

Department for Work and Pensions
pensionsdashboard@dwp.gov.uk

19 July 2022

Dear Sir or Madam

Pensions dashboards: further consultation

Thank you for the further consultation on Pensions dashboards.

I respond on behalf of the Local Government Association (LGA) and the Local Government Pensions Committee (LGPC) in respect of the Local Government Pension Scheme (LGPS).

The LGA is a politically led, cross-party membership organisation that works on behalf of councils to ensure local government has a strong, credible voice with national government. 330 councils in England including district, county, metropolitan, unitary, London boroughs and the City of London are members of the LGA. There are 22 Welsh unitary authorities in membership via the Welsh Local Government Association (WLGA). The LGPC is a committee of councillors constituted by the LGA, the WLGA and the Convention of Scottish Local Authorities (COSLA). The LGPC considers policy and technical matters affecting the LGPS in England & Wales, a scheme which has approximately 6.2 million members. Of those 6.2 million members, approximately 4.4 million members represent active and deferred members.

The response is set out on the following pages. I hope the content is helpful; if you have any questions, please do not hesitate to contact me.

Yours faithfully

Joanne Donnelly

Joanne Donnelly
Head of Pensions

Questions raised in the consultation

Question 1. Do you agree that 90 days is a reasonable period between the DAP formally being announced, and the DAP itself?

We have concerns about the 90 days deadline. Whilst we appreciate the Secretary of State must be satisfied that the dashboard ecosystem is ready to support the widespread use of qualifying pensions dashboards services, we have no way of quantifying the impact of making pensions dashboards available to everyone on one day.

The LGPS is a locally administered public service pension scheme. It is administered by 86 administering authorities in England and Wales, 11 in Scotland and 1 in Northern Ireland. Each of these authorities will need to prepare to deal with the anticipated surge in queries when the pensions dashboards go live. This will be a major call on their already stretched resources. They will need to recruit and train additional staff at a time when every other pension scheme in England, Wales and Scotland will be doing the same.

This comes at a time when LGPS administering authorities are already struggling to recruit and retain staff. A recent survey revealed that the average vacancy rate in the LGPS is 10.77% or five full time posts.

We suggest that DWP and PDP commission market research on how many people are likely to connect to pensions dashboards when they go live. This will assist the industry in quantifying what impact making pensions dashboards available to everyone on one day will have on the number of queries pension schemes are likely to receive.

The consultation document states that “DWP, in partnership with MaPS, will take steps to publicise the DAP to help build engagement and drive individuals to dashboards from the start”. We suggest that DWP considers a phased publication of the DAP, possibly by age or region, to avoid having a huge surge of queries at the start.

We also suggest that TPR considers providing easements as they did during the Covid pandemic. The easements could provide that there is an initial grace period during which TPR will not enforce penalties if pension schemes are not able to respond to queries or provide value data within the proposed statutory timescales. For example, the easements could apply to the requirement to resolve possible matches within 30 days and to provide value data within 10 days where an annual benefit statement has not been produced in the previous 12 months.

Question 2. Do you have any comments on the proposed powers to disclose information?

We support the proposals on the basis that regulatory oversight is necessary to ensure that pensions dashboards are operationally effective and meet the stated aims.

We understand that any sharing of information in this capacity does not override Data Protection legislation. Additionally, we understand the power to disclose information in this manner is consistent with other disclosure provisions already in place for MaPS and TPR.