



HM Treasury

Pensions Dashboard

The Government perspective

The rationale

Empowering consumers

- Consolidating pension information in one place
 - Facilitating consistent comparison and planning
 - Supporting advisers and guiders
-

Unlocking innovation

- Enabling digital tools and products
- Engaging adjacent sectors
- Attracting new entrants

The vision

Open

- No monopoly of wisdom
- Common infrastructure
- Open standards

Flexible

- Accommodate diverse products
- Accommodate diverse providers
- Adapt to technological change

Reliable

- Free to access basic information
- Consistent, secure data sharing
- Comprehensive coverage

The plan

Now

Voluntary collaboration

Building a prototype
infrastructure

Spring 2017

Stakeholder challenge
and feedback

Scoping consumer-
facing products

To 2019

Industry-wide rollout

Governance and
regulation

Pension Dashboard Challenge Sessions

Prototype Project Overview

Yvonne Braun, Director of Policy, Long Term Savings and Protection

Alastair Horn, Delivery Director, Pensions Dashboard Project



Association of British Insurers

Pensions Dashboard Prototype Project

Purpose:

- [To] allow consumers to see all their pensions in one place

Objectives of Prototype Project:

1. Agree and document the design of an [initial] infrastructure for data sharing
2. Build and demonstrate a basic working prototype using anonymised [data]
3. Learn lessons on challenges and potential solutions [for 2019]

* Terms of Reference and Vision as adopted by Steering Group Sep 2016



Association of British Insurers

ABI role in the delivery of the Pensions Dashboard

The ABI has three key roles in the Prototype Project

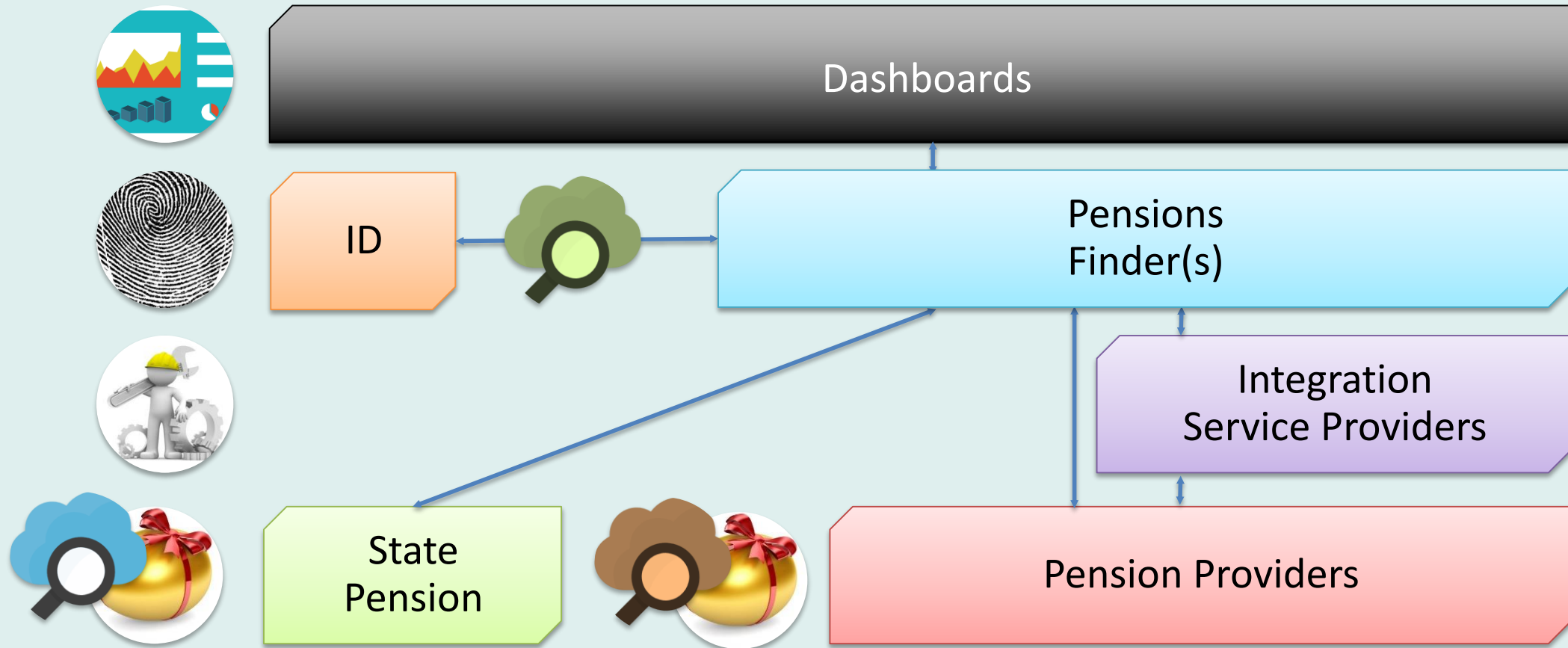
- Act as a delivery partner for HM Treasury
- Day to day project management
- Stakeholder engagement

* Terms of Reference as adopted by Steering Group Sep 2016



Association of British Insurers

Pensions Dashboard – find me, my pensions & their value



Pensions Dashboard Prototype: what's in?

In:

- ✓ Basic information for State (DWP), private sector DC & DB pensions (pre-retirement)
- ✓ Design and initial build of the Pensions Dashboard (as a system of components)
- ✓ Compatibility of solution with GOV.UK Verify roadmap for ID and alternatives
- ✓ Connection to more than one pension provider's test systems
- ✓ Iterative development of Pensions Dashboard (as a system) with key parties
- ✓ Demonstration of Pensions Dashboard (as a system) with anonymised data
- ✓ Documentation of proposed data standards for Pensions Dashboard (as a system)
- ✓ Consideration of challenges to development and adoption in 2019

Pensions Dashboard Prototype: what's out? (to be confirmed)

Out:

- Information on non-pension savings
- Information on schemes post-retirement
- Information (other than an indication) of detailed product features including charges
- Information on public sector schemes (will be included in 2019)
- Information on pension protection fund schemes
- Production build of the Pensions Dashboard
- Live connection to DWP & GOV.UK Verify (connection will be simulated)
- Full solution of 'find person' problem but reported upon following analysis



Project moving towards end of first of three phases

Discovery Phase – September 2016 until November 2016

- Initial scoping, outline solution and approach to build phase
- FinTech and others invited to seek to partner in Development Phase

Development Phase – December 2016 to March 2017

- Partners confirmed for Development Phase
- Phase where the prototype will be developed in a series of 'sprints'
- These will include rounds of user testing and challenge

Demonstration Phase – April-May 2017

- Project participants and HM Treasury to demonstrate the prototype in a series of events with wider industry

The Pensions Dashboard is a collaborative project

A number of pensions providers and technology firms are collaborating in support of the project together with HMT, DWP and trade bodies:

- 17 pensions firms are sharing funding and resources as ‘Contributors’
- A number of FinTech firms are about to be announced as ‘Development Partners’
- Others are engaged as consulting ‘Participants’
- There will be several opportunities for ‘Challenge’ throughout the project

The project is ‘open’ and we welcome all interested stakeholders.

Thank you – Questions?



Association of British Insurers

PENSIONS DASHBOARD DB CHALLENGE

Nigel Peaple, Deputy Director, PLSA
December 2016

PLSA INTRODUCTION

- National association with a 90 year history of helping pensions professionals run better schemes
- 1,300 Pension Schemes with 20 million members
- £1 Trillion in assets and over 400 supporting businesses

PLSA POSITION

- PLSA supports the Dashboard initiative:
 - facilitate greater engagement
 - allow consumers to get a complete picture of their retirement savings
 - might help schemes consolidate / achieve better value for money
- However, some concerns:
 - Member protection: need right purpose, design, governance
 - Implementation costs: need to be pragmatic

PLSA DESIGN PRINCIPLES

- **Aim:** to inform and empower the consumer, supporting retirement planning and informed decision-making.....constructed first and foremost in the interests of the saver.
- **Governance & ownership:** ... robust, independent governance to ensure the consumer remains at the heart by delegating strategic oversight ...to a board which includes Government and regulators as well as trade bodies from across the industry.
- **Design:** There should be one, centralised dashboard hosted by the new pensions guidance body or another independent non-governmental organisation to build consumer confidence in the tool.

PLSA DESIGN PRINCIPLES

- **Audience:**will be used by consumers in different ways and for different purposes over the course of their lifespan.take account of the differing needs of the groups using it.
- **Consumer protection:**consumer protection and data security must be paramount..... Providers must not have access to third party data on the dashboard unless the saver gives their explicit consent.

PLSA DESIGN PRINCIPLES

- **Coverage:**coverage should be as broad as possible, aiming to give a complete overview of a saver's DB, DC and state pension provision. However, recognising that costsa proportionate approach to real-time data collection and submission should be adopted.
- **Funding:**should be funded in a fair and equitable way across industry, including those organisations that will derive commercial benefit.

THE DASHBOARD & DB

- DB schemes face unique challenges
- Many single employer schemes are small so:
 - Information may not digitised
 - Implementation costs will be proportionately higher
- Data is not 'live': calculations often occur only once a year
- Complexity of benefits makes it hard to consistently forecast final benefit
- For some schemes the cost of joining a dashboard may be high compared to the benefit it could provide for members

DB DIVERSITY

- Size of scheme by members:
 - 5-99 - 2,144
 - 100-999 - 2,625
 - 1,000-4,999 - 785
 - 5,000-9,999 - 179
 - Over 10,000 - 212
- Scheme Status
 - Open – 765, Closed to New Entrants – 3,059 Closed to Future Accrual, 1,998

DB SCHEMES - CONTEXT

- Deficits – low growth, low interest rates and low bond yields have led to expanding DB Deficits
 - 85% of Schemes are in deficit
 - Total deficit in 2015 £800bn
- Increasing longevity is putting additional pressure on DB schemes
- Fragmented nature of the sector

CONCLUSION

- To be fully effective, a Pensions Dashboard should include DB schemes
- But DB schemes do face significant and unique challenges
- Essential to take a pragmatic, proportionate and phased approach
- PLSA aims to ensure that Government understands, and takes account of, the challenges involved.

Challenges and opportunities (12.15 – 12.30)

- What new opportunities to engage with your members do you see arising out of the Pensions Dashboard?
- What legal and regulatory barriers are faced by schemes wishing to contribute data to the Pensions Dashboard?
- How do we deal with untraceable members and beneficiaries?
- What are the key principles which should underpin the governance framework for the Pensions Dashboard?
- Are there any undesirable risks created by the dashboard (e.g. fraud)?
- What new digital services would you like to see using data from the dashboard?

Data the 'detail' (12.30 – 12.50)

- How should we address problems with poor quality data or legacy systems?
- What do you think are the optimal criteria on which to search for pensions – NINO and DoB?
- How quickly should consumers expect their data to be accessed – should the data return show transfer value for DB schemes?
- What level of detail on 'valuation' data can be provided?
- Would your scheme be comfortable submitting data to multiple pension finder services?
- What measures would help your member data to become dashboard ready by 2019?