



Pensions Dashboards Programme
Sent by email to: infopdp@maps.org.uk

31 August 2022

Pensions Dashboards Programme

Consultation on standards, specifications, and technical requirements; Design standards: Call for Input

Thank you for your consultation on the pensions dashboards standards, specifications, and technical requirements and the design standards Call for Input.

I respond on behalf of the Local Government Association (LGA). The LGA is a politically led, cross-party membership organisation which represents more than 330 councils of all types and 44 fire authorities across England. We work on behalf of our members to support, promote, and improve local government.

The response has been drafted by the Pensions Team at the LGA with particular reference to the Firefighters' Pension Scheme (FPS). The team provides employer and administrator support to various public service pension schemes, including the Local Government Pension Scheme (LGPS), the Teachers' Pension Scheme (TPS), as well as the FPS.

The FPS had approximately 32,985 active members across three schemes at the last valuation date (31 March 2016); at the same date there were 10,675 deferred members.

Under the FPS regulations, each of the 44 Fire and Rescue Authorities (FRAs) are responsible for the management and administration of their scheme and are defined in law as the scheme manager. This puts the responsibility to comply with overriding pension legislation on each of the political bodies charged with governance of the Fire and Rescue Service (FRS), i.e. Combined Fire Authorities, PFCCs, County Councils, Mayoral functions etc.

Each FRA is required to administer the pension scheme either in-house or through appointing a third-party administrator. There are currently [12 different pension administrators with two software suppliers](#) working across the sector to provide software and administration services.

We are pleased to provide our responses to the consultation questions below. If you have any questions, please do not hesitate to contact me.

Yours faithfully

Joanne Donnelly

Joanne Donnelly
Head of Pensions

Responses to consultation questions

Code of connection and connection guidance

As we anticipate that all FRAs as pensions providers will be compelled to connect via their administrator as a third-party data provider, our responses to this section are limited. In turn, we expect that the third-party administrators will be connected to the ecosystem using an interface provided by their existing software provider – either Civica or Heywood Pension Technologies. We expect that both software suppliers to the FPS will have submitted detailed technical responses.

We understand that pension providers have a responsibility to assure themselves that a third-party provider has met all required standards. We will recommend that FRAs' Local Pension Boards play a key role in applying an appropriate level of scrutiny.

Q1: Do any of the proposed requirements pose a specific problem for your organisation, if so, what?

No comment.

Q2: Are there any areas that you consider are missing from the code of connection?

No comment.

Q3: Do the proposed service levels seem reasonable for a digital service?

No comment.

Q4: CoCo 2.1.3 requires view request responses within 2 seconds. This prioritises a fast response for the consumer. It may, however, create a barrier to calculating real time values for some providers. We would be particularly interested in views on this approach.

No comment.

Q5: Do the proposed steps for connecting to the dashboards ecosystem directly seem reasonable?

No comment – as above we expect all FRAs to connect via a third party.

Q6: Do the proposed steps for connecting to the dashboards ecosystem (via a third-party connection) seem reasonable?

It would be useful to have a flow chart to show a logical order of the steps to be completed and an accompanying checklist.

Q7: Does the proposed timeframe for completing these steps to connect seem reasonable?

The proposed timeframe of 30 working days for a pension provider to connect via an already-connected third party seems relatively short, in case of any unforeseen problems which may arise. Particularly as all 44 FPS providers have the same connection window and will likely be connecting to one of two existing endpoints. It would also be useful to have clarity on what data needs to be mapped or extracted ahead of that time.

Q8: Is it clear what pension providers/their third-party ISPs (Integrated Service Providers) or dashboard providers will need to do to connect?

Again, a flow chart would be helpful to outline which party should complete which steps, and when. It was not clear to us whether pension providers must register with MaPS separately or only via their data provider, or whether all of the required information is provided when the third party connects to test or only when they connect to the live service, in which case, what opportunity there is for testing.

Q9: Is there any additional guidance you need in relation to connection? And if so, what?

We are unclear which parts of the connection guidance are statutory and which are recommended, as the matrix included within the consultation document (Appendix B) indicates that both apply.

Data standards and usage guidance

Outside of the specified questions, we note that there appears to be a discrepancy between whether the provision of National Insurance Number under 1.004 is optional or conditional.

The data standard usage guide lists this on page 10 as an optional element of find data, despite this being one of the primary matching conventions we expect schemes to adopt to reduce the number of partial matches.

However, the detailed table of data items within the data standard indicates that the field is conditional and must be present unless 1.022 is false (page 22). In turn, we believe this should be where 1.022 is true (i.e. no NI Number has been provided – page 40).

Q10: Are you confident that the proposed data standards adequately cover the benefit structure of all pension providers? Can it express the correct values to all savers? If not, please share a brief description of the relevant benefit structure?

We are pleased to note that clarity has been given regarding the display of different sets of values to reflect a public service pension scheme member's choice of legacy or reformed scheme benefits for the age discrimination remedy period (McCloud), and that there is facility to display different tranches of benefits becoming payable at different dates.

While this may be a matter of terminology only, the data standard and other documentation refer to alternate McCloud values for the legacy pension provider and the new pension provider. In fact, both are with the same pension provider. Therefore, this language has the potential to cause confusion.

One major omission appears to be the lack of provision to show a commuted lump sum. The data standard and data usage guide appendix only give fixed value codes under 2.302 and 2.402 for separately accrued cash lump sums i.e. CSH, CSHL, and CSHN.

Within the FPS, members do not receive an automatic cash lump sum but can commute up to a maximum of one quarter of their pension for tax free cash. Valuation experience shows that the majority of members take the maximum lump sum that is available and it seems that, as dashboard consumers, they could have a reasonable expectation to see this displayed, as it is currently part of the Annual Benefit Statement (ABS) information provided.

A [template standard ABS](#) is provided each year to FPS administrators to try to improve sector-wide consistency and includes recommended data fields. While some administrators use bespoke in-house formatting, all follow the suggested data elements.

Q11: Are the values allowed for the accrued (2.3xx) and ERI (Estimated Retirement Income) (2.4xx) warnings sufficient? Are there any other common reasons or scenarios you think these warnings should cover (bearing in mind we cannot support scheme-specific warnings).

For both ERI (2.313) and accrued benefit (2.413) warnings, it would be desirable to have an additional code for scenarios where a member has a scheme pays debit against their pension. This could cover where the scheme has paid an annual allowance tax charge on the member's behalf, but also any potential future arrangement whereby a member may have the option to repay backdated contributions via a debit. Suggested code DEB to cover both eventualities.

While we are optimistic that the FPS will be in a position to provide remediable benefit values by the latest available date (1 April 2025), it may be prudent to provide a temporary error code which could be utilised in the interim: for example, REM.

We noted in [our response to DWP's consultation](#) on the draft Pensions Dashboards Regulations 2022 that there may be a particular difficulty around retained firefighters whose benefits can be more complex to calculate as they do not have a set pattern of service or salary, and do not always receive an automated ABS where the software does not generate the calculations correctly. At the 2016 valuation, there were 8,204 FPS retained members¹.

¹ [Fire England - Data Report 2016 - Final](#)

We suggest therefore that an additional code is added for 2.313 only, for example VAR, to indicate that the member has variable earnings which could affect their estimated retirement income.

As a more general point, the explanatory text to 2.313 and 2.413 states:

"The flag has the effect of suggesting to a user that they should not act or make decisions on the value presented without first understanding more about the factors that may affect the number shown."

However, we would strongly recommend that members do not make financial decisions based on dashboard data alone and to request a dedicated quotation from their pension scheme administrator if they are considering retirement. We would expect that dashboards will be appropriately caveated to caution that the values displayed should not be used in isolation for retirement planning.

Q12: Would the ability to add a short piece of free text to cover pension provider-specific issues be workable for you, or introduce a new burden? If so, how many characters would be required and what topics would it cover?

This would be helpful, given that the warning codes cannot be scheme specific, although we cannot comment from a technical perspective on whether this creates a new or disproportionate burden.

As is commented within the notes column to example 4.4 of the data usage examples appendix, there will need to be some way of illustrating that the estimated retirement income amount type for legacy or new schemes (INCL or INCN) is dependent on member choice for those public service schemes affected by the age discrimination remedy (deferred choice underpin) and potentially to confirm that detailed information will be provided at the point of choice.

It may also be useful for an added indicator or flag to be made available for the category of FPS members called 'special members' who were introduced from 2014 following [Matthews v Kent and Medway Towns Fire Authority \[2006\] UKHL 8](#) which led to legislation allowing retained firefighters employed between 1 July 2000 and 5 April 2006 the right to be treated no less favourably than wholetime firefighters and allowed to join a pension scheme with retrospective effect to 1 July 2000.

Individuals were provided with a statement of service and had to elect to pay contributions to buy that service either via a lump sum at the time of election, or by periodical contributions over ten years or until retirement date.

There were 1,461 active FPS 2006 special members in 2016. The ABS for these members are notoriously complex to produce, as service accrues only as the benefits are purchased and due to the relatively limited numbers in scope, calculations are not always automated.

A settlement is currently in the process of being agreed in relation to Matthews for retained firefighters who were unable to join a scheme before 2006 to purchase service backdated to the start date of their employment. A second options exercise will take place following a period of consultation. From the latest Home Office timelines we believe that the exercise may be expected to commence between August – September 2023 and will last for a period of 18 months.

It is unlikely that the pension benefits arising from the additional purchase of Matthews service will be able to be included within the value data returned at 1 April 2025 (or before).

Q13: Without a new unique reference to link two pension elements together, the benefit values may get presented separately in a dashboard. Would the requirement for a scheme to create that new reference and share it with their other administrators be more onerous than dealing with any potential downside from not presenting the benefit values together onscreen?

No comment as this should not be applicable for the FPS.

Design Standards: Call for Input

Our responses to the Call for Input on design standards are limited but we will be seeking to submit a full response to the forthcoming consultation and following a more meaningful period of engagement with our stakeholders, including the Scheme Advisory Board.

Q14: Do you have any challenges (or support) in relation to our developing policy on design standards?

No comment.

Q15: Do you have any evidence to support your input?

No comment.

Q16: Have we omitted any issues in developing our policy on design standards?

No comment.

Q17: Do you agree with our approach to design standards principles and assumptions?

We agree with the key principles that dashboards must be accessible; that information should be presented in a clear and understandable manner; that a minimum level of consumer protection is expected; and that individuals must be able to understand the limitations of the data provided.

We agree that a blend of mandating how pensions information is presented with allowing dashboard providers to develop a visual platform which resonates with their audience to allow for brand-recognition and trust is the correct approach.

We fully support the mandating of wording of key messages on functions and user inputs to ensure consistency across QPDS, as variance could result in very different user experiences.

It is our intention, subject to consultation with our stakeholders and the appearance of the final product, to signpost FPS members to the MaPS non-commercial dashboard. Both to promote consistency across the sector and because members have relatively limited options in either increasing or accessing their retirement benefits.

Q18: In you or your organisation's experience (please provide evidence if you are able), are there any important principles or assumptions missing in our approach?

No comment.

Q19: Are we right to favour the user over the QPDS where there is any conflict between their needs?

We agree that this is the correct approach to maximise user engagement and understanding.

Reporting standards

As we understand that third parties, such as administrators or software providers, will apply the reporting standards and guidance on behalf of their clients in practice we make no particular comment on the following question set. We anticipate that FPS administrators and software suppliers will submit detailed responses based on their more refined technical understanding and expertise.

Q20: Please provide comments on our overall breadth of information required.

No comment.

Q21: Are there any technical barriers to you in supplying the reporting data?

No comment.

Q22: Are there any barriers to providing both the auditing and monitoring data feeds in mostly near real time?

No comment.

Q23: Management information and oversight data is to be provided daily. Do you have any alternative suggestions which would achieve our aims?

No comment.

Q24: The transport method for data is to push data to an API housed on the central data architecture API gateway. Do you perceive any risks with this approach?

No comment.

Technical standards and documentation

Again, we find that the technical standards and documentation are beyond our level of technical understanding and expertise, and that in practice these standards are more likely to apply to third-party providers. We expect that Heywood Pension Technologies and Civica will be better placed to make robust responses.

Q25: Do any of the proposed requirements pose a specific challenge for your organisation?

No comment.

Q26: Are there any areas where further detail is needed?

No comment.

Q27: Do the proposed service levels seem deliverable for your organisation?

No comment.

Q28: Do the proposed timeframes seem reasonable?

No comment.

Q29: Is there any more guidance you need in relation to these requirements?

No comment.

Early connection guidance

We do not offer a response to these questions as we do not expect FRAs to be in a position to pursue early connection, based on the conflicting priorities of implementing age discrimination remedy and the second special members' options exercise.

Q30: Do you consider the notification requirement to be reasonable?

No comment.

Q31: Do you consider the minimum requirement for at least a month's extension (for schemes with an existing date) to be reasonable?

No comment.

Governance: Setting standards

As a general point, this would have been more useful as a starting point for the consultation as it contains the overarching introduction to, and content of, the standards.

The hyperlink within Appendix B to the consultation document also returned a 404 page not found error.

Q32: Do you have any comments on the change process and timeframes?

We do not have any comment on the overall change process and timeframes. We appreciate that dashboards will be iterative and that there could be a wide range of drivers for change. The approval process seems reasonable, as do the notification and implementation frequency. However, we would be guided by the expertise of third-party providers who are more likely to be responsible for implementation of changes.

Q33: Do you agree with our definitions of major and minor changes to the standards?

We broadly agree with the definitions of major and minor changes to the standards based on the examples given. We would be interested to understand why a participant may choose to adopt a secondary version which is not the latest branch, as in your example:

“All live branch versions must be support below the branch number the participant has chosen to implement. Example:

Live standards versions – 3.0, 3.2, 3.3. If a participant chooses to adopt 3.2, they must also support 3.0, but do not need to support 3.3”

Consultation document

Q34: Are you clear on the differences between standards, statutory guidance and recommended practice?

While we understand what the difference is and the standards are clear, the documentation does not in itself clearly set out which guidance is statutory or recommended. Appendix B to the consultation document is clear but does not set out why some guidance is deemed both statutory **and** recommended.

We would additionally comment that the consultation was not clearly laid out with all of the documentation available to access via a single webpage, which made the task of collating all relevant information more onerous than it needed to be. And as noted above, some of the links within the main consultation document did not work or pointed to the wrong information.

As previously raised in other forums, the timing of the consultation period and the length of time given to reply was also relatively unhelpful. A longer response time to any future consultations would be appreciated.