with a number of its clients.

Approximately 35m defined contribution (DC) pots and 2.5m defined benefit (DB) pensions were reported on by their providers or administrators.

Four core questions were asked for each of DC (open schemes), DC (closed schemes), DB (active members) and DB (deferred members):

1. Do you hold [data element] for most records?
2. Do you always hold [data element] electronically in a machine-readable format?
3. What is your [subjective] estimate of the correctness of the data [element]?
4. Is this data [element] likely to be up to date?

Appendix 7 summarises the data quality analysis.

One area of continuing concern when matching pensions with members remains NINO as firms report some known issues with the records of a small minority of members of older schemes in particular. While the proposed approach to matching does not solely rely upon NINO, it is likely that a number of pensions will remain unfound without efforts to validate and correct NINOs in older schemes.

HMRC is working with the contract-based pensions industry to validate and correct NINOs but this effort does not currently extend to the trust-based sector.

A number of areas of quality gaps were apparent. However, in general, data quality was acceptable for effective operation of a Pensions Dashboard. Whilst this is very encouraging, we recognise it may not necessarily be representative of the entire market.

d) Matching

The workstream considered the approach to matching of members to pensions – it was agreed to take a policy-led approach, with the policy of never returning a pension to the wrong consumer, while finding a pension belonging to a consumer as often as reasonably possible.

In dialogue with DWP, Government Digital Service (GDS) and other interested parties, including those firms involved in the Prototype Project and others, an implementation approach to meeting this policy was outlined, based on matching at least two data fields returned to the pension scheme as part of the identity assurance process.

Appendix 8 includes a note of this approach.

5 Service Requirements

5.1 Introduction from the Chair

The pensions dashboard service provides the industry and Government with the opportunity to transform pensions. Done well, it will make it easy for people to find their pensions, it will increase transparency, and will help people plan for their futures. It has the potential to revolutionise pension saving and bring pensions into the 21st Century.

Of course, there are as many wants, needs and expectations as there are consumers, pensions firms and other stakeholders. Satisfying all of those expectations, alongside achieving the stated policy aims, was considered unachievable, therefore the Service Requirements Workstream choose to consider what is practicable to specify as an initial Pensions Dashboard service – the so-called, Minimum Viable Product, mindful that other requirements must then be considered for later delivery. The Minimum Viable Product is the simplest service which might be designed which delivers value to consumers.

The recommendations that the workstream puts forward in this Report represent proposals for the Minimum Viable Product, however further work will be required to clarify regulatory challenges such as GDPR and the governance framework. Specific requirements will need to be incorporated which may influence the shape of the Minimum Viable Product.

Key themes and findings

While the analysis and proposals can be found in the report, the group wanted to highlight particular findings as follows:

- Many of the requirements for a Minimum Viable Product for live services were demonstrated in the Prototype Project. This means that the work undertaken for the prototype may be carried forward into live services. Therefore, there is great confidence that these ‘minimal viable product’ requirements may be met by any number of parties. The workstream reviewed input from a number of sources and came to this view having considered requirements across a number of themes to ensure that all aspects of live services were addressed: Consumer Proposition and Regulation, Identity Assurance and Access, Consent and Data Sharing, Find and Value of Pensions Savings, Display and Review of Pensions Savings, Governance and Security, and Service and Operations.
- Private sector assured digital identity services equivalent to those provided by GOV.UK/Verify will be available to the project to be included within future live services without significant risk to the project. The workstream’s engagement with the Government Digital Service and its suppliers suggest that the private sector equivalent of the GOV.UK Verify digital identity assurance scheme will be available beginning in 2018.

There will be those who believe alternate requirements should or should not be included within a pensions dashboard service, and some notable requirements for future consideration are suggested in the report. The workstream recommends that future phases of the project and

its governance consider the requirements set out in this report together with other representations from stakeholders when procuring systems and services.

Finally, we would like to thank all those who have contributed to this report. We would particularly like to thank the ABI for helping coordinate some of this work.

Jon Pocock, LV=
Chair of the Project's Service Requirements Workstream

5.2 Approach and Findings

The Prototype Project designed, documented and developed a working infrastructure for the sharing of information on all of a consumer's pensions together⁴.

The prototype project considered only the most basic functional requirements of a service, based on the experience of the 16 pension firms and 6 development partners, mindful of an initial exploratory project, the Open Identity Exchange's (OIX) '[Creating a Pensions Dashboard](#)'.

In the Project, a Service Requirements Workstream was formed to further develop the outline requirements, both functional and non-functional, for live services.

The Service Requirements Workstream tested two hypotheses:

- That the minimal requirements for a live service would build on those determined for the prototype and the associated non-technical work within that project.
- That the key external requirement of the availability of assured identities may be met.

The workstream has two areas of focus which are reported below:

- To document the requirements for a live service (at a high level).
- To assess the availability of assured identities (as required for the service).

Both hypotheses were supported by the work undertaken.

The workstream then considered a number of requirements within a number of themes:

1. Consumer Proposition and Regulation.
2. Identity Assurance and Access.
3. Consent and Data Sharing.
4. Find and Value of Pensions Savings.
5. Display and Review of Pensions Savings.

⁴ The prototype has four basic steps from the perspective of the consumer:

1) You confirm your identity using a process like GOV.UK Verify (see section on Identity Providers) which is already offering secure online access to information such as details on your State Pension and tax returns.

2) You click a box to officially give the dashboard permission to share your information with multiple pension schemes and providers, or a third-party connection they might be using.

3) Queries are sent to all the different pension schemes and providers to look for the pensions pots which match, including the State Pension.

4) The system reports back on all the pensions it has found to a single page, showing the names of the schemes and their estimated value at a particular retirement age. There will also be an estimated value at the top for your combined income in retirement. In most cases, this will take seconds. The dashboard also allows you to click on each pension to get more information and to view contact details for that scheme.

6. Governance and Security.
7. Service and Operations.

Those requirements which might form a 'minimum viable product' were determined – being “the simplest services which might be designed which delivers value to consumers”. These are summarised in Appendix 9.

Many of these requirements were demonstrated in the Pensions Dashboard Prototype meaning that the work undertaken for the prototype may be carried forward into live services. Other requirements remain to be delivered within future live services.

Some requirements were considered important for inclusion in future services but not to be considered as essential for delivery of an initial service – the rationale for certain notable omissions is covered in Appendix 9 under Future Considerations.

Additionally, the workstream engaged with the Government Digital Service and its suppliers to ascertain the status of the private sector equivalent of the GOV.UK Verify digital identity assurance scheme. The workstream understands that such services will be available from 2018.

5.3 Research undertaken

a) Minimal requirements for a live service (Minimum Viable Product)

The working group met regularly and undertook a number of requirements gathering and analysis workshops to consider the information from many sources. This involved expertise from over a dozen different firms from across the industry.

The group took into account feedback from the other workstreams and the following other sources of input:

- requirements expressed within the OIX Pensions Dashboard Alpha Project;
- requirements as set out for the Prototype Project;
- the broader set of requirements provided by the pensions providers;
- feedback from challenge panels held to demonstrate the prototype;
- consumer research conducted by the Consumer Research Workstream with MAS.

Development Partners from the Pensions Dashboard Prototype Project have continued to develop technology in the meantime, and have indicated that live systems may be developed in line with the requirements set out in this Report.

Requirements of DWP to supply State Pension are shown in outline only. It is expected that these requirements will be developed in partnership with DWP in a later phase of the project, during the design of a production pension dashboard service.

See Appendix 9.

b) Assured identities

The workstream engaged with the Government Digital Service and two existing identity providers who are working with GDS in the development of private sector assured digital identity services equivalent to those provided by GOV.UK/Verify – namely Experian and Morpho. The ongoing progress of the development was presented to the workstream.

Additionally, a parallel project, the Open Identity Exchange (OIX) [Digital ID for Pensions Dashboards](#) independently proved technical integration and security between pension dashboards and the DWP for the State Pension using the technology behind the private sector version of Verify.

APPENDIX 1: Consumer Group Research

Following a forum session held at the ABI, a number of individual interviews were conducted with leading consumer groups, including:

- Age UK
- Which?
- Money Advice Service
- Citizens Advice
- Trades Union Congress
- The Pensions Advisory Service
- PensionWise

These interviews covered the five questions set out below.

Question 1: Will consumers like to find their pensions information prior to retirement in order to have more knowledge to manage their future, and will bringing pensions together (in one place) significantly close the barriers to achieving this?

All seven consumer groups were very supportive of the dashboard initiative.

The dashboard was seen as a way to help reduce the current barriers consumers face when planning for their retirement. The dashboard would help consumer engagement, lessen the burden to find and collate numerous paper statements, which currently leads to inertia, aid understanding of their current and potential future income, leading to consumers taking action, and ultimately provide better retirement outcomes.

However, there was concern that having numerous dashboards could lead to inconsistency in the display of data which would be confusing to consumers and lead to mistrust of the service in general.

The dashboard would also need to show projected income at retirement to make the data worthwhile for consumer, to then be able to take action.

Question 2: Will the ability of customers to see all rather than some pensions together be required to make the dashboard both usable and engaging; and might positive actions only be taken when in receipt of information on all pensions?

All seven Consumer Groups stated that full market coverage from day one would provide the maximum value for consumers.

However, all were pragmatic and understood that a staggered implementation approach could work and would be the most likely outcome, as long as there was a clear pathway to full market coverage in the future and messages to consumers on what was missing / a plan for inclusion was clearly provided. It was better to provide something, even if it was just 'find you pensions' rather than have the current status-quo.

Question 3: Will better customer outcomes only come from government compelling pensions schemes to participate through legislation and / or regulation at the beginning of the project (as evidenced following the launch of similar services in other countries)?

Five out of the seven Consumer Groups stated that some form of compulsion would be required to gain full market coverage, as many of the providers would not be able to justify full participation on business case merits alone. It would also be more difficult to get the public sector schemes on-board due to cost issues unless there was compulsion.

However, it was stated that any Government intervention should be done in the best interests of consumers and not providers. Any regulations should also be introduced in a sensitive manner. For instance, Government introducing legislation should not mean that all providers need to be on-boarded on day one as for some schemes / providers it will just not be achievable.

Question 4: Who should be able to provide a dashboard?

Four out of the seven Consumer Groups stated that there should be a non-commercial dashboard offering. Two out of the four also went further and stated that there should only ever be a non-commercial dashboard. The main reason given was to mitigate any consumer trust issues. It was also stated that the new Single Financial Guidance Body (SFGB) would be a good place for the non-commercial dashboard to sit.

There were real concerns across all of the Consumer Groups about the need to show pension data in a consistent manner across dashboards. The idea that numerous dashboards would show different income projections based on the same data could quickly undermine any consumer confidence / trust. Messaging on dashboards was also a concern in that content could be provided in such a way that consumers might make inappropriate and detrimental decisions (for example, moving defined benefits entitlement to a defined contributions scheme).

Dashboards, as well as the central aggregator hub, would need some form of regulation.

Question 5: Any other information not covered in Q1-Q4 that you would like to share?

One of the keys to long-term consumer engagement was that dashboards need to help to consumers understand that their pensions are actually part of their assets and owned by them and not the providers. Since pension freedoms, there has been a huge increase in consumers taking their pots and simply putting the cash into low interest bank accounts, to their detriment, assuming that the money was then in their control and part of their assets. This has been evidenced by a recent research report by the FCA following the Retirement Outcomes Review.

The dashboard project also needs to make sure that it somehow links or combines with the Pensions Tracing Service.

APPENDIX 2: Independent Consumer Research

Independent consumer research was undertaken by a research agency⁵ on behalf of the project, jointly commissioned and funded by industry contributors to the project and MAS. The research report will be published in October 2017.

Key Findings

People find it difficult to locate information about their pensions

- Many have low awareness and limited understanding of their pensions, leaving them feeling out of control and disconnected from their pensions.

There is a clear need and desire for a Pensions Dashboard

- When the concept of a dashboard is introduced, people are excited about it and feel it has a major role to play in helping them feel more in control and able to make informed decisions by:
 - Reconnecting people with their lost pension pots
 - Helping people understand the complete picture of how much pension money they have in total, what this may mean for their retirement income and potential lifestyle
 - Allowing comparison of pensions to support decisions (e.g. consolidation).

People expect a Dashboard to support these needs and want to see information that helps them take action

- They need to see their estimated monthly/ weekly retirement income in order to get an idea of what their lifestyle will be like, the total of different pension pots alone is not enough. Some feel that being armed with this information will encourage them to increase their pension contributions so they can improve their future lifestyle.

Low tolerance for an incomplete Dashboard

- However, given that their need for a Dashboard is one they are unaware of until they try to find out about their pensions (prompted by this research), many would rather wait until the majority of providers are 'online'. A Dashboard was not something they had pictured as a solution until they were asked to find out more about their pensions for this research.
- People wonder what pension schemes are trying to hide if they're not on the Dashboard from the start, which presents a reputational risk. Some even feel they would consider switching from any providers that didn't appear.
- At the very least people expect to see their largest providers as well as the State Pension.

Government involvement is seen as crucial to ensure trust in an online environment

- Some fear that a Dashboard service could be misused to sell their data or market pensions or savings products.
- Broader distrust in financial services and institutions leaves people feeling that the government should take the lead with this.

Communications will be key in managing expectations

⁵ 2CV

- People need communications to make three key things very clear:
 - What they can use a Dashboard for now vs. further down the line (to avoid disappointment). There was low tolerance for a service that isn't as useful as the name implies.
 - Why some providers are not 'online' and the likelihood of them joining (to avoid unintended consequences and reputational risk to those schemes)
 - Who is responsible for a Dashboard service and how the government will be involved (to reassure on intentions and data security).

Summary and Recommendations

Overall, people are enthusiastic about a Pensions Dashboard service and feel it will give them much needed control over their pensions. However, this is not a need they were aware of before participating in this research. It is an unconscious need that people only uncover when they try to find out more about their pensions.

As people don't know about the concept of a Dashboard, and they aren't currently asking for it, there is an opportunity to frame the launch in a way that manages their expectations and tolerance of the Dashboard coverage should some providers not be on there. For example, if there is some information missing at launch, communications prior to launch can highlight this and provide justification so people know what to expect.

The following recommendations are shaped by this audiences' perceptions, needs, expectations and priorities surrounding their pensions and what they want from a Pensions Dashboard.

- Communications and framing can help avoid disappointment and raise tolerance
 - Show 'Pending' status for pensions which aren't fully live on the Dashboard service yet – with contact details and ability to manually enter details in the interim
 - Be transparent - explain why it is taking longer for some pension providers to come online
 - Frame the service differently (e.g. as a 'hub') to manage expectations
 - Introduce as a pilot or beta project – to a limited number of people.
- There is greater risk in launching an incomplete dashboard than a delayed launch
 - Reduce risk to pension providers whose reputation could come under fire if a current or previous customer can't see their information
 - Avoid unintended consequences, namely that people could switch pension providers if they don't see theirs on the Dashboard service at launch
 - Ensure there is adequate advice and guidance to help people through this journey before going live.
- Building knowledge through information and advice will make people feel more in control of their pensions
 - Provide the information they prioritise in order to understand their pensions and inspire action
 - Provide / signpost to help and advice and answer their questions to help them make informed decisions

- Use clear, consistent and simple language avoiding technical terms where possible as recommended in ABI's 'Making Retirement Choice Clear' report - essential in avoiding confusion and helping people better understand their options at retirement⁶.
- A Pensions Dashboard supported by the government will establish trust in the service
 - Reassure people that the service is 'unbiased' and favours no provider(s) to abate concerns around ulterior motives (e.g. sales)
 - Establish and communicate government involvement.
- An interactive Dashboard could help people take confident action when needed
 - Future development should focus on interactivity on two levels
 - projections (e.g. varying their contributions to see impact)
 - pension admin (e.g. naming / changing beneficiaries)
 - Interactivity could give people a level of control that helps boost confidence in dealing with their pensions and retirement.

⁶ "Making retirement choice clear", ABI, November 2016, <https://www.abi.org.uk/globalassets/sitecore/files/documents/publications/public/2016/pensions/making-retirement-choices-clear-nov-2016-1.pdf>

APPENDIX 3: Country research

Interviews were conducted with representatives from seven countries which have implemented Pensions Dashboards: Sweden, Denmark, Norway, Finland, Netherlands, Israel, and Australia. The key themes and findings are set out below.

Service Delivery

Compulsion

Compulsion was singled out as critical to gaining pension data mass quickly and to facilitate industry engagement and allocation of resources. Where the initiative was left to a 'coalition of the willing', it has taken significant time to get provider coverage, in some cases it has taken between 10-15 years to get complete (or near complete) coverage.

Four out of the seven countries now have some form of compulsion. The other three countries recommend compulsion as absolutely necessary to support project objectives and to gain critical mass as quickly as possible.

It should be noted that even if compulsion is gained, pension providers / wider industry must be given enough time to undertake the necessary internal development and for on-boarding activities to the central service. It is not realistic to have all providers on-boarded simultaneously at the start of a live service.

Coverage / Trust

Full pensions coverage from day one would have made a big difference in usage, consumer take up and value to consumers. Key points are:

1. Four out of seven countries only have one 'non-commercial' dashboard. Those four countries stated that consumer trust issues have been mitigated by this as the dashboard is not trying to sell products / services.
2. There are real trust issues if consumers don't see all their pensions on the dashboard.
3. Consumers may not know the names of their pension scheme provider but they do know the names of the employers they worked for. Building an employment timeline function where they could see the gaps enables trust in the dashboard. It also helps consumers to know where to focus their attention to gain a complete view of their pensions.
4. There is a need to include all pensions, including those that have been partially crystallised, or are in decumulation or in payment.

Digital identity

Digital identification has been less of an issue for many countries where there is a combination of a verification process already in place and the use of a unique national digital ID provided at birth. For instance, in the Netherlands, one governmental login is used to access a range of services including digital tax return. The Dutch dashboard has been linked to this login.

Number of dashboards

Four out of the seven countries have gone for one 'non-commercial' dashboard only.

For countries that have a single non-commercial dashboard and where there is no compulsion to provide data, there is no evidence to suggest that the industry (in the early years) has any appetite to introduce alternative dashboard services. However, two countries have now suggested that providers are re-looking at this and may provide their own dashboards. It is not known whether this is due to a critical mass of data now being available.

Communication and marketing

Marketing and awareness of the service is critical to short term success and long-term engagement. Cost for this is picked up by industry. However, there seems to be public / private cooperation in joint messaging which is seen as key to consumer engagement. For instance, in some countries all annual statements have to promote the dashboard service. Provider websites also include promotional information and links to the non-commercial dashboard.

Dashboard take-up

Dashboard take-up by consumers is enhanced where the data is linked / used as part of other services such as taking out life insurance, or mortgages.

Consumer Engagement

Initial Research

Initial consumer research is seen to be absolutely critical. A number of comments were made around insufficient consumer and user research for the day one product and thus the amount of rework required.

Value add tools

The value add tools are critical to answer the "so what" question. Just providing a single dashboard of consolidated pensions without providing the consumer with what action they could take next will not lead to long-term engagement.

Segmentation of consumer needs

Key to gaining full demographic engagement was to provide information around different life stages, e.g. someone coming up to retirement has a different requirement than that of a 30 year old just starting a family. Obviously this would be more relevant to countries with only one central dashboard. If there were numerous dashboards in the UK model, then it would be up to the dashboard providers to implement as a value added service.

Income forecasting

Income forecasting tools are very important to consumers as they add context to 'what does this mean for me', 'what can / should I do now'? An aggregated income figure was identified as critical to consumers. A number of countries have introduced basic assumptions to allow an aggregated income (of DB, DC, State) to be projected.

Changes in consumer behaviour following the introduction of the dashboard

Different dashboards have had different impacts, however a common theme across all dashboards has been an increased level of engagement with pensions. Individual countries have seen increases in contributions being paid or increased aggregation activity and reductions in the number of lost pension pots.

Providers of Data

Value Proposition

There was no obvious value for pension providers, only cost. This may be due to the fact that most countries had a single 'non-commercial' dashboard. However, the people we spoke to stated that for consumers, the value proposition was based on better decision making and increased levels of savings.

Data Standards

Data standards need to be flexible enough for industry to work with and not too onerous or perceived to be too high a bar to attain. Providers are more willing / able to provide data where the agreed data standards are already required of the providers for other services / legislative requirements. It is critical that industry is engaged with the development of the standards to ensure achievability and gain buy in.

Data provision

There needs to be a mechanism(s) such as the use of Integration Service Providers to allow all parties to provide data, because small providers do not have same capability as large providers.

The Service Level Agreements for providers to return data to the dashboard are strict in all seven countries, with a typical real time response required in less than 5 seconds.

Industry / Government involvement

Bringing the Government, large providers and wider industry into the project together with joint ownership was crucial to the success of the project. Buy in from day one is key.

Funding of the central service

There is no one method for paying for the central service. Mostly it is 100% industry funded (four out of seven countries). Three out of seven have a combination of Government and industry funding. Where Government provide funds it is for initial development and enhancement of the central service. On-going maintenance costs are borne by the Industry.

APPENDIX 4: Industry Interviews (those not involved in the Project)

Interviews were held with senior decision makers from across the industry.

Typically, interviews were held with executives from three unrelated organisations within each different part of the industry. The identity of the organisations and of interviewees was agreed to be kept confidential.

A number of hypotheses were tested in the areas of benefits, data provision, participation, compulsion and of a vision for the future (see scope of the Industry Research Workstream).

Organisations in the following groupings were contacted:

- Insurers (Closed Book)
- Platforms / Product Providers (of DC schemes)
- Third Party Administrators (DC and DB schemes)
- Master Trusts (DC schemes)
- Public Sector In-house (DB)
- Private Sector In-house (DB and DC schemes)
- Adviser Software Houses (offering 'dashboards' for advisers)
- FinTechs (offering 'dashboards' for clients and consumers)
- Employee Benefits Platforms (offering 'dashboards' for clients and their employees)
- Independent Financial Advisers

Some organisations responded from the perspective of providing pensions data to members through the pensions dashboard service, while others responded from the perspective of providing this as information to consumers as a service.

The majority fell into the former group with many commenting that once available, they would make other data available within existing services such as employee portals.

The results of the interviews are below.

Summary

In general, the interviewees' comments support the hypotheses of the Project [indicated by a ticked statement and supporting quotes from respondents]. The Project can therefore be satisfied that the industry broadly supports the direction of travel, in that:

- ✓ There is value for stakeholders but delivering dashboards is for the benefit of consumers.
- ✓ There is a need for scale.
- ✓ Data sharing is not overly onerous.
- ✓ There is a need for compulsion.
- ✓ There are a number of parties able to participate for 2019 if Government provides support.
- ✓ There are clear opportunities to increase the value for consumers once services are live.
- ✓ There is also value for consumers of data such as advisers, software companies, and wider Fintech companies.

Other points of note which raise questions or contrary perspectives [indicated by a crossed or question marked statement] include:

- ✗ Who will pay?
- ✗ Concern over any change in administrative burden or costs.
- ✗ Trust-based schemes concerned with bearing any costs given their legal obligations.
- ✗ Opportunity cost of competing initiatives without compulsion.
- ✗ Initiatives compete for priority – schemes need change to be required by legislation.
- ✗ DB schemes are unlikely to participate early in the service.
- ✗ Valuations and comparing DB and DC are challenging but trend is in this direction.
- ✗ Some concern over displaying complex information – need clarity from regulator.
- ✗ Need to understand commercials and governance and whether onerous obligations imposed by FCA as some not regulated.
- ✗ May lead to rise in consumer propositions meaning guidance and advice become more important.

Other discussion points raised, with various views expressed in the conversations held, include:

- Phasing of implementation – questions/ideas include:
 - No big bang - start with being able to 'find' all pensions?
 - Consider phasing with some schemes first for example?
 - Consider other competing initiatives e.g. HMRC digitisation of pensions phase 2?
 - Perhaps an agile (consumer needs led) deployment to 2022?
 - Might start with DC and then move to DB?
 - Broadening participation in phases?
- How the service is positioned with consumers – questions/ideas include:
 - Communications is a key missing element especially if phased?
 - Government sponsored consumer education programme?
- Outstanding questions of design – questions/ideas include:
 - Governance?
 - Legal and data protection?
 - Commercial?
 - Regulatory?
- Ambition and vision – questions/ideas include:
 - This is a very important social initiative – 70% don't save enough!
 - Will there be enough data to work with – there must be a minimum set returned!
 - Enabling delegated access to third parties, particularly financial advisers.
 - A future phase of dashboard services could support consumers notifying all of their pension providers of changes to common data items such as name and address.

All interviews were conducted on a confidential basis.

AS PROVIDERS OF INFORMATION FROM SCHEMES

Insurers – Closed Book and buy-out providers (interviewees have over 1m members, DB and DC)

Q1: Value clear?	<ul style="list-style-type: none"> ✓ Right thing to do for members. ✓ Many customers are classed as 'gone-aways' or ignore their letters, wasting resources – ID verification is hard. 	<p><i>"Real benefit is providing customers with information".</i></p> <p><i>"Issue is that if we say the service will find your pensions and it doesn't it will be very confusing".</i></p>
Q2: Need for scale?	<ul style="list-style-type: none"> ✓ Marginal reputational benefit for insurers but will expect all of industry to participate if members are not to see 'gaps'. 	<p><i>"Without scale the project won't really work – yet have to start somewhere and cover a lot of pensions schemes".</i></p>
Q3: Data may be shared?	<ul style="list-style-type: none"> ✓ Data is a concern on old deferred members, especially NI number – data requirements should be kept simple. ✓ A few large administration software companies support schemes, making it easier to connect. X Some concern over displaying complex information – need clarity from regulator. 	<p><i>"Some schemes have a ledger with name and date of birth and nothing else, so have to ensure service is not overly onerous".</i></p> <p><i>"Providers are moving onto modern systems but some schemes have patchy quality. There is a lot of focus here – just highlighting those pensions a customer may have is helpful to the customer and to the schemes".</i></p>
Q4: Compulsion needed?	<ul style="list-style-type: none"> ✓ Compulsion is required for market to participate fully – missing information will confuse. 	<p><i>"Many pensions will be missing if voluntary".</i></p> <p><i>"Trustees of underfunded schemes won't justify the change unless required to do it".</i></p>
Q5: Commitment to 2019?	<ul style="list-style-type: none"> ✓ Some may participate early but legislation required to bring old occupational schemes in. 	
Q6: Future vision?	<ul style="list-style-type: none"> ✓ Other guidance and advice tools can be built on top – put the customer in control. 	<p><i>"Bringing all finances together in one view".</i></p>
Q7: Other points?	<ul style="list-style-type: none"> ○ No "big bang" - phasing is appropriate – start with being able to 'find' all pensions. ○ How the service is positioned with customers is key missing element, especially if phased. 	<p><i>"It's a huge step forward – simply finding all your pensions information in one place".</i></p> <p><i>"Keep it simple".</i></p>

Platforms/Product Providers (interviewees have over 200,000 DC members)

<p>Q1: Value clear?</p>	<ul style="list-style-type: none"> ✓ Engagement, prompt to save more, consolidation, venue – data aggregation benefits. X Opportunity cost of competing initiatives but cost not a major factor while priority is. 	<p><i>“Customers seeing all their pensions in one place will prompt them to save more”.</i></p> <p><i>“Cost of providing data is a price that needs to be paid to give customers a holistic view of their pensions”.</i></p> <p><i>“Pension consolidation and SIPPS will be primary beneficiary”.</i></p>
<p>Q2: Need for scale?</p>	<ul style="list-style-type: none"> ✓ Members must see the majority of their pensions to make the concept work. 	<p><i>“It would not work to say to people – this pension is not on the dashboard because it is the ‘wrong kind of pension”.</i></p>
<p>Q3: Data may be shared?</p>	<ul style="list-style-type: none"> ✓ Data is a not a concern other than keeping it simple for now – don’t overcomplicate things X Some concern over displaying complex information – need clarity from regulator. 	<p><i>“Yes, in very good shape”.</i></p>
<p>Q4: Compulsion needed?</p>	<ul style="list-style-type: none"> ✓ Compulsion is required for market to participate fully – missing information will confuse. 	<p><i>“Regulation would push it up priority ‘to do’ list. Some firms will not come on-board until compelled to”.</i></p> <p><i>“It would get progressively harder for Government not to legislate”.</i></p>
<p>Q5: Commitment to 2019?</p>	<ul style="list-style-type: none"> ✓ May participate early but legislation required to prioritise investments over other initiatives. 	<p><i>“Already on the ‘to do’ list”.</i></p>
<p>Q6: Future vision?</p>	<ul style="list-style-type: none"> ✓ Must be an open (but regulated) service which others can build upon. 	<p><i>“See this as part of an open and competitive marketplace”.</i></p>
<p>Q7: Other points?</p>	<ul style="list-style-type: none"> ○ Consider implementation in context of other regulatory requirements e.g. HMRC Phase 2 4/19. 	<p><i>“There must not just be a single non-commercial dashboard”.</i></p> <p><i>“Use of basic projections may create a lot of customer queries”.</i></p> <p><i>“Need to take into account links with PSD-2 bringing all financial information together for customers”.</i></p>

Third Party Administrators (interviewees have over 20m members on their systems)

<p>Q1: Value clear?</p>	<ul style="list-style-type: none"> ✓ Engagement, control, prompt to save more, consolidation – direction of travel, “right thing”. ✓ Fewer general requests for information from IFAs – more self-service (‘tell us once’). X Who will pay? Scheme administrators will ask – will need to charge-back costs in some way. 	<p><i>“Clients [mostly DB] are reluctant to pay”.</i></p> <p><i>“...the right thing to do as a firm as industry needs to be more focussed on the consumer and the dashboard will help”.</i></p> <p><i>“.. helping them see what they have, could have and make them less reliant on the state”.</i></p>
<p>Q2: Need for scale?</p>	<ul style="list-style-type: none"> ✓ TPA’s will participate early but legislation needed for larger trustees and smaller clients who must agree. ✓ Need consent of trustees. If no regulation, this won’t happen. 	<p><i>“...100% coverage is not realistic but the great majority need to be involved so customers can have confidence”.</i></p>
<p>Q3: Data may be shared?</p>	<ul style="list-style-type: none"> ✓ Data already undergoes ‘health checks’ – data is trustee’s data – leads to efficiencies. X Some concern over displaying complex information – need clarity from regulator. 	<p><i>“Common and conditional data [per TPR guidelines] gives a health score but doesn’t go far enough – doesn’t test whether benefits are correct and needs to – [but] we are in good shape”.</i></p>
<p>Q4: Compulsion needed?</p>	<ul style="list-style-type: none"> ✓ Compulsion is required from day one for market to engage – DB clients won’t pay if they need not. 	<p><i>“...many DB clients won’t volunteer to participate without compulsion”.</i></p>
<p>Q5: Commitment to 2019?</p>	<ul style="list-style-type: none"> ✓ Already moving clients towards automatic regular statements on-line. 	<p><i>“We offer web administration today but many [DB] clients don’t engage with their customers”.</i></p>
<p>Q6: Future vision?</p>	<ul style="list-style-type: none"> ✓ Add in ISAs and move towards wealth management. 	<p><i>“People will [in future] look at pensions as part of their wealth and expect pensions to be like bank accounts”.</i></p>
<p>Q7: Other points?</p>	<ul style="list-style-type: none"> ○ Phasing is a must. ○ Outstanding questions of governance, legal and commercial issues. ○ Would be open to joining the next project phase and making contributions 	<p><i>“Data that’s illustrated for the customer and the decisions then made based on data are key”.</i></p>

Master Trusts (interviewees have over 200,000 members)

Q1: Value clear?	<ul style="list-style-type: none"> ✓ Key benefits are member engagement and market consolidation to better providers. 	<p><i>"Member engagement is the main thing".</i></p> <p><i>"Encourages market to bring new and better products to market to bring savings more together".</i></p>
Q2: Need for scale?	<ul style="list-style-type: none"> ✓ Compulsion is required as customers will not return if many pensions are missing. 	<p><i>"It is an all or nothing proposition unless treated the same way as AE".</i></p> <p><i>"If not all engaged then 'value' reduces".</i></p>
Q3: Data may be shared?	<ul style="list-style-type: none"> ✓ Data is not a concern. X Some concern over comparing apples and oranges – need clarity from regulator. 	<p><i>"Modern schemes like ours have no data issues".</i></p>
Q4: Compulsion needed?	<ul style="list-style-type: none"> ✓ Compulsion is required as customers will not return if many pensions are missing. 	<p><i>"Without compulsion – dead duck!!"</i></p>
Q5: Commitment to 2019?	<ul style="list-style-type: none"> ✓ May participate early in the service but legislation is required regardless. 	<p><i>"Waiting on clarity of position of Government and on the legal and data sharing aspects in particular".</i></p>
Q6: Future vision?	<ul style="list-style-type: none"> ✓ Move towards wealth management, comparison tools and consolidation – unlock value. 	<p><i>"Once you open data up people who are not involved in pensions get involved."</i></p> <p><i>"There is a lot of value to unlock".</i></p>
Q7: Other points?	<ul style="list-style-type: none"> ○ No "big bang" - phasing is appropriate – perhaps to 2022 taking an agile approach. ○ Open questions on legal matters especially data protection. 	<p><i>"If phasing, then customers must know what to expect in the meantime".</i></p>

Public Sector Schemes (interviewees have over 5m members)

Q1: Value clear?	<ul style="list-style-type: none"> ✓ Key benefit is member engagement though members typically stay within sector. X Concern over any increased administrative burden or costs. 	<i>"Providing member access to all pensions in one place could aid the engagement of [people] with their pensions".</i>
Q2: Need for scale?	<ul style="list-style-type: none"> ✓ A few administration software companies support schemes. making it easier to connect. 	<i>"...believe consumers would need a complete view of their pension pots. However, a staged approach could work if the time between go-live and full pensions information provision were not to be too long."</i>
Q3: Data may be shared?	<ul style="list-style-type: none"> ✓ Data is a concern, but continued focus from regulator means this is becoming less of an issue. X Some concern over comparing apples and oranges – might keep to annual statement. 	<i>"If governance, ownership, management [matters] etc. are resolved then could see public sector schemes sharing information."</i>
Q4: Compulsion needed?	<ul style="list-style-type: none"> ✓ Compulsion is required for trustees to act. 	<i>"It is essential that legislation and regulation support the dashboard."</i>
Q5: Commitment to 2019?	<ul style="list-style-type: none"> X Will not participate early in the service. 	<i>"No commitment to provide [data] unless compelled to do so."</i>
Q6: Future vision?	<ul style="list-style-type: none"> ✓ Online annual statements are the direction of travel – dashboards are in line with this. 	<i>"If dashboards help in administration then there might be cost savings."</i>
Q7: Other points?	<ul style="list-style-type: none"> ○ Open questions on legal matters especially data protection. 	<i>"It would help if pensions in payment could [also] be identified."</i>

Private Sector In-house Schemes (interviewees have over 2m members)

Q1: Value clear?	<ul style="list-style-type: none"> ✓ Key benefit is member engagement and ability to 'nudge' members to save. 	<p><i>"One place for all a consumer's pensions is very powerful and positive to provide for consumers if you have multiple jobs."</i></p> <p><i>"There is a moral case that this data belongs to the consumer and schemes have a responsibility to allow them easy access to it."</i></p>
Q2: Need for scale?	<ul style="list-style-type: none"> ✓ A few administration software companies support schemes making it easier to connect. 	<p><i>"Need DB schemes on board."</i></p> <p><i>"A master trust trustee board has little money to spend – they will take a lead from their sponsors."</i></p>
Q3: Data may be shared?	<ul style="list-style-type: none"> ✓ Data quality is not a concern. X Trustees must give consent. 	<p><i>"Data is in good shape."</i></p> <p><i>"Smaller trusts may have other priorities [than data]."</i></p>
Q4: Compulsion needed?	<ul style="list-style-type: none"> ✓ Compulsion is required for trustees to act. 	<p><i>"Compulsion is in the interests of the member; greater transparency will follow – but must make it compulsory as a cost to members."</i></p>
Q5: Commitment to 2019?	<ul style="list-style-type: none"> ✓ May participate early in the service but legislation is required regardless. 	<p><i>"A very strong supporter – aligns with the likely outcomes of the AE Review."</i></p> <p><i>"It may take 18 months to change systems."</i></p>
Q6: Future vision?	<ul style="list-style-type: none"> ✓ Move towards employees being offered tools to manage their financial wellbeing. 	<p><i>"Enable members to have digital routes to contact schemes, guidance and advice – allow a single change by the customer to go to all schemes."</i></p>
Q7: Other points?	<ul style="list-style-type: none"> ○ Need a trusted venue. ○ No "big bang" - phasing is appropriate – perhaps to 2022 with an initial pilot with DWP to ensure it is done properly. 	<p><i>"A trusted venue is critical – it is for members and not for providers and it is important there is no advertising or promotions."</i></p> <p><i>"Would be better to slow down the implementation to do it properly."</i></p>

AS CONSUMERS OF INFORMATION FROM SCHEMES

Advisor Software (interviewees have nearly 50% of financial advice market)

<p>Q1: Value clear?</p>	<ul style="list-style-type: none"> ✓ Aggregation of client data – simplifies current laborious processes, improving the experience and giving better advice. ✓ Customer who understands their position better will contribute more. ✓ Given prototype specs, integration costs manageable. X May lead to rise in consumer propositions which encourages action without advice. 	<p><i>“Primary benefit is that advice could be better tailored to individual needs.”</i></p> <p><i>“Current processes to bring together information for customers are laborious and lead to a poor experience for all.”</i></p>
<p>Q2: Need for scale?</p>	<ul style="list-style-type: none"> ✓ Advisors will expect 60-80%+ coverage and consumers will need to be near 100% for information to be useful and not detrimental. 	<p><i>“Inclusion of public sector schemes and DB schemes would really help.”</i></p>
<p>Q3: Data may be shared?</p>	<ul style="list-style-type: none"> X Would require authorisation from data controllers. 	
<p>Q4: Compulsion needed?</p>	<ul style="list-style-type: none"> ✓ Compulsion is required – this is a lesson from open banking. ✓ Low participation on day one would lose credibility. 	<p><i>“Compulsion is critical to get enough pensions data.”</i></p> <p><i>“Low participation at launch would destroy credibility.”</i></p>
<p>Q5: Commitment to 2019?</p>	<ul style="list-style-type: none"> ✓ Yes – may well offer white label ‘dashboards’ to others. X Need to understand commercials and governance and whether onerous obligations imposed by FCA as some not regulated. 	<p><i>“Yes, depends on whether we can add services around the basic service.”</i></p>
<p>Q6: Future vision?</p>	<ul style="list-style-type: none"> ✓ The wider the scope of data – including charges and underlying funds - the better the advice tailored to customers. ✓ Other financial products – full consumer position. 	<p><i>“Include charges and underlying fund assets. The more data the better guidance and advice for customers.”</i></p>
<p>Q7: Other points?</p>	<ul style="list-style-type: none"> ○ More information on technical specifications and on timelines would be helpful. ○ This is a very important social initiative – 70% don’t save enough – but making this a priority will be tough for all schemes. 	<p><i>“Incredibly important social initiative which will also grow the market.”</i></p>

FinTechs (interviewees include those standing behind leading brands and startups)

<p>Q1: Value clear?</p>	<ul style="list-style-type: none"> ✓ Customers should be able to see all savings, costs and charges – customer benefit by moving products. ✓ Openness will lead to market change for benefit of customers. ✓ Taking out a lot of the manual and slow work for all is focus for FinTechs – trying to get data is a major issue. X Occupational trust-based sector will see as a cost not benefit. 	<p><i>“Average person has 11-12 jobs in lifetime and number of pots in different places – benefit in seeing these and also of costs and charges, to see this alongside State Pension.”</i></p> <p><i>“Experience so far with pensions are confusing, and takes people a long time to find anything.”</i></p> <p><i>“For people who want to accumulate pensions the pensions dashboard concept is helpful to them.”</i></p>
<p>Q2: Need for scale?</p>	<ul style="list-style-type: none"> ✓ While the market is consolidating and the direction of travel is transparency and customer focus – scale is critical. 	<p><i>“If customers login and cannot see some pensions you start to have an issue – get critical mass.”</i></p>
<p>Q3: Data may be shared?</p>	<ul style="list-style-type: none"> ✓ Many of the features required are already offered today but without all pensions customer won't engage. X Priorities of regulatory change may put off legacy migrating to better data. 	<p><i>“Mandatory fields, mapping and cleansing is a challenge for legacy schemes with multiple systems.”</i></p> <p><i>“As a minimum need employment history.”</i></p>
<p>Q4: Compulsion needed?</p>	<ul style="list-style-type: none"> ✓ Compulsion is required – international experience proves this. ✓ Low participation on day one would lose credibility especially DB. 	<p><i>“Must have regulation for compulsion.”</i></p> <p><i>“Compulsion – at the end of the day it is an absolute must.”</i></p>
<p>Q5: Commitment to 2019?</p>	<ul style="list-style-type: none"> ✓ Yes – may well offer white label 'dashboards' to others. X Need to understand commercials and governance and obligations from FCA. 	<p><i>“Will be there for 2019 subject to scope of work.”</i></p> <p><i>“Will embrace future dashboard.”</i></p>
<p>Q6: Future vision?</p>	<ul style="list-style-type: none"> ✓ Customers think in different ways – in terms of employment history etc. ✓ Displaying values and charges. ✓ Keep things open to innovation 	<p><i>“Add in other legacy products, bonds, bank accounts, protection, debt etc.”</i></p> <p><i>“Provide a transfer function.”</i></p> <p><i>“Provide full delegate access.”</i></p>
<p>Q7: Other points?</p>	<ul style="list-style-type: none"> ○ Will there be enough data to work with – minimum set needed, mindful of complexities. ○ What are the commercials and regulatory requirements? 	<p><i>“Difficult to educate client on what's in or what's out on the Dashboard”.</i></p>

Employee Benefits Platforms (interviewees cover 6m employees)

Q1: Value clear?	<ul style="list-style-type: none"> ✓ Greater control – educating employees on what they have and what they could have. ✓ Members in the future will be less reliant on the State. ✓ Members want to consolidate and get the benefits from this. X Occupational trust-based sector will see it as a cost not benefit. 	<i>“Employees gain greater control.”</i>
Q2: Need for scale?	<ul style="list-style-type: none"> ✓ While the market is consolidating and the direction of travel is transparency and customer focus – need critical mass day one. 	<p><i>“Critical mass is needed on day one.”</i></p> <p><i>“Without full or near full data though the offerings will fail.”</i></p>
Q3: Data may be shared?	<ul style="list-style-type: none"> ✓ Most clients take web-solutions for sharing data with members – this is an extension of that. X Valuations – and comparing DB and DC – are challenging. An assumption is that customer may want to see transfer values at different ages. 	<i>“...trend is towards monthly [not yearly] updates.”</i>
Q4: Compulsion needed?	<ul style="list-style-type: none"> ✓ Compulsion is absolutely required. ✓ Many administrators won't invest unless compelled to do so. 	<i>“Customers have low expectations but you must meet them.”</i>
Q5: Commitment to 2019?	<ul style="list-style-type: none"> ✓ Yes – most of this sector already moving in this direction. X Need to understand commercials and governance. 	<i>“...but trustees will not act without legal framework to do so.”</i>
Q6: Future vision?	<ul style="list-style-type: none"> ✓ Extending from pensions to ISA and wealth management. ✓ Without regulation, none of this will come to pass. 	<i>“Start towards financial wellbeing.”</i>
Q7: Other points?	<ul style="list-style-type: none"> ○ Might start with DC and then address DB – needs customer education programme sponsored by Government. 	<i>“Phasing – start simple.”</i>

Financial Advisers (interviewees cover range of personal and workplace clients, plus feedback via challenge sessions with the Personal Finance Society and events arranged by adviser publications)

Q1: Value clear?	<ul style="list-style-type: none"> ✓ Customers empowered. ✓ Reduced admin time. X Customers still need support. 	<p><i>“A major step forward.”</i></p> <p><i>“Customers will be empowered but will still need clear guidance or advice.”</i></p> <p><i>“The problem with older policies is getting hold of the information.”</i></p>
Q2: Need for scale?	<ul style="list-style-type: none"> ✓ Not useful without most pensions. 	<p><i>“If not all pensions are on the dashboard it is not so useful to consumers. They could be left in a position of detriment through taking the wrong actions.”</i></p>
Q3: Data may be shared?	<ul style="list-style-type: none"> ✓ Customers must be protected. X Software providers have promised this for years. 	<p><i>“The way dashboards present information must be regulated.”</i></p>
Q4: Compulsion needed?	<ul style="list-style-type: none"> ✓ Must be mandatory. ✓ Must be regulated. 	<p><i>“Get legislation and make it mandatory.”</i></p>
Q5: Commitment to 2019?	<ul style="list-style-type: none"> ✓ A trusted dashboard is desirable. ✓ Comprehensive data is needed, but desirable to make some data available sooner. 	<p><i>“A promise from Government to legislate, or the threat of such is needed.”</i></p>
Q6: Future vision?	<ul style="list-style-type: none"> ✓ More information displayed. ✓ A trusted dashboard and other services to suit the customer and adviser. ✓ Delegated authority to enable advisers to access data on their customers’ behalf. 	<p><i>“A trusted dashboard with other services available alongside – but one trusted place for any customer to start with.”</i></p>
Q7: Other points?	<ul style="list-style-type: none"> ○ They are real stories of customers losing and then finding their pensions every day – this is vital. 	<p><i>“One customer found an old GMP scheme and broke down in tears when they found out they would earn more in retirement than working.”</i></p>

APPENDIX 5: Industry Interviews (those involved in the Project)

Interviews were conducted with 10 large pensions firms who were contributors to the Pensions Dashboard Prototype Project and continue to support the project.

These interviews were with senior decision makers within each organisation, and were undertaken on the basis of confidentiality.

The results are included within this appendix.

	Company 1	Company 2	Company 3	Company 4
Question 1: The strategic value proposition – do you see more benefits than costs from your participation in dashboard services (like those demonstrated in the prototype), and why?	<ul style="list-style-type: none"> - As a provider of data, it is mostly cost. - There could be a commercial benefit but I'm not sure there's a brilliant business case there on pure numbers basis. - It could help to digitise some of our business - If you did the work for the Dashboard, then you have a stronger route to GDPR compliance. - Dashboard - the benefits are obvious. There's a customer engagement benefit by bringing more traffic through the website and getting people interested and talking about their pensions. - Costs to make data available in the millions. 	<ul style="list-style-type: none"> - We hope to see renewed engagement through the Dashboard with customers we have lost track off, allowing us to update contact details, leading to a reduction in the cost and effort involved in finding 'gone-aways'. - The potential for increased pensions saving from better informed and more engaged customers. - Development costs to support the Pensions Dashboard are expected to be medium range. - Increased customer engagement leading to customers saving more for their retirement or consolidating older, more expensive pensions. 	<ul style="list-style-type: none"> - There will be costs for data providers, in particular: <ul style="list-style-type: none"> a) Building the relevant interfaces and providing the data to a dashboard via the 'Pension Finder Service' or equivalent, and b) In supporting the number of additional queries that will be generated once individuals find their pensions. - May also act as a driver for schemes to be prepared to carry out further data cleaning and automation. 	<ul style="list-style-type: none"> - In principle, decision-makers agree that, in the long-term, the Pensions Dashboard will deliver more benefits than costs. - The possible replacement of paper pension statements with real-time valuations, pension pot consolidation and the ability for customers to change their address/contact details within the dashboard rather than having to contact pension providers separately.
Question 2: The need for scale – do you feel it likely that you may only participate in dashboard services when a significant proportion of	<ul style="list-style-type: none"> - Want to be an earlier adopter. - But only makes sense with significant momentum in coverage. - Need at least 95% within 2 years. - If you can launch with 	<ul style="list-style-type: none"> - Would want to be an early adopter. - We believe for customers to value and use this service it must be supported by the whole pensions industry within a 	<ul style="list-style-type: none"> - Our support of a mandatory option is rooted in the premise that if spend is discretionary, the route to "critical mass" will be a slow one. 	<ul style="list-style-type: none"> - In the event that there isn't industry-wide participation in the dashboard, the view was this could de-rail the mission of the dashboard by not enabling: <ul style="list-style-type: none"> i) Customers to view all their pensions in one place and

	Company 1	Company 2	Company 3	Company 4
the marketplace has already participated, and why?	50% and then maybe 80% after a year and getting to 95% after that that would be good.	reasonably short timescale.		ii) The efficiencies the industry needs when it comes to the consolidation of pension pots and streamlined administration.
Question 3: The sharing of data – do you feel that existing obligations to maintain data mean you should be well placed to participate in sharing data with dashboard services, and why?	- There's a few million pounds worth of work still to be done. We would need to either widen some of the pipes we've got or develop some new pipes. It will still be a significant project.	- We believe that our existing underlying record keeping and data quality requirements form a good foundation to support the Dashboard but recognise that some challenges still exist, particularly with older legacy data.	- We already promote the benefit of having good data to our clients and have functionality available to assist clients with data cleanse activities.	- It was broadly acknowledged that member data quality was in a good state, in-line with The Pension Regulator's code of practice for complete and accurate data, and when compared to the likes of legacy pension arrangements.
Question 4: The need for regulation – do you feel that hurdles to you participating in dashboard services can only be overcome through some form of industry-wide compulsion, and why?	- Yes. I think that if we want this project to go quickly then some form of compulsion is necessary.	- It may be possible to gain initial support through a coalition of the willing to launch a 'beta' version of the service, but compulsion is essential for the service to gain support across all segments of the pensions industry within a reasonable timescale. - DB and Trust Based Occupational Pensions market will struggle to justify any investment without compulsion.	- In order to ensure that the Dashboard is at the top of development priorities, there is a need for this to be seen as a mandatory project, driven by legislation. - Mandatory compulsion is likely to overcome any reservations that our clients may have regarding data protection and GDPR, which will ultimately have some effect on the Dashboard.	- There needs to be industry-wide compulsion and regulation, a gradual uptake by the pension providers, and a link-up with independent guidance to protect customers.
Question 5: Commitment – are you already committed or planning to commit to voluntarily participate in dashboard	- As a provider of data, Company 1 is morally committed through our public statements and the work we've been doing	- Committed to be part of the initial launch of the service alongside a number of our peers.	- We have not yet made a commitment to participate. Like other fellow contributor organisations, we are closely monitoring progress via our involvement	Company 4 fully advocates the Pensions Dashboard project - it is a long-awaited and fundamental development for pensions in the UK.

	Company 1	Company 2	Company 3	Company 4
services from 2019 and if not, what would you need to move to do so?	with the industry and government to doing this, provided that a significant number of the industry are doing it too. Would we do it if we were the only ones doing it?		in the Project Group and have not as yet made any decision about voluntary participation.	
Question 6: The future – what do you see as future extensions to dashboard services to provide greater value to customers and the industry, and why?	<ul style="list-style-type: none"> - One is additional pensions data - the obvious stuff which we said we wouldn't do in phase 1 (fund information, charges etc.). - Then the other questions are product scope - why just pensions in accumulation? What about pensions in payment? Why not other investment products, why not ISAs, why not bonds? - The last big one is the ability for customers to be able to make changes to their pension record via the dashboard such as address, marital status, DoB of spouse and beneficiary changes. 	<ul style="list-style-type: none"> - Expect the service to broaden to other long term savings and investment products such as ISAs, to introduce functionality to enable consumers to easily update address and other contact details across all providers and to enable third parties to access data with consumer permission such as financial advisers, accountants. - Include charges. 	<ul style="list-style-type: none"> - The inclusion of crystallised benefits in payment e.g. pensions and annuities is an obvious next step. - Cash equivalent transfer values for Defined Benefit. 	<ul style="list-style-type: none"> - The ability to fulfil the consolidation of pension pots automatically within the dashboard was seen by all as the next natural stepping stone of the dashboard beyond allowing customers to find and value their pensions. - Include displaying pension provider customer service levels, scheme charges, investment performance, retirement options and the ability to update customer contact details. - Ultimately customers could view their 'financial wealth' by incorporating pensions, long-term savings, bank accounts, ISA's and investments.
Any Other Information	n/a	-Pension income calculations must be consistent across dashboards and there is a need for the regulator to also consider the risk or impact of discrepancies with annual statements, e.g. in terms of growth rates assumed.	-	<ul style="list-style-type: none"> - The right safeguards have to be in place to protect the interests of members and their data and to avoid attracting anymore adverse PR, which the industry can ill-afford.

	Company 5	Company 6	Company 7	Company 8
<p>Question 1: The strategic value proposition – do you see more benefits than costs from your participation in dashboard services (like those demonstrated in the prototype), and why?</p>	<ul style="list-style-type: none"> - Company 5 are supportive of the development of a pension dashboard, we believe it is only right that customers can easily access their pension data in order to help them understand what they may have in retirement. - The benefits are likely to be outweighed by the increased costs; supplying data, increased administration, transfers out, enquiry management. That said if successfully delivered to meet consumer need then dashboard is the right thing to do irrespective of the potentially increased costs. - Participation in a dashboard will largely be based on consumer expectation rather than a commercial business case. 	<ul style="list-style-type: none"> - There will inevitably be costs in doing this however there will be benefits in terms of enhanced customer engagement as well as improved customer data. - As a consumer of data, Company 6 believes that the Dashboard will provide an opportunity for it to grow its business in the UK. - We believe that there will be substantial demand amongst Retail IFAs for a tool that will make it easier for them to determine what other pension policies their clients hold. 	<ul style="list-style-type: none"> - There will only be costs associated with the provision of data with no discernible business benefits clear at this time. The costs we would expect to be between £1 and £5 million. - As a consumer of data we would expect some consolidation activity on the back of dashboard builds. However, what the net position is cannot be ascertained until the full proposals re introduction, coverage and projected usage is known. - The dashboard only becomes a material customer benefit when it becomes a home for all of their pensions in one place. 	<ul style="list-style-type: none"> - Based on the available data, information and state of the pensions industry today it is difficult to make a quantitative assessment of benefit versus cost. - The costs of participating in the provision of data are therefore not clear at this stage so would be difficult to put meaningful numbers or commentary around. - In the occupational pensions space, the last thing arrangements with deficits need is additional costs or levies; if the cost is passed to the consumer this could drive usage of the service down. - When it comes to the benefits side of the equation, there are clear benefits and opportunities for the end consumer and companies looking to sell fund aggregation services and retirement solutions.
<p>Question 2: The need for scale – do you feel it likely that you may only participate in dashboard services when a significant proportion of the marketplace has already participated, and why?</p>	<ul style="list-style-type: none"> - We believe that wide coverage is essential in order to avoid poor customer outcomes and that to achieve this compulsion will be required. - Why would consumers engage with a dashboard if it doesn't show them everything? It is important that people do not make wrong decisions based on incomplete information therefore scale 	<ul style="list-style-type: none"> - We would expect that we would want to be within the first batch of providers that would provide data – however before doing so we would want to know that there is enough other large DC providers providing data and that others will follow within an acceptable time period. 	<ul style="list-style-type: none"> - We would expect full coverage of schemes to be the aim of the dashboard at the outset. - Where we offer services to clients we would expect to have complete information and therefore would have to retain current processes and procedures were we unable to rely on full information from the pension's dashboard. 	<ul style="list-style-type: none"> - If this truly is the 'iTunes moment' of pensions then we should drive hard for legislation and regulation, anything less than full coverage will not achieve the objectives. - If we take a step back and look at the objective and the desired outcomes of a dashboard service, full coverage as close to day one is essential. - If this truly is the opportunity for industry to get this right for consumers,

	Company 5	Company 6	Company 7	Company 8
	<p>needs to be achieved as quickly as is practicable.</p> <ul style="list-style-type: none"> - Compulsion is required with an appropriate timescale and a realistic data set. 			<p>then there should be no half measures".</p> <ul style="list-style-type: none"> - Would a service that simply helps a consumer to locate all of their pensions along with contact details be of value to the consumer and provider, in my view absolutely, yes. - It should not be unreasonable for providers to issue data to the service within seconds of the request, any question of a 24 hour SLA should be rejected as services in the technology space are available and companies holding paper files should be challenged to improve. Is it truly acceptable to run administration in this way?
<p>Question 3: The sharing of data – do you feel that existing obligations to maintain data mean you should be well placed to participate in sharing data with dashboard services, and why?</p>	<ul style="list-style-type: none"> - It depends on the data set required i.e. if data is held already versus if a calculation is required. - It is our view that the dashboard must give the consumer a view of the value of a pension, rather than a size of the pot, "without this the dashboard is as useful as an ashtray on a motorbike" and could lead to poor customer outcomes. 	<ul style="list-style-type: none"> - Yes, we should be. There are however some questions that need to be resolved regarding which party owns the data – this is particularly relevant when it comes to trust-based DC schemes. 	<ul style="list-style-type: none"> - We would have to receive legal reassurance that the correct processes, structures and governance were in place to provide client data to third parties. 	<ul style="list-style-type: none"> - The existing regulations in this space does not mean that providers would necessarily be able to issue data electronically straight into the dashboard eco system.
<p>Question 4: The need for regulation – do you feel that hurdles to you participating in dashboard services can only be overcome through</p>	<ul style="list-style-type: none"> - If we think we would lose customers then we would provide data and dashboard irrespective of compulsion. - Compulsion is likely to be required however as a 	<p>DC Providers like Company 6 are only likely to provide data if at least 5 or 6 other large DC providers also commit to do so as well – it is likely that these providers would need some incentive (or the threat of compulsion) to do so.</p>	<ul style="list-style-type: none"> - We have yet to see the extent of coverage which would be achieved voluntarily. We believe further work should be done on this. If full coverage were achieved without compulsion we would expect to 	<ul style="list-style-type: none"> - If Government are truly serious about making a significant step change in people's attitude toward pensions saving and improving their retirement outcomes it's imperative that legislation is laid. - In summary the government must

	Company 5	Company 6	Company 7	Company 8
some form of industry-wide compulsion, and why?	market driven approach is unlikely to deliver a comprehensive dashboard within acceptable timescales.	Some larger DB schemes may wish to provide data in order to increase member interest in taking a transfer – however smaller DB schemes are likely to require compulsion.	<ul style="list-style-type: none"> participate in the launch. We would see no benefit in developing services which rely on the information from a pensions dashboard if that information is not likely to be the complete picture. 	<ul style="list-style-type: none"> legislate or make a commitment to legislate before large proportions of the industry will participate and the pension's providers take the dashboard seriously. Assuming legislation for the dashboard isn't laid in the next cycle, the Government can still mobilise industry to be dashboard ready by extending existing obligations on data or reporting to at least get providers ready for dashboard by stealth. If legislation isn't in place, a strong public record of Government's commitment is needed to send strong enough signals to the industry to start work now.
Question 5: Commitment – are you already committed or planning to commit to voluntarily participate in dashboard services from 2019 and if not, what would you need to move to do so?	<ul style="list-style-type: none"> We believe dashboard is the right thing to do but it is not currently committed to given the amount of other things on our delivery agenda. It is unlikely to be put on our delivery agenda without compulsion or significant competitive pressure. 	<ul style="list-style-type: none"> Yes, we are planning to commit to participating but this would be subject to enough other large DC providers also participating 	<ul style="list-style-type: none"> We have no plans in place for delivery in 2019 and would be unable to carry out such planning until we were certain of the structure and full requirements for the build. 	<ul style="list-style-type: none"> Like the rest of industry we are assessing the impact and opportunities the dashboard introduces. But without a clear view on the costs of participation, who will bear the costs and most importantly without a commitment from government to legislation we cannot commit to voluntary participation.
Question 6: The future – what do you see as future extensions to dashboard services to provide greater value to customers and the industry, and why?	<ul style="list-style-type: none"> Whilst it is right to focus on pensions as a starting point, aggregation beyond pensions should follow. Many people do not solely use pension vehicles to save for retirement so a pensions dashboard alone has limitations for those people, access to data 	<ul style="list-style-type: none"> It is likely that will be interest amongst Dashboard providers in getting additional information on DC Pots – e.g. fund splits, charges information 	<ul style="list-style-type: none"> We would expect sometime in the future for two way communication between the dashboard and providers of data – for example the ability to update information on the dashboard that would then feed back to us. Could provide annual statements and valuations. We believe the key to engagement and the success of 	<ul style="list-style-type: none"> Additional opportunities do exist, however these are commercially sensitive.

	Company 5	Company 6	Company 7	Company 8
	needs to go much wider.		future developments will be the ability to completely personalise communication with customers. This is only possible where the data is available to drive this personalisation.	
<u>Any Other Information</u>	- If different values are shown on different dashboards, then this will confuse consumers and will result in increased queries and could lead to a lack of trust.	Key to Company 6 participation will be the anticipated volume of members that are likely to use the Dashboard and also the proportion of DC members that have data on the Dashboard. Therefore before making a decision to participate and develop a dashboard, we would be influenced by the response of other providers – this is likely to be influenced by the likelihood of compulsion.	-	-

	Company 9	Company 10
Question 1: The strategic value proposition – do you see more benefits than costs from your participation in dashboard services (like those demonstrated in the prototype), and why?	<ul style="list-style-type: none"> - We support the pensions dashboard because we believe it will deliver real benefits to customers, being able to see all their pensions in one place will aid their planning, decision making and engagement. 	<ul style="list-style-type: none"> - Hard to answer without understanding the actual costs of implementation. There are absolute benefits for customers in terms of understanding and engaging with their historic and current pension savings and preparing for the future.
Question 2: The need for scale – do you feel it likely that you may only participate in dashboard services when a significant proportion of the marketplace has already participated, and why?	<ul style="list-style-type: none"> - The pension's dashboard needs to achieve universal coverage in order to deliver the customer benefits we foresee. - We are concerned that the launch of a voluntary dashboard with incomplete coverage may undermine consumer confidence in the project. 	<ul style="list-style-type: none"> - As one of the early adopters/advocates, we recognise the very likely need for compulsion to achieve the scale required for the pension's dashboard to be a viable product for consumers.
Question 3: The sharing of data – do you feel that existing obligations to maintain data mean you should be well placed to participate in sharing data with dashboard services, and why?	<ul style="list-style-type: none"> - The prototype demonstrated that we can provide data to the dashboard within an acceptable cost to us. 	<ul style="list-style-type: none"> - It will be challenging for us to share some data digitally. As for many providers, there are platform problems, and other legacy issues to be overcome, but we are better placed than we were. - We have a multiple service provider structure, with a number of legacy systems which would increase costs and complexity.
Question 4: The need for regulation – do you feel that hurdles to you participating in dashboard services can only be overcome through some form of industry-wide compulsion, and why?	<ul style="list-style-type: none"> - We believe that legislation requiring pension schemes to share data upon a customer's request with a pension dashboard is the only way to achieve the universal coverage we believe is necessary to deliver the potential customer benefits of being able to make retirement plans based on full knowledge of their savings. 	<ul style="list-style-type: none"> - No hurdles internally as such currently – we have good buy-in to this initiative. - I believe that there is industry compulsion needed; without this, we will end up with a dashboard of limited value to customers showing only a % of their savings.
Question 5: Commitment – are you already committed or planning to commit to voluntarily participate in dashboard services from 2019 and if not, what would you need to move to do so?	<ul style="list-style-type: none"> - No. We are concerned by the apparent lack of commitment from key ministers and civil servants. 	<ul style="list-style-type: none"> - We are committed to voluntary participation at the moment, on the assumption that the non-willing will be compelled to participate within a defined timescale or by a defined date.
Question 6: The future – what do you see as future extensions to dashboard services to provide greater value to customers and the industry, and why?	<ul style="list-style-type: none"> - The pensions dashboard should encourage and facilitate consolidation of multiple pension pots, particularly where people have changed jobs. 	<ul style="list-style-type: none"> - Combining with clever planning tools to truly aid retirement planning can follow. - Enabling customers to talk to their providers via the dashboard.
Any Other Information	<ul style="list-style-type: none"> - Need to agree whether the project should go any further after October if political support for it remains weak. 	<ul style="list-style-type: none"> - Would be good to tease out the phased journey towards launch (what and by when) and ensure that consumer messaging about this is clear and managed. - The integrity of the data would be a high priority for us.

APPENDIX 6: Data Standard Items

The table below shows the data items used by the prototype alongside the proposed clarifications and changes.

Original Prototype Data Items	New Clarifications and Additions (Page 1 of 2)
ID Details	
National Insurance Number	
Surname	
Forename	
Date of Birth	
Address	
Country	
Postcode	
Provider / Administrator Details	
Pension Benefit Reference number	
Provider name	
	<p>New section: Customer service contact details, including:</p> <p>New field: Scheme contact name & address</p> <p>New field: Scheme contact centre phone number</p> <p>New field: Scheme contact web address</p> <p>New field: Scheme contact email</p> <p>New field: Scheme contact centre open times</p>
Pension Scheme Details	
Pension type/status	<p>Field change: Include 'DC in Decumulation' as a pension type</p> <p>Note that Annuities and Defined Benefits in Payment are not in scope as they are not 'savings'</p>
Employer name	Field change: Employer(s) name is a repeating field
Current employment start date	
Previous employment period start	Note: Moved from "DB Valuation Details (Distinct Section)"
Previous employment period end	Field change: Previous employment period date fields may repeat
Scheme name	
Scheme number	
Membership start date	
Date of last payment	
Selected Retirement Date	

Original Prototype Data Items

New Clarifications and Additions (Page 2 of 2)

Pension Valuation Details

Unavailable valuation reason

Clarification: Mixed schemes may choose not to return a value if a DC pension is underpinned by a DB aspect

DC Valuation Details (distinct section)

Valuation date

Current value

Transfer value

Special Terms/Guarantees indicator

Special Terms/Guarantees text field

Clarification: Both crystallised and uncrystallised benefits are to be shown separately

New section: Contributions, including:

New field: Future payment expected flag

New fields: Annualised contribution on SMPI basis comprising total of: (1) Employee/individual, (2) Employer and (3) Tax Relief or the three constituent parts.

New field: Contribution fixed, increasing or variable flag

DB Valuation Details (distinct section)

Valuation basis

Anticipated Income

Valuation date

Clarification: Anticipated income at retirement as calculated at the valuation date field on the basis noted in the valuation basis field

New field: Deferred scheme benefits basis

Clarification: For deferred schemes, the administrator will have the ability to use the valuation basis for the benefits they hold, either: 1) the accrued benefits calculated as at a known date, or 2) the benefits projected as at deferral

New field: Additionally Accrued Sum (cash)

New field: Special Terms/Guarantees indicator

New field: Special Terms/Guarantees free text field

AVCs

AVC Indicator

AVC Provider

APPENDIX 7: Data Quality Analysis. Qualitative Survey of 15 Pensions Providers

DC (Open) Only

Score and Explanation of Scores

- Scores indicate the degree to which the responding pension schemes/providers (14) answered each question positively
- A score of 100 indicates all strongly agreed, a score of 50 indicates that on average all agreed somewhat whereas a score of 0 would mean no respondents agreed
- Each pension provider's response carried equal weight
- Over 12m pension pots are within the pension schemes/providers responding

Question 1: Do you hold this data item for most records?

Data Item	Score	Explanation
National Insurance No. (NINO)	96	No reason given for not 100
Date of Birth	100	
Forename	93	Can be initials only
Surname	100	
Postcode	96	Some goneaways / Except overseas / Not always provided
Address	96	information is held by the trustees.
Value	96	Some calculated as required and not stored
Valuation Date	96	No comment
Scheme name	100	
Unique Reference	100	
Retirement Date/Age	100	
Last Payment Date	100	
Guarantees Present	93	Some unknowns / Some GMP records are not held digitally

Question 2: Do you always hold electronically?

Data Item	Score	Explanation
National Insurance No. (NINO)	100	
Date of Birth	100	
Forename	96	Can be initial only
Surname	100	
Postcode	100	
Address	100	
Value	96	Some calculated as required and not stored
Valuation Date	96	No comment
Scheme name	100	
Unique Reference	100	
Retirement Date/Age	100	
Last Payment Date	100	
Guarantees Present	89	Unknown / These are inferred by the type of policy but not directly held in some cases

Question 3: What is your estimate of the correctness of the data?

Data Item	Score	Explanation
National Insurance No. (NINO)	86	Some temporary NINO's / duplicate numbers in circulation
Date of Birth	93	move to new platform
Forename	93	Can be initials only
Surname	96	No comment
Postcode	79	Certain amount of goneaways / Not always notified
Address	79	Certain amount of goneaways / Not always notified
Value	100	
Valuation Date	100	
Scheme name	96	No Comment
Unique Reference	96	Payroll system sharing unique ref #
Retirement Date/Age	96	Customer specified
Last Payment Date	100	
Guarantees Present	100	

Questions 4: Is this data item likely to be up to date?

Data Item	Score	Explanation
National Insurance No. (NINO)	89	expiries anticipated
Date of Birth	100	
Forename	96	Can be initials only
Surname	96	Marital changes
Postcode	86	Goneaways / Not always notified of house move
Address	86	Goneaways / Not always notified of house move
Value	96	Would only be a periodic calculation if stored
Valuation Date	100	
Scheme name	100	
Unique Reference	100	
Retirement Date/Age	96	Customer specified
Last Payment Date	100	
Guarantees Present	100	

DC (Closed) Only Score and Explanation of Scores

- Scores indicate the degree to which the responding large pension schemes/providers (15) answered each question positively
- A score of 100 indicates all strongly agreed, a score of 50 indicates that on average all agreed somewhat whereas a score of 0 would mean no respondents agreed
- Each pension provider's response carries equal weight
- Over 23m pension pots are within the pension schemes/providers responding

Question 1: Do you hold this data item for most records?

National Insurance No. (NINO)	93	Some temporary NI's / Historically some pensions did not require NINO
Date of Birth	100	
Forename	90	Can be initials only
Surname	100	
Postcode	90	Some goneaways / Except overseas
Address	93	Can be not known / Address detail held by Trustees
Value	90	not be readily available
Valuation Date	97	Many calculated annually only
Scheme name	100	
Unique Reference	100	
Retirement Date/Age	100	
Last Payment Date	97	The data item exists but could be a migrated date for a lot of policies
Guarantees Present	97	Some unknowns

Question 2: Do you always hold electronically?

National Insurance No. (NINO)	100	
Date of Birth	100	
Forename	97	Can be initials only
Surname	100	
Postcode	100	
Address	100	
Value	87	In a large proportion of this book the valuation is in the statement only and not electronically stored / some calculated as required and not stored / Some with profits may not be readily old.
Valuation Date	93	Valuations are calculated manually /
Scheme name	100	
Unique Reference	100	
Retirement Date/Age	100	
Last Payment Date	100	
Guarantees Present	93	Unknown / These are inferred by the type of policy but not directly held

Questions 3: What is your estimate of the correctness of the data?

National Insurance No. (NINO)	80	Temporary NINO
Date of Birth	93	Some concerns with older records
Forename	90	Can be initials only
Surname	93	Marital changes issue
Postcode	70	Goneaway (estimate 10%) / Client do not always inform of new address
Address	70	Goneaway (estimate 10%) / Client do not always inform of new address
Value	97	Small number of policies need manual calculation
Valuation Date	100	
Scheme name	97	No comment
Unique Reference	97	Payroll system sharing unique ref #
Retirement Date/Age	93	Customer specific
Last Payment Date	97	The data item exists but could be a migrated date for a lot of policies
Guarantees Present	100	

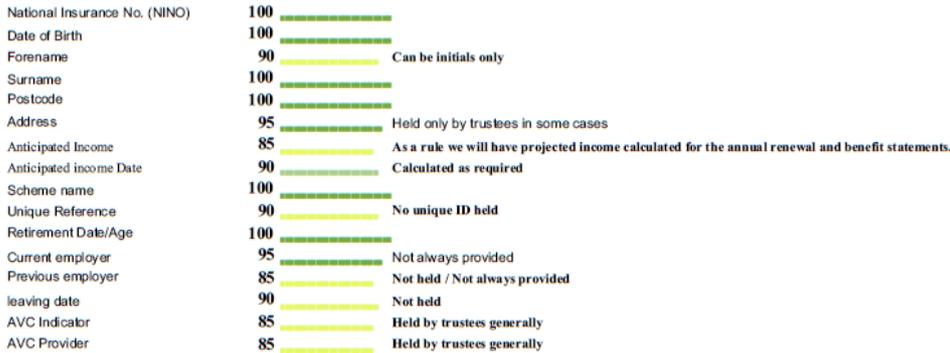
Questions 4: Is this data item likely to be up to date?

National Insurance No. (NINO)	90	Temporary NINO issue
Date of Birth	100	
Forename	97	Can be initials only
Surname	97	Marital changes
Postcode	83	Goneaway (estimate 10%) / Client do not always inform of new address
Address	83	Goneaway (estimate 10%) / Client do not always inform of new address
Value	97	Would only be a periodic calc if required
Valuation Date	97	No comment
Scheme name	100	
Unique Reference	100	
Retirement Date/Age	97	Customer specific
Last Payment Date	97	The data item exists but could be a migrated date for a lot of policies
Guarantees Present	100	

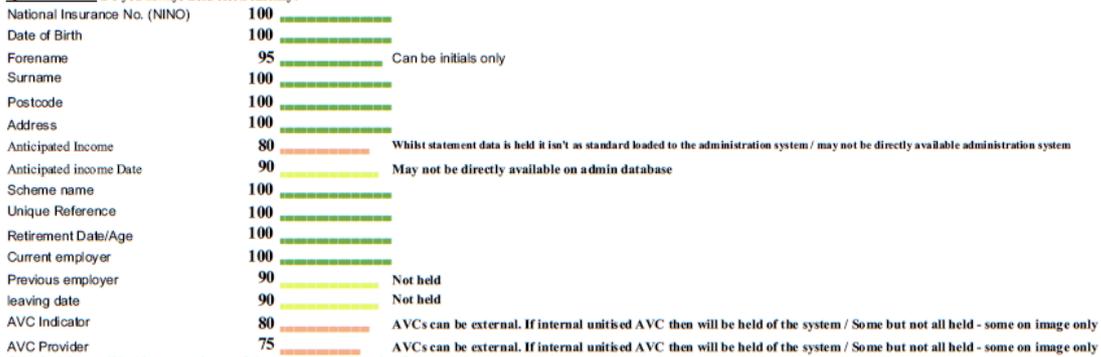
DB (Active) Only Score and Explanation of Scores

- o Scores indicate the degree to which the responding pension schemes/providers (10) answered each question positively
- o A score of 100 indicates all strongly agreed, a score of 50 indicates that on average all agreed somewhat whereas a score of 0 would mean no respondents agreed
- o Each pension provider's response carried equal weight
- o Over **0.9m pension pots** are within the pension schemes/providers responding

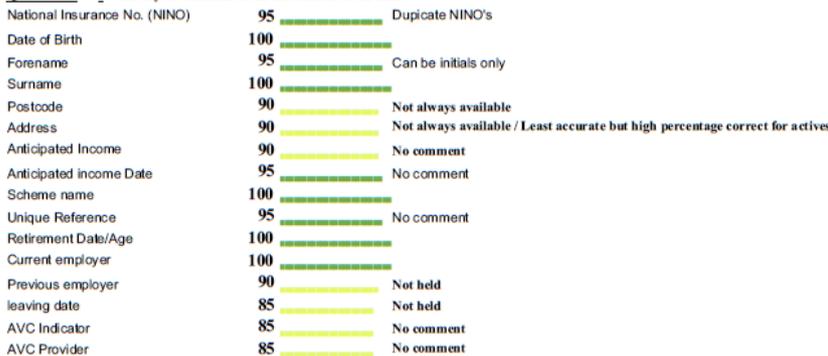
Question 1: Do you hold this data item for most records?



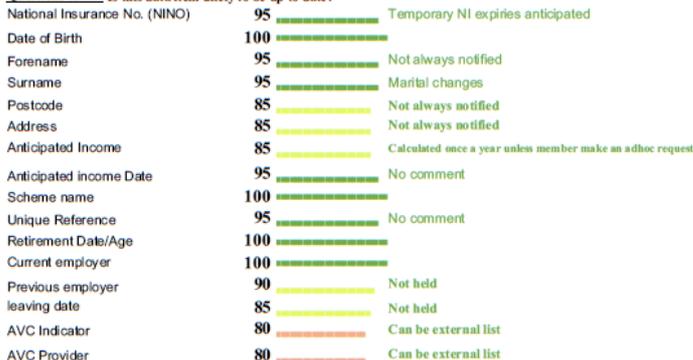
Question 2: Do you always hold electronically?



Questions 3: What is your estimate of the correctness of the data?



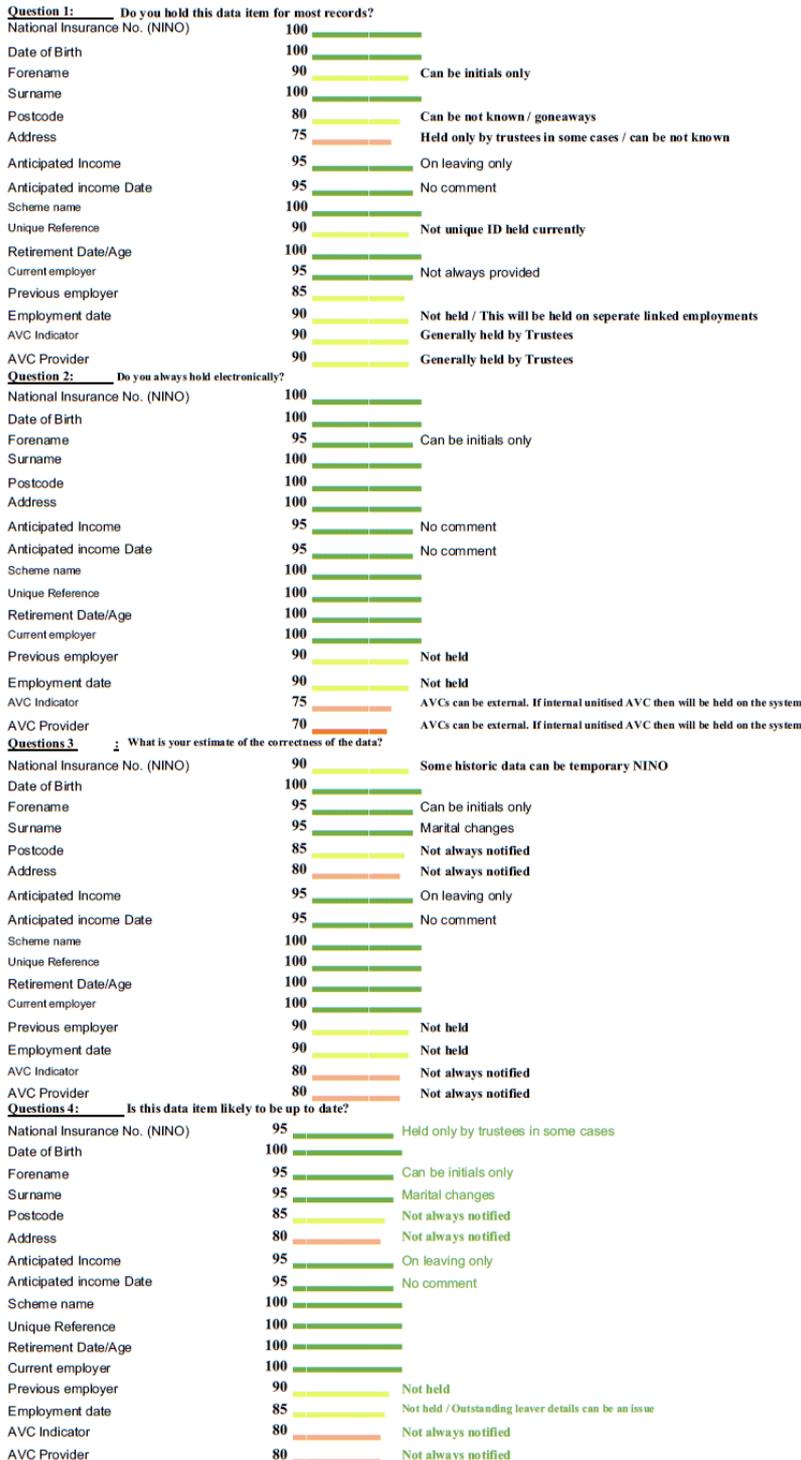
Questions 4: Is this data item likely to be up to date?



DB (Deferred) Only

Score and Explanation of Scores

- Scores indicate the degree to which the responding pension schemes/providers (10) answered each question positively
- A score of 100 indicates all strongly agreed, a score of 50 indicates that on average all agreed somewhat whereas a score of 0 would mean no respondents agreed
- Each pension provider's response carried equal weight
- Over **1.6m pension pots** are within the pension schemes/providers responding



APPENDIX 8: Matching Approach

Background

One of the key considerations in the success of the dashboard concept must be whether the solution has accurately identified and returned all appropriate records for the consumer identified through their third party ID provider (IDP).

The strength of that search and find process depends on two things: the accuracy of the records held by the provider or a party on its behalf, and the nature of the rules applied to perform the customer look up.

It is proposed that the principle be adopted that the matching approach be left to each provider of data, providing always that this adheres to a policy of never matching a pension which does not belong to a customer while always seeking to match any pension which does.

This appendix explores a suggested approach that could support this principle, should it be adopted.

Risk Mitigation

In considering the criteria for matching, there is a balance to be struck between generating the maximum number of positive matches and avoiding any erroneous matches. The key risks associated with ID validation and matching to a service can be seen as:

- The user is not provided with pension information that does exist.
- The transaction proceeds with invalid information.
- The incorrect information is presented to the user, leading to reputational damage and compliance issues.

Minimum Data Set (MDS)

The proposed approach to matching criteria is based on the assumption that the following data is made available to the pension provider in the request message:

Data fields to be used:

- First name
- Surname
- Current address fields
- Previous address fields
- Date of birth
- National Insurance Number (NINo or NINO)

Challenges

Utilising the data included in the MDS presents a number of challenges for the matching process:

- The consumer may have moved since the product was created and not advised the provider. The address validated as part of the MDS will be the current address with the possibility of a limited address history. This means that options of address for some historic addresses could be difficult.
- Use of the first name as a matching attribute is limited in effectiveness due to the scope for variation. For example, Jon, John or Jonathan / Jonathon. Also impacted is variation based on national or regional spellings such as Ian and Iain, or those including accents i.e. Sian and Siân - all of which can render a direct match impossible.
- Change of surname is one of the most common reasons for data to be out of step, whether this is through marriage, divorce or any other reason, if the provider is not advised of any changes, it negates their ability to find a match on surname.
- The only element of the address that is relatively reliable for matching is the postcode. The scope for differences in the way the other fields can be captured means that ensuring an accurate match is limited. Use of house names, flat numbers, suburb names and maybe even counties across 4 or 5 free format fields means consistency is challenging.

Matching Cycle

The key to a successful matching process is to narrow or reduce the scope for mismatch while increasing the certainty. The principle being that by using the keys with the greatest accuracy, supported by other attributes, we should be able to derive the most accurate match possible base on the information available.

Cycle 1

On the understanding that the minimum data set includes a National Insurance Number for the consumer, the majority of providers are comfortable to use NINO as part of the primary search string:

1. Search on NINO and Date of birth – if a match is found, the client data can be returned.
2. If NINO is found but does not match the Date of Birth, add surname into the search criteria– if a match occurs, the client data can be returned.
3. If a match exists on NINO only and the other criteria do not match, the firm may choose to request that the customer contacts them.
4. If no matches occur after the two steps, the following cycles can be processed or the firm may choose to return a nil response.

Cycle 2

There will be circumstances where the MDS does not contain an authenticated National Insurance Number or it is not found within the dataset. In those circumstances an alternate approach could be used:

1. Search on Surname and Date of Birth – this could return multiple matches particularly for twins therefore it is recommended that further steps be taken.
2. The search criteria includes first name and searches across the multiple returned records – if a match occurs, the client data can be returned.
3. If there is a match on Surname and Date of birth, but not first name, it could be due to the first name being held in a different form from MDS.
4. A further search can be undertaken over the returned matches including post code (current and historic) – if a match occurs, although this still does not preclude twins, the provider may ask the customer to contact them as they may have a policy.
5. If matches exist on Surname and Date of Birth only, the provider may ask the customer to contact them as they may have a policy (this mechanism is treated as strictly being outside of the current data standards).

DWP matching process

The process is broadly:

- 1 Match surname plus Date of Birth.
- 2 Match postcode/historic postcode against result set returned in 1*.
- 3 If de-duplication is required, ask user to assert additional attribute (e.g. partial NI number).
- 4 Increase confidence in match using forename / middle name fuzzy match (e.g. using Damerau-Levenshtein distance, a matching technique).

* For addresses without postcode (e.g. overseas addresses) option to fuzzy match full address.

Assumptions

There are certain assumptions that need to be applied that may need to be amended as thinking and requirements develop further.

1. These cycles have not factored in replacement logic in any name look up. Providers could use common known terms to replace names, i.e. a table based option to undertake replacements (Jon, John, Jonathan, Leslie, Lesley).
2. These cycles have currently assumed that there are no attributes derived after the ID has been derived, that could improve the quality of the search. These would be commercially negotiable if this approach is required.

3. There is currently no principle for a question and response challenge within the process. This will need to be established in due course, but could be a way of handling close matches should that be deemed to be appropriate.
4. National Insurance Numbers can be authenticated either by DWP on a consumer asserted entry, or provided by HMRC or other agency as an attribute.
5. No central store of data or matching service will be operated and all matching will be undertaken by the pension provider or a service provider acting on its behalf.

APPENDIX 9: Minimum Viable Product

The minimum viable product is the simplest service which might be designed which delivers value to consumers and meets the policy requirements of the project. Pensions Dashboard services are defined in a number of requirements within several themes.

Many of these requirements were demonstrated in the Pensions Dashboard Prototype while others remain to be included within future live services, as set out in the following summaries at a high level.

1. Consumer Proposition and Regulation
2. Identity Assurance and Access
3. Consent and Data Sharing
4. Find and Value of Pensions Savings
5. Display and Review of Pensions Savings
6. Governance and Security
7. Service and Operations

Notes:

1. References to 'pensions provider' generally mean any party supplying data either directly or indirectly the pensions dashboard service. It is anticipated that, for example, the Pension Protection Fund (PPF), will supply data to the pensions dashboard services on behalf of consumers compensated by that fund.

Consumer Proposition and Regulation

Overview

The Pensions Dashboard Service is for consumer benefit and always in the consumers interest in line with the purpose of the Pensions Dashboard project – the consumer facing part of the pensions dashboard service are known as ‘dashboards’.

Consumers must be able to know which dashboards can be trusted and for this purpose a registry of authorised parties participating in the service must be established and its content published.

Consumer protection must be guaranteed through adherence to all relevant regulation under governance. While existing ‘dashboards’ in the market may not be regulated the potential for consumer detriment suggests that pensions dashboard should be a particular form of regulated activity regulated by the FCA. Dashboards should therefore be a particular form of regulated activity regulated by the FCA.

After digesting the information in their pension dashboard, consumers will need to consider their actions.

Dashboards (DBs), Pension Finder Services (PFSs) and Integrated Service Providers (ISPs) will primarily deliver these requirements based upon information originating from pensions schemes.

Key Requirements already delivered in the prototype

- *Bona fide dashboards are published openly*
- *Personal data is held, stored and transmitted securely*

Additional requirements for a live service

- *Only bona fide parties as designated by Governance must be accepted and given credentials to participate within the service*
- *Bona fide dashboards and other parties must be public information via a registry or otherwise*
- *All relevant regulations must be adhered to by all parties*
- *Pensions dashboards should be a particular form of regulated activity regulated by the FCA*

Identity Assurance and Access

Overview

Obtaining an assured digital identity is the first step in accessing pensions dashboards services.

This must be simple, quick and accessible for most consumers.

After first verifying their identity consumers must then login securely once each time they access services.

Consumers must be able to take a copy of the dashboard information to file or share with others.

Consumers must have access to (at least) one dashboard free from product offerings.

Consumers must generally be present rather than a system act on a consumer's behalf.

Dashboards (DBs) and Identity Providers (IDPs) will primarily deliver these requirements.

Key Requirements delivered in the prototype

- *A digital identity is simple to obtain to prove who a consumer is*
- *A consumer can easily and simply login securely once each time they use the service*
- *The Level of Assurance (LoA) satisfies both pension schemes and the State Pension (DWP)**

Additional requirements for a live service

- *Consumers must have access to (at least) one dashboard free from product offerings.*
- *A scheme of identity assurance similar to that offered by Verify must be used if Verify is unavailable*
- *National Insurance number (NINO) is important and so must be validated as part of identity assurance*
- *A consumer or a delegate must be present for access to be requested from pensions providers*
- *Consumer must be able to take a copy of their information*

**Whether the required Level of Assurance is LoA 2 or otherwise is to be agreed.*

Consent and Data Sharing

Overview

Consumer consent must be given for data to be shared with dashboards or other parties and this consent may be revoked at any time.

All relevant parties must confirm that consent is in place each time information is shared.

Data retrieval, transmission and storage must comply with all relevant regulations – this means that consumers may request information about this and that it be deleted.

Dashboards (DBs) and Pension Finder Services (PFSs) will primarily deliver these requirements together with Integrated Services Providers (ISPs) and pensions schemes.

Key Requirements already delivered in the prototype

- *Consumer consent is provided before information is shared with other parties*

Additional requirements for a live service

- *A consumer must be able to provide and revoke consent on a case by case basis (e.g. provider)*
- *Consumer consent must be recorded by the service and shared with necessary parties*
- *Data retrieval, transmission and storage must comply with all relevant regulations*
- *Consumers must be able to request information about data including that it has been deleted*

Find and Value Pension Savings

Overview

Dashboards must be able to find all pension savings including State Pension (even where they are above scheme retirement age), excepting those which have already been taken as benefits (including annuities, defined benefits in payment and cash already withdrawn).

Finding a pension must be undertaken in line with a policy of never returning a pension to the wrong consumer, while finding a pension belonging to a consumer as often as reasonably possible.

Where a pension may possibly have been found, or found but further details are in question, this must be flagged on the dashboard so that the consumer may contact the pension scheme or administrator.

Dashboards must receive information on the income promise for State Pension, on the pot size for each defined contribution scheme and on the income promise for each defined benefits scheme.

Dashboards must be alerted to those pensions with guarantees, special terms or values which cannot be displayed but the details of such need not be received only that such information exists.

Where possible, active periods (which may be employment periods but need not be) for which pension contributions are present must be provided so consumers can identify any gaps in their pension history.

All information will be returned in a standard electronic data format – the data standard.

Pension Finder Services (PFSs) and Integrated Service Providers (IPs) will primarily deliver these requirements based upon information originating from pensions schemes.

Key Requirements already delivered in the prototype

- *Verified information associated with an identity is used to match consumers to their pensions*
- *Finding a pension is undertaken by perfect matching on surname, DoB and NINO*
- *All pensions excepting those already converted into cash or income are found, even when a member is above scheme retirement age*
- *Each found pension has information such that a consumer can recognise the scheme*
- *Finding pensions takes some time, with those found returned without waiting for the last one*
- *Defined benefits pensions include a basic income promise*
- *Defined contributions pensions include a dated valuation of the pensions pot*
- *State Pension has broadly the same information as the 'Check State Pension' service*
- *All pensions information is returned in a standard electronic format (the data standard)*

Additional requirements for a live service:

- *Finding a pension must be undertaken in line with a policy of never returning a pension to the wrong consumer, while finding a pension belonging to a consumer as often as reasonably possible*
- *Where a pension may possibly have been found, or found but further details are in question, this must be flagged on the dashboard so that the consumer may contact the pension scheme or administrator.*
- *Information on active periods must be found for each pension where available*
- *Defined benefits pensions will include a dated valuation of retirement income on some stated basis*
- *Defined contributions pensions include a dated valuation of the pensions pot and contributions*
- *Pensions information returned must include basic information on contributions*
- *Certain error conditions will be available alongside the core data standard*
- *Governance rules for matching and the data standards must be published and change controlled*
- *Information on which party is returning information on behalf of the source must be made clear*

Display and Review Pension Savings

Overview

All dashboards must receive the same core information securely and display it accurately, as consumers expect consistency of core information across dashboards.

Consumers must recognise their pensions and the display of employment periods/active periods for which contributions are present will help identify any gaps in their pension history, and be able to highlight to pensions providers where information is missing, not theirs or inaccurate.

Consumer protection requires consistency in certain information displayed by any dashboard (for example, estimated income at retirement) while dashboards must be allowed to display other information in any manner providing always that information display adheres to any policies set out by Governance under the supervision of the FCA and its rulebook.

Dashboards should be expected to display a simple forward-looking estimate of their aggregate income at retirement estimate where possible in order that meet this fundamental consumer need.

Dashboards must show this estimated income at a chosen retirement age for each pension and for all pensions in aggregate, and to avoid confusion, pensions with guarantees, special terms or values which cannot be displayed must be flagged as such.

Contact information must be shown to consumers for each party participating in the service.

Consumers must be able to take a copy of the dashboard information to file or share with others.

Dashboards (DBs) will primarily deliver these requirements based upon information originating from pension schemes.

Key Requirements already delivered in the prototype

- *Consumers see the same core information consistently regardless of dashboard*
- *State pension, defined contributions pensions and defined benefits pensions are shown separately*
- *State Pension is shown consistently between dashboards and the Check State Pension service*
- *Information displayed on dashboards is accompanied by a date at which it was accurate*
- *All dashboards show an estimated income at retirement for all pensions found in aggregate*
- *Consumers see details for the administrative contacts at all relevant pension schemes*

Additional requirements for a live service

- *Dashboards must be allowed to display information in any manner provided always that adheres to any policies set out by Governance under the supervision of the FCA and its rulebook*
- *Dashboards must show an estimated income at a chosen retirement age for each pension and for all pensions in aggregate, and to avoid confusion, pensions with guarantees, special terms or values which cannot be displayed must be flagged as such.*
- *Governance in conjunction with the FCA should set rules for the consistent calculation and display of forward-looking estimates of income at retirement on pensions dashboards.*
- *Where a pension is potentially found, or traced but further details cannot be provided by the provider, this must be flagged on any dashboard*
- *Consumers must be able highlight to a pensions provider where pensions are missing, not theirs or inaccurate*
- *Dashboard must display employment periods/active periods for which contributions are present*
- *Pensions with guarantees, special terms or values which cannot be displayed must be flagged as such*
- *Pensions with recent contributions must be highlighted*
- *Consumer protection requires consistency in the basic information provided by any dashboard.*
- *Consumers must be able to export information from any dashboard*

Governance and Security

Overview

A basis of trust and governance for consumers, DWP and private sector parties exchanging data must be established and relied upon by all parties– this is a governance body (also known as Governance).

Access principles and service levels must be determined and be under Governance including the necessary legal and commercial framework, with clear obligations and liabilities.

A directory of authorised parties must be accessible to all parties and under Governance.

Data standards must be openly published and under Governance including version control.

Governance must liaise with the FCA to set down rules for the consistent display of certain key information between dashboards, in particular rules for the consistent calculation and

display of forward-looking estimates of income at retirement on pensions dashboards must be under Governance and regulation.

The service must be demonstrably operationally effective, secure and resilient as evidenced by audit and management information must be available to Governance all interested parties.

Dashboards (DBs), Pension Finder Services (PFSs) and Integrated Service Providers (ISPs) will deliver these requirements under the overall governance of a separate body to be known as the Governance Body.

Key Requirements already delivered in the prototype

- *A pensions finder service acts as the trusted party upon which all others may rely*
- *Governance rules are agreed including which parties may play which roles*
- *A registry is associated with a pensions finder service which expresses the rules of Governance*
- *Parties communicate with each other through data standards under Governance*
- *DWP is in the same trusted network as those parties it communicates with for State Pension*
- *Parties know which trusted parties they are communicating with at all times under Governance*

Additional requirements for a live service

- *Governance must be in place with rules, sanctions and the ability to authorise/de-authorise parties*
- *Data standards must include information on which party is responding on whose behalf*
- *Data standards must be kept simple under the version control of Governance*
- *Parties need only undertake due diligence on the parties with which they connect directly*
- *In using 'Verify' assured identities these must be under the governance of the Verify body*
- *The end to end systems solution must be assured of security and resilience by Governance*
- *An audit trail of transactions must be available to Governance and interested parties*
- *Governance must consider rules of fairness, for example that any pension provider who launches a dashboard must also be a provider of data.*
- *Governance must take the responsibility of preventing the sharing of data with any parties who may not use the data appropriately.*
- *Governance in conjunction with the FCA should set rules for the consistent calculation and display of forward-looking estimates of income at retirement on pensions dashboards. This might be in line with the FCA's rule on projections in COBS 13.*

Service and Operations

Overview

Consumers will be able to use the service any time they choose and will expect consistently near instant information retrieval and display.

The Pension Finder Service has responsibility to protect providers by identifying improper activity in a proactive manner.

To manage operational performance for all parties, a solution needs to be found to manage high volumes of legitimate finder requests to providers, and deal with repeated search and valuation requests.

Dashboards (DBs), Pension Finder Services (PFSs) and Integrated Service Providers (ISPs) will primarily deliver these requirements based upon information originating from pensions schemes.

Key Requirements already delivered in the prototype

- *n/a*

Additional requirements for a live service

- *Consumers will be able to use the service any time they choose and will expect consistently near instant information retrieval and display*
- *Service levels, management information and issue management must be in place*
- *High volumes of legitimate finder requests to providers must be under management*
- *Mechanisms must be in place to manage repeated search and valuation requests*
- *The operational integrity of the solution must be resilient and include redundancy*

Future Considerations

The minimum viable product (MVP) does not address all potential requirements by any means. In undertaking the research for this Report, a large number of potential wants, needs and expectations were considered with some noted as being a consideration for future phases of development, or out of scope, rather than for an initial service. However, a minimum viable product does not need to include all the possible functionality at launch and adding too much extra functionality would add significant risks to meeting a planned 2019 timescale.

A number of requirements for the future are noted here together with a brief explanation of why they were considered not to be included in the MVP:

- **Consumer details administration**
Consumers may wish to be able to update basic information such as change of address and nominees once through a dashboard and for the providers of all their pensions to be informed of this at the same time. We have chosen not to pursue this as part of MVP, but recognise the benefit that this would offer to consumers and pension firms.
- **Delegate/proxy access**
Consumers may wish to allow another party to have access to their information, for example a financial adviser or a family member. MVP requirements allow for information to be able to be exported in some manner but the consumer must be present to gain access to the information in the first place. In the mid-term, a number

of technical solutions maybe found that will allow for delegate/proxy access for a third party, once the consumer has provided consent. Any delegated access proposal would need to be acceptable to stakeholders from a legal and data security perspective.

- Details of pension charges.

Consumers may wish to see pension charges in addition to the values of their pensions. This requirement is not directly addressed in the MVP given the very real challenge of comparing costs and benefits between pensions and the risk of consumer detriment from taking a simplistic approach. Including charges and benefits without adequate explanation has the potential to be misleading. However, it is allowed for to a degree within the MVP requirement for the contact details of each scheme to be presented and for those schemes which have special guarantees or terms to be flagged to the consumer.

- Details of underlying investments.

Consumers may wish to see the underlying fund holdings for DC pensions, or even fund performance of these holdings. This information is available from their pensions schemes directly and was not considered to be essential for MVP.

- Divorce, death benefits etc.

Consumers may have questions about their pensions in the case of divorce, death and other circumstances. While this was raised by some interviewees in the consumer research workstream it is not regarded as essential to an initial service and where the pension has explicit terms, the provider can return a flag for the customer to contact them.

- Managing the user experience if not all schemes are present and some schemes join later.

Consumers want to find all their pensions, but if all pensions are not available at the outset consumers may wish to be alerted to more potential pensions being found later without overwhelming them with unnecessary messages as each scheme connects to the service. If phasing is proposed then this requirement should be reviewed. The requirement is allowed for to a degree within the MVP requirement for all participants to be listed and published in some manner.

- Signposting guidance.

Consumers may wish to be offered guidance or advice when accessing dashboard services. This requirement is not explicitly addressed in the MVP as it was received late and opportunity to fully evaluate has not been possible. The workstream recommends that this is reviewed alongside regulatory requirements as part of the project delivery.

APPENDIX 10: The Project's Ten Recommendations

1. All pension providers and schemes must make data available to consumers via regulated third parties, including occupational, personal and public service pension schemes. This compulsion requires a legislative change and a completion date stated by Government.
2. DWP must make data about the State Pension available alongside private pension information from day one.
3. A non-commercial service, endorsed by the Government, must be made available.
4. To enable innovation, the Government must enable an “open pensions” infrastructure that allows consumers to access their data via regulated third parties.
5. Dashboards and any other third party services showing consumers their data must be regulated to ensure consistency. Consumer protection requires legislation to establish one or more new regulated activities, which are most likely to be overseen by the FCA.
6. There must be an implementation plan and timetable, endorsed by Government and industry, including an approach to funding implementation and a major programme of communications.
7. An implementation entity must be charged with delivering the service and its governance. This will include establishing a governance body which oversees the network, establishes and manages data standards, data security, and data sharing agreements and which is sustainably funded.
8. Data must be made available in a standardised digitally consumable format. This needs agreed standards, which are being delivered by industry, but which must be mandated by Government and regulators.
9. An infrastructure must be set up to link schemes to dashboard providers so that consumers can find their pensions. This requires the Government's backing.
10. An identity assurance scheme must be agreed. This requires a policy decision about the use of Verify in this context.