

Getting ready for pensions dashboards

Jonathan Hazlett and Alicia Cain provide their top five actions for pension scheme trustees to get ready for pensions dashboards

We've seen rapid advancements by the Pensions Dashboards Programme (PDP) in 2021. It won't be long until pension scheme trustees need to start connecting to the pensions dashboard ecosystem. Connection will be staged according to scheme type and size with the first compulsory connections starting in the spring of 2023.

We're expecting draft regulations to be published any day now. The draft regulations will set out details of the obligations that will fall on pension scheme trustees. While we wait for these, we recommend:

Review your scheme data

Dashboards will only be able to match your scheme data to find requests if it's complete, accurate and in the correct form. The PDP has issued a data standards guide to explain the data elements that you'll be expected to provide. You should identify who actually holds that data (if it isn't you), as you'll need to engage with them. This may involve insurers or external AVC providers. You should review your scheme's data against the items that'll be required for the pensions dashboards and identify any gaps. You should put a plan in place to complete the gaps. If you still hold records in paper form, you ought to consider how you'll make them digitally available so that the data elements are picked up in any find request.

Evaluate your software

You need to start considering how

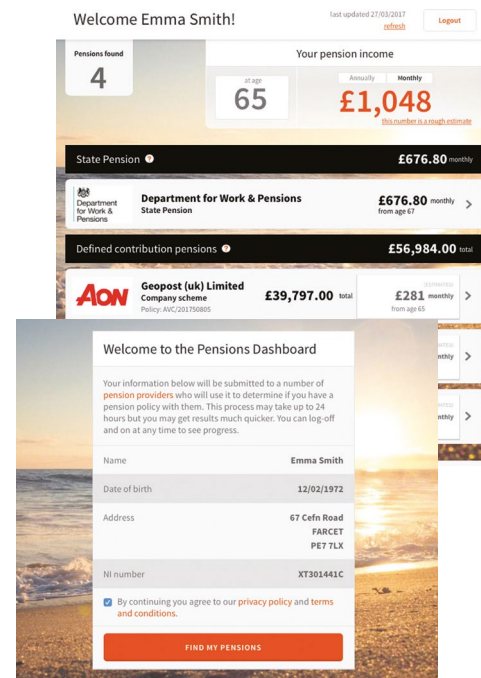
you'll connect your data to the pensions dashboards ecosystem. You should work with your software provider and/or scheme administrator to identify what will be the best approach for your scheme to match find requests with the data you hold. You should evaluate your software and IT systems in light of the high volumes of traffic that will come from the ecosystem and consider the impact that this will have on system performance. You should work with your software providers to determine this and implement any upgrades.

Update your scheme policies

You should review your scheme's policies to ensure that they're robust and will enable you to transfer data securely to the pensions dashboards. In particular, you should ensure your scheme has policies on data protection, IT and cyber security as well as data monitoring and review. These will be needed in any event to comply with the new effective system of governance requirements. For your data protection policy, you'll need to identify what lawful basis for processing you can rely on to share members' data with pensions dashboards. You'll also need to update your scheme's privacy notice to cover this. You may want to consider telling members about the pensions dashboards in an upcoming member newsletter.

Review your contingency plans for data breaches or cyber-attacks

In the event of a data breach or cyber-attack, it'll be important that you have an audit trail demonstrating the steps



you took to keep members' data safe. You should review the systems you have in place to prevent or mitigate the chances of a cyber-attack. You should ensure that you have a continuity plan for dealing with a cyber-attack, including safeguarding personal data.

Consider your own liability

Trustees will be liable for non-compliance with their obligations in respect of pensions dashboards. This could arise through inaccurate data or system constraints. The Pensions Regulator will be able to issue compliance notices or financial penalties for non-compliance. Trustees may also find themselves liable for data breaches if, for example, a false positive match were to occur due to inaccurate data or because your systems are not robust enough to prevent a cyber-attack. You should review your contracts with your scheme administrators and / or software providers to consider liability for non-compliance with legal obligations in respect of the pensions dashboards and any data breaches.

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