

Submitted by online [survey](#)

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Dear Pensions Regulator Team

SPP RESPONSE TO Dashboards compliance and enforcement policy consultation

We welcome the opportunity to respond to this consultation.

Detailed Response

1. Do you agree with the policy principles we have set out in this compliance and enforcement policy?

Yes

2. Do the key risk areas, within our regulatory remit, align to your understanding of where risks may exist for the saver? Are there any which are missing?

Yes, we think there are other risks. All the risks reference 'the scheme' having issues or not doing something, but nothing regarding any third-party monitoring of ISPs which would be a sensible area to focus on, especially at the start of this undertaking. On that note, a major issue with an ISP may not just impact one scheme membership but many.

3. Does the policy provide sufficient clarity on our expectations of governance bodies (trustees and scheme managers) and third parties?

Yes, to some extent. However, as the draft policy references the 'new code of practice', which does not yet exist, we are unable to provide a definitive answer.

4. Does the policy provide sufficient clarity on how we will monitor compliance?

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Yes. However, we note you specifically state ‘We will receive regular data from the dashboards system run by MaPS’. This suggests you will not receive data from other Qualifying Pensions Dashboard Services but, from the PDP Reporting standards document (released July 2022), it appears that QPDSs will also have to provide regular data to TPR. Therefore we suggest this sentence is opened up to include other dashboards not run by MaPS.

5. Does the policy provide sufficient clarity on our approach to non-compliance?

Yes

6. Does the policy provide sufficient clarity on the elements we may take into consideration?

Yes

7. Does the policy provide sufficient clarity on the regulatory options and powers available to us?

Yes

8. Do you find the scenarios we have included assist with your understanding of our approach to compliance and enforcement?

Yes

9. Are there any other key scenarios which you feel we need to include to provide additional clarity (bearing in mind we cannot give scheme specific advice)?

Yes, expanding on an existing scenario, or including a new scenario, to incorporate:

- a. a scheme changing third-party administrators is added in a number of the existing scenarios to demonstrate your expectations and/or what you would consider non-compliance during any handover/blackout phase etc.
- b. a major data breach and how it would be investigated would be helpful. For example, would the ICO lead, along with how TPR would separately investigate and apply its enforcement policy.
- c. an ISP unexpectedly/suddenly withdraws from the market, i.e., expectations of trustees to appoint and onboard a new ISP.
- d. where the trustees want to change ISP, i.e., due to poor past performance.
- e. interaction between this policy and aspects that fall would normally fall under the Pensions Ombudsman purview. For example, one member proceeds with making financial decisions based on an illustration under the dashboard, regardless of the caveats/warnings but, later, the illustration proves to be incorrect, and the member complains to the Pensions Ombudsman. Presumably, if incorrect for one member, this could be the case for multiple members. On that note, would TPR be more likely to consider this and investigate under this policy?

10. Are there any aspects of our expectations you think would discriminate against, disadvantage or present an additional or exceptional challenge to anyone with a protected characteristic?

Not that we are aware of.

11. Do you have any other comments on our draft compliance and enforcement policy?

Yes

- a. There was no mention of cyber risk for Trustees or other providers, which seemed odd given TPR’s focus on such issues and the relevance of such risks to the dashboards project. We assume you have deemed this outside the scope of the consultation.

- b. Where a compliance notice is not issued prior to a penalty notice, there is the potential for very high fines (i.e., if 1 breach covered 1,000 members this could be 1,000 x £5,000). Further guidance on TPRs' expected general approach around bulk fines should be included within the policy, by way of an example which could also cover if a compliance notice would always be issued before a penalty notice.
- c. We believe trustees will be concerned about any failures directly outside their control (e.g., the ISP or employer), so we are happy to see some comfort around this within your scenarios where the trustees sought to resolve any issue/mitigate the risk to their members.

Yours faithfully

Amit Shanker,
Chair, Administration Committee, SPP

Fred Emden
Chief Executive, SPP

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