



Pensions Dashboards: guidance on deferred connection

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1. Background

1.1 Pensions Dashboards

Pensions dashboards are an electronic communications service, that will revolutionise the way people interact with their pensions by allowing individuals to see their pensions information, including the State Pension, in one place online – at the touch of their laptop, smartphone, or tablet. Dashboards will help individuals to be reunited with lost or forgotten pensions and support people in better planning for their retirement.

2. Purpose of this guidance

2.1 Relevant legislation

Articles 215D – 215G of the Pensions (Northern Ireland) Order 2005, as inserted by paragraph 3 of Schedule 9 to the Pension Schemes Act 2021.

The Pensions Dashboards (No. 2) Regulations (Northern Ireland) 2023 (referred to as “the Regulations”) include the amendments made by the Pensions Dashboards (Amendment) Regulations (Northern Ireland) 2023 which came into operation on 9 August 2023.

2.2 About this guidance

To enable the functioning of dashboards relevant occupational pension schemes are required to be connected to a dashboard digital architecture (referred to as connection to the Money and Pensions Service within the Regulations). Relevant occupational schemes have 100 or more relevant members (these are active, deferred, and pension credit members). A scheme is not considered to be a relevant scheme if:

- its main administration is based outside of Northern Ireland;
- it is not registrable with the Pensions Regulator (except for public service pension schemes); or
- the pension scheme is a public service pension scheme which is registrable but which relates to persons referred to in regulation 3 of the Civil Service (Other Crown Servants) Pension Scheme Regulations 2016.

The Regulations include a connection deadline of 31 October 2026, by which time all relevant schemes should have completed connection.

The Regulations also allow applications to be made by trustees or managers of relevant schemes in some specific circumstances to defer connection of the pension scheme to the digital architecture by up to 12 months. The requirements relating to applications for deferral of scheme connection are set out in regulation 17 of the Regulations. The Department is responsible for considering these applications.

The Secretary of State for Work and Pensions is responsible for considering applications for deferral of scheme connection under corresponding provision that applies to Great Britain.

This guidance has been produced to aid understanding of the application process.

2.3 Who is this draft guidance for?

This guidance is for trustees or managers of relevant occupational pension schemes and their advisers. It sets out the issues trustees or managers should consider if they are applying for a deferral of their connection deadline.

2.4 The legal status of this draft guidance

This guidance is provided for the purposes of assisting trustees or managers with applications to defer connection. Trustees or managers are not required to have regard to it, but are encouraged to do so, if they are considering making such an application. The aim of the guidance is to provide useful information. However, it is not designed to detail every circumstance. Ultimately, it is the legislation which takes precedence and trustees or managers should also refer to the legislation itself (see 2.1 above).

However, it is particularly important that trustees or managers have regard to any guidance on connection issued by the Department, The Pensions Regulator, or the Money and Pensions Service (either separately or by at least two of them jointly), as set out in regulation 15(2)(c) of the Regulations.

3. Deferred connection

3.1 In what circumstances can an application for deferred connection be made?

The Regulations allow trustees or managers of relevant occupational pension schemes to apply to defer connection of their scheme by up to 12 months if they can provide evidence to show that, before 9 August 2023 (the date the amendments made by the Pensions Dashboards (Amendment) Regulations (Northern Ireland) 2023 came into operation):

- they had embarked on a programme to transfer the data held by the pension scheme to a new administrator; and / or
- they had entered into a contract containing an obligation to retender the administration of the scheme and the timetable for this is reasonable and conflicts with the staging deadline for the scheme.

These are the only reasons that an application to defer connection can be made.

The trustee or manager will additionally need to provide evidence to show that complying with the connection deadline:

- would be disproportionately burdensome; or
- would put the personal data of members at risk.

This means that changing administrator alone would not be considered sufficient reason to defer connection beyond 31 October 2026. In some cases, for example, it might be reasonable to connect with an existing administrator and manage the change in administrator post-connection. Applications will therefore need to demonstrate how they are affected by the additional criteria above.

The primary objective is to ensure that pensions dashboard services are made available for use by the general public at the earliest opportunity. Therefore, it is expected that work by a pension scheme to change administrator should be carried out in an efficient way and consideration should also be given to any connection guidance issued by The Pensions Regulator, the Money and Pensions Service, or the Department. All applications for deferral must therefore set out the steps being taken to ensure that the pension scheme can connect to the dashboard digital architecture at the earliest opportunity.

Permission to defer connection can only be granted once. Therefore, if permission has been granted to defer the connection of a scheme, no further applications can be made.

If an application is not permitted, this would not prevent a further application being made, although note further information under section 3.3 about the deadline for making an application and section 3.6 in relation to reviewing decisions.

3.2 How will applications be considered?

All applications will be considered objectively based on the evidence that is submitted against the statutory criteria set out in the Regulations. The review of applications will be a robust process and permission for applications that do not include sufficient supporting evidence will not be granted. Systemic issues, for example, the impacts on the wider delivery timeline may also be considered.

Embarking on a programme to change administrator

If a scheme has embarked on a programme to transfer data to a new administrator before 9 August 2023, this would be expected to have been done in good faith. Deferrals will not therefore be granted where it appears that a trustee or manager has sought to change their administrator or has delayed the change to deliberately avoid needing to meet the connection requirements as set out in the Regulations.

Retendering the administration of a scheme on a reasonable timetable

If a scheme is required to retender the contract for their administrator, then the timetable for achieving this needs to be reasonable. Deferrals will not therefore be granted where it is suspected that a trustee or manager has sought to intentionally delay the timetable to avoid needing to meet their connection requirements as set out in the Regulations.

What is a disproportionate burden?

Circumstances where the burden might be considered to be disproportionate may be where the monetary cost of compliance with the Regulations was significantly higher than it otherwise would be if the scheme was not undergoing a change of administrator and the additional cost was not considered to be in the best interests of scheme members.

It would also be expected that evidence should be provided to show that reasonable alternative options for securing compliance had been considered and determined to be unviable. For example, a trustee or manager may wish to consider whether it would be appropriate to use the services of an integrated service provider (often referred to as ISPs) rather than their administrator. If an application is unable to demonstrate that alternative options for securing compliance have been considered, it is unlikely a deferral will be granted.

Putting the personal data of members at risk

It is recognised that transferring large amounts of personal data between administrators is a sensitive task that needs to be completed diligently. However, it remains the responsibility of the person making an application for a deferral to demonstrate why connecting to the dashboard digital architecture within the timeframe specified in the Regulations would put the personal data of members at risk.

Submission of documentation

It is expected that where trustees and/or managers have embarked on a programme to transfer data held by the scheme to a new administrator and/or they have a contractual obligation to retender the administration of the scheme, there should be evidence available to support this, such as (for example) copies of contractual documents, copies of relevant communications, or minutes of meetings. Other forms of evidence can be provided as appropriate.

The decision will be based on the evidence provided in the application, so it is important that sufficient documentation is provided and each document is labelled in such a way that it is clear what the evidence shows. It is therefore recommended that summaries are provided of pertinent information contained within any documentation submitted, as well as an explanation as to why it is relevant. If documentation is not clearly labelled, this could delay a decision being made, or it may not be possible to take the documentation into account.

The Regulations and the corresponding Great Britain Regulations require the Department and the Secretary of State for Work and Pensions to consult The Pensions Regulator and the Money and Pensions Service about all applications. This means that information may be shared with DWP, as well as these organisations, as part of the process of considering applications. Any evidence submitted as part of the application will however be considered sensitively and in recognition that some of the information may be commercially sensitive.

3.3 Deadlines for making an application

The Regulations require applications to be made within 12 months of regulation 15(2)(a) coming into operation. Regulation 15(2)(a) came into force on 9 August 2023, therefore the latest date for making an application would be 8 August 2024.

Applications will not be considered after this deadline.

3.4 How to apply for deferred connection

Applications should be sent to the following email address:

Pensions Dashboards: draft guidance on deferred connection

PensionsDashboards@communities-ni.gov.uk

To make sure that all necessary information needed is received, use of the attached application form is recommended.

3.5 Decisions on applications

The aim is to provide a decision as soon as practicably possible upon receiving an application. All decisions will be communicated via a written notice to the primary contact listed on the application form. Unless a request is made otherwise, this notice will be sent via email.

The notice will indicate whether the application has been granted or refused.

If an application has been granted, the notice will specify the date of the new deadline by which time connection must be completed.

The new deadline will be determined as is considered appropriate, but this can be no later than 31 October 2027.

If an application is granted but provides a shorter deferral than requested in the application, then the reasons for this will be set out in the notice.

If an application has been refused, the reason(s) for the refusal will be set out in the notice.

The decision will be shared with both The Pensions Regulator and the Money and Pensions Service.

3.6 Review of decisions

There is no formal mechanism in the Regulations to request for the review of a decision. If you believe that a decision has been assessed incorrectly, you may make further representations via email to PensionsDashboards@communities-ni.gov.uk. However, unless new evidence is provided it is unlikely the decision will change. The Department also reserves the right not to consider further representations if it does not include materially significant new information.

3.7 What happens next?

If an application for a deferral is refused, then the scheme should be connected by the connection deadline as set out in the Regulations.

If an application has been granted, the scheme must be connected no later than the new agreed deadline, as set out in the notice issued by the Department. The requirements for connection are otherwise unchanged (including in relation to registration with the Money and Pensions Service and record keeping requirements) and trustees or managers should have regard to any guidance on connection issued by the Department, the Money and Pensions Service, or The Pensions Regulator.



Pensions dashboards: application for deferred connection

1.

Details about the pension scheme	
Registered name of the scheme:	
Registered address of the scheme:	
Pension scheme reference number (PSR) issued by the Pensions Regulator:	

2.

Contact details	
Name of primary contact:	
Position/role:	
Email address:	
Alternative contact name:	
Position/role:	
Email address:	

3.

Information about the scheme		
How many relevant members does the scheme have (these are active, deferred, and pension credit members)?		
Scheme type (please mark relevant box)	Master trust scheme that provides money purchase benefits only	
	Money purchase scheme used for automatic enrolment	
	Other money purchase scheme	
	Scheme without money purchase benefits	
	Scheme that provides collective money purchase benefits, whether alone or in conjunction with other benefits	
	Public service pension scheme or parliamentary pension scheme	
	Hybrid scheme	
How long are you requesting for the scheme's deferral?		

4.

Reason for requesting the deferral (please indicate with a 'X' in the relevant box)	
Before 9 August 2023, the trustees or manager of the scheme had embarked on a programme to transfer the data held by the pension scheme to a new administrator	
Before 9 August 2023, the trustees or manager of the scheme had entered into a contract containing an obligation to retender the administration of the scheme and the timeline for this is reasonable and conflicts with the scheme's connection deadline	

5.

Will complying with the connection deadline be disproportionately burdensome? If so, please explain how and why.

6.

Will complying with the connection deadline put the personal data of scheme members at risk? If so, please explain how and why.

7.

What steps are you taking to ensure that the pension scheme can connect to the pensions dashboard digital architecture at the earliest opportunity?

8. Please provide details of any documents you are providing as supporting evidence

Document name/label	Document description, including a summary of its contents and its relevance to the application

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