



David Fairs

Congratulations on your recent appointment as chair of the PASA. What key focus areas and plans do you have for your tenure in this role?

It's both exciting and daunting to become the chair of PASA, taking over from Kim Gubler's very successful term, and at a time of significant pensions policy change. All policy change will have implications for the administration of pension schemes. It will be important for me to ensure the interests of PASA are heard by ministers, officials and regulators.

The introduction of pensions dashboards has increased regulatory interest in administrators. I look forward to working with The Pensions Regulator (TPR) on how our standards and accreditation process can support its ambition to raise standards and oversight in the administration market.

Technology and artificial intelligence (AI) are creating both an opportunity and challenge for administrators in delivering a more personalised, enriched experience and with greater efficiency. But there is the threat of protecting saver data from cyber challenges.

We'll continue to work with administrators on taking advantage of the opportunities while helping them manage the challenges. To take advantage of these opportunities and deal with the challenges in front of us, we need to

From data to delivery

➤ Pensions Age sits down with Pension Administration Standards Association (PASA) chair, David Fairs, to discuss his newly appointed role and to find out how the association is raising administration standards and tackling data and dashboards challenges head-on

continue to attract the best talent into the area. We're looking at how we can best attract and develop new talent and give them the skills and expertise necessary for a modern administrator.

➤ With PASA's updated guidance on data readiness for buy-ins and buyouts, what are the most common data issues you've identified that delay transactions, and how are administrators being encouraged to address them proactively?

Every scheme will have scheme specific requirements and nuances, and that's why our guidance isn't a one-size-fits-all checklist. However, we do see some common and repeated issues arising for schemes as they undertake a risk transfer exercise. Some of the most common data issues are: Benefit tranching, contingent spouses' benefits and member and spouses ID data.

Data issues as part of risk transfer exercises are common, in part down to the additional data requirements above that are required for day-to-day administration, but also due to the lack of attention data has received over the years. We're hoping the change in focus and prioritisation of data in recent years, alongside the guidance we continue to issue on pensions data, will see an improvement in data quality and a reduction of the data hurdle for risk transfer in the coming years.

➤ With the release of your Dashboards Toolkit, could you explain what challenges schemes face in connecting

additional voluntary contributions (AVC) data to the dashboards, and how PASA plans to expand the Dashboards Toolkit to address other areas?

The key challenge with connecting AVCs to dashboards is that they are the trustees' responsibility to connect, even though they're usually administered by a third party AVC provider.

The two options for solving this are covered in our Dashboards Toolkit:

- The AVC provider gives details of AVC pension values to the scheme administrator who connects them – referred to by PASA as 'single source'
- The AVC provider connects the AVC pension values directly (most AVC providers also have FCA-regulated pensions that they need to connect to dashboards) – referred to by PASA as 'multiple source'.

Both of these options have challenges including the quality of AVC data, alignment of benefit illustration dates and ensuring the AVCs connect on the same date as the main scheme benefits.

We plan to expand the Dashboards Toolkit in other areas as we progress through 2025, including:

- Advice on providing warning and unavailability codes to help achieve consistency for display on the MoneyHelper Pensions Dashboard.
- Support on connecting schemes with split administration.
- Updated advice on communicating with savers about the impending arrival of dashboards during the closed citizen user testing period.
- Evolving best practices in carrying

out reporting during the citizen user testing phase.

- Practical help for administrators in getting ready for when the MoneyHelper Pensions Dashboard is available to savers at scale.

We'll also soon be launching an updated version of our Data Matching Convention Guidance.

➤ How does PASA's new data scoring guidance address the challenges of standardising data quality assessments across diverse pension schemes, and what mechanisms are in place to ensure consistent implementation and benchmarking industry-wide?

We've received positive feedback on our guidance, confirming it's helping trustees and administrators to standardise data scoring activities and increase understanding of how to apply the data scoring principles in practice.

Some schemes have reported application of the guidance, particularly around not excluding data items or member groups, has resulted in substantial drops in the scheme specific scores. The purpose of data scoring isn't to undertake tests that produce a high score, but to undertake quality tests that provide a true reflection of data quality and enable trustees to understand the data deficiencies and take action to improve the data of the scheme.

The guidance doesn't provide a defined list of data items and tests. However, it does provide guidance on how to define the right data for the scheme and the process to follow in determining the scheme specific scoring requirements. This should enable a more consistent approach for data scoring across the industry, enabling better data quality analysis and knowledge, and comparable data.

➤ As the pensions industry continues to adopt more digital and automated processes, how is PASA supporting administrators in balancing innovation

with compliance, especially in areas like cybersecurity, member communications, and evolving regulatory expectations?

We've taken a multi-pronged approach to help administrators innovate safely and stay compliant as digital and automated processes become ever more central:

- In July 2024 we published our digital administration white paper. The paper sets out a clear roadmap for investing in automation – covering data quality, process redesign, system integration and user experience – while embedding checkpoints to ensure alignment with regulatory requirements.

- We regularly update our Digital Jargon Buster. The latest edition (2023) breaks down terms and, crucially, the cyber risk vocabulary administrators need.

- Our Cyber Security Guidance remains the go to practical manual for schemes, notwithstanding TPR's updated guidance. It structures a proportionate review across:

- Risk assessment,
- Governance
- Controls
- Incident management

We reference the National Cyber Security Centre's '10 Steps' model, helping administrators dovetail scheme specific action plans with national best practice.

We also provide guidance on member communications in our dashboards guidance, supplying 'reactive wording' templates for savers enquiring about a dashboard connection, and aligns data matching conventions so messaging is consistent across providers.

Additionally, we've produced DB transfer good practice, which includes principles for timely, clear and unbiased notifications, plus standard member and adviser templates to speed up cases while guarding against scams.

Beyond publications, our accreditation scheme benchmarks administrators against evidence based

standards on governance, reporting, operational risk and stakeholder relationships, driving a culture of continuous improvement.

Our various working groups – on digital admin, data, dashboards, consumer duty and more – bring together trustees, providers and TPR to refine best practice, share lessons and shape future guidance.

We understand the importance for administrators to have robust cybersecurity measures. This can be challenging at times due to the rapidly evolving nature of cyber risk.

The controls and processes recommended to build resilience can quickly become obsolete. Innovation to counteract cyber risk is therefore essential, particularly as new risks emerge from bad actors exploiting the opportunities provided by ransomware and AI through new and inventive attacks like deepfakes and advanced social engineering.

Nevertheless, TPR has set useful foundations through its clear expectations and guidance for schemes and their supply chain. Complying with these expectations is beneficial for the whole sector and provides a great starting point to continue to build resilience.

The PASA Cybercrime and Fraud Working Group is developing some new insights, guidance, and initiatives to support administrators in raising their resilience above meeting basic expectations.

Sharing of information is critical to this, and PASA is prioritising the development of an information sharing network to help the sector collaborate and learn from each other. This has gained support from TPR, who understand it's not just a case of if you are attacked, but when. We want to provide support, so administrators are in the best position to respond as effectively as possible.

➤ Written by Paige Perrin