

## Consultation Paper CP24/4\*\*\*

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The regulatory framework for  
pensions dashboard service firms:  
further consultation

March 2024

## How to respond

We are asking for comments on this Consultation Paper (CP) by **08 May 2024**.

You can send them to us using the form on our [website](#).

Or in writing to:

Caroline Mynes  
Financial Conduct Authority  
12 Endeavour Square  
London E20 1JN

Or by email:  
cp24-4@fca.org.uk

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When we make rules, we are required to publish an account of the representations we receive and how we have responded to them. We are also required to publish a list of the names of the respondents who made the representations, where those respondents have consented to the publication of their names. In your response, please indicate whether or not you consent to the publication of your name. For further information on confidentiality of responses, see the disclaimer at the end of this CP.

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## Contents

<b>1.</b>	Summary	3
<b>2.</b>	The wider context	7
<b>3.</b>	Perimeter guidance on the scope of the regulated activity	14
<b>4.</b>	User's next steps: presenting initial choices	20
<b>5.</b>	Revisions to data export proposals	27
<b>Annex 1</b>		
	Questions in this paper	31
<b>Annex 2</b>		
	Cost Benefit Analysis	32
<b>Annex 3</b>		
	Compatibility statement	45
<b>Annex 4</b>		
	List of respondents	50
<b>Annex 5</b>		
	Abbreviations in this document	51
<b>Appendix 1</b>		
	Draft Handbook text	

## Chapter 1

# Summary

### Why we are consulting

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- 1.1** Pensions dashboards will be digital interfaces that allow consumers to find their pensions and view basic information about them in one secure place. The Money and Pensions Service (MaPS) has been tasked with developing and operating the public (non-commercial) Pensions Dashboard Service. The Government also enabled private sector entities to offer a Pensions Dashboard Service (PDS). The Pensions Dashboards Programme (PDP) is the part of MaPS that is responsible for delivering the central digital architecture that will make pensions dashboards work.
- 1.2** To ensure an appropriate degree of consumer protection for users of these private sector dashboards, the Government recently amended the Regulated Activities Order (RAO) to bring the new activity of operating a PDS within the FCA's regulatory remit (our regulatory perimeter). The effect of this legislative change is that a firm wishing to operate a PDS must:
- be or become FCA authorised
  - get our permission to undertake the new regulated activity
  - meet our requirements for firms undertaking this activity
- 1.3** Our consultation paper, CP22/25: Proposed regulatory framework for pensions dashboard service firms (hereafter CP22/25) set out our proposed requirements for operators of PDSs. We summarise the originally proposed framework in Chapter 2.
- 1.4** The new activity is now defined in legislation. So we propose to include guidance in our Perimeter Guidance manual (PERG) to help firms understand the scope of this new regulated activity and when they will require permission to undertake it. This paper invites feedback on the proposed guidance.
- 1.5** We also invite feedback on 2 substantive changes to the regulatory framework proposals in CP22/25. We propose to:
- Require firms to present the consumer with choices for their initial next steps after viewing their pensions data on a PDS. We also propose that firms provide certain communications that will help ensure consumers can take appropriate care when their selected next step takes them outside the regulated PDS.
  - Revise our data export proposals. This will create a single, consistent route for consumers to share their dashboard data with an FCA regulated investment adviser. Our proposals aim to promote competition and consumer choice in the advice market.

- 1.6** Our proposed changes are informed by feedback to CP22/25 and engagement with consumer and industry representatives. We also met with our relevant statutory panels when developing the proposals in this paper. The FCA Practitioner Panel, the FCA Smaller Business Practitioner Panel and the Financial Services Consumer Panel all provided valuable advice and challenge.
- 1.7** The draft rules and guidance that would give effect to these new proposals are included in the draft Handbook text in Appendix 1. Appendix 1 sets out the full draft instrument from CP22/25, amended only for the proposals in Chapters 3 to 5 of this paper. This allows respondents to see how our proposed changes could sit within the framework on which we previously consulted. At the end of chapters 3, 4 and 5, we highlight the draft Handbook revisions and additions that give effect to the proposals outlined. These are summarised in Table 1 below.
- 1.8** We will consider responses to both CP22/25 and this further consultation before finalising our full set of rules and guidance. These will be made in line with the regulatory landscape that will exist when the authorisations gateway is expected to open. We know there is considerable work in various stages of development, both in the FCA and the Government, that could change that landscape in the future. Examples include the [joint Treasury and FCA review of the Advice Guidance Boundary \(AGBR\)](#), and the [Department for Work and Pensions' Small Pots Solution](#). Where changes occur, we will revisit the regulatory framework for PDS firms when there is greater clarity about what will be expected. For example, we intend to review the framework for PDS firms following the conclusion of the AGBR to consider if and how the services available to dashboard users might be expanded.

**Table 1: summary of Handbook provisions that correspond to the proposals in this paper**

Proposal	Consultation Chapter	Draft Handbook provisions
Perimeter guidance on the scope of the new regulated activity	Chapter 3	PERG 12A
Presenting initial choices (choices architecture requirements)	Chapter 4	PDCOB 8
Revisions to data export proposals	Chapter 5	PDCOB 11

## Who this consultation applies to

- 1.9** This consultation primarily affects firms interested in operating a PDS and who will need to get the new regulatory permission. This could include firms that are currently FCA authorised for other activities, as well as those that are not currently FCA authorised and/or organisations such as Master Trusts that are regulated by other bodies.

**1.10** This consultation will also be of interest to:

- bodies that want to help their customers, members or other consumers, to find and use a PDS, for example, employers and charities
- pension providers, trustees and administrators who will be supplying information to dashboard services for their pension savers to view
- individual consumers and bodies representing the interests of consumers

**1.11** Other stakeholders who may be interested in our regulatory framework for PDS firms may include individuals and firms providing advice, guidance and information on pensions and retirement planning.

## Outcome we are seeking

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**1.12** The aim of our proposed perimeter guidance is to help industry participants understand the scope of the regulated activity and in turn demonstrate this when applying for FCA authorisation. This should result in a more effective and efficient authorisations gateway assessment process, for both firms and the FCA.

**1.13** The changes we propose in Chapters 4 and 5 aim to:

- put the consumer in control of the steps they take in and beyond their dashboard journey
- reduce the risk of a consumer being biased towards a particular action by a PDS firms' design and operation.

## Measuring success

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**1.14** Our proposed perimeter guidance will be successful if it helps firms to:

- plan and prepare for authorisation
- determine how to effectively demonstrate they are operating a dashboard service that meets our regulatory standards.

**1.15** Providing perimeter guidance should ensure that fewer applications are rejected, withdrawn, refused or delayed for want of further information or legal advice to establish if any of the parties involved should be authorised.

**1.16** We expect firms' initial ability to comply with the user-choice proposals and revised data export proposals, in Chapters 4 and 5, will be evident from their applications for authorisation or variation of permission. However, these proposals should not be considered in isolation and will be evaluated in the context of the overall framework for PDS firms. We will indicate how we will measure success of the framework when we make the final rules and guidance later this year.

## Next steps

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- 1.17** We invite your feedback on our proposals, including the draft Handbook text in Appendix 1. Please send us your comments by 8 May 2024.
- 1.18** We will consider feedback to both CP22/25 and this further consultation before finalising our full set of rules and guidance. Subject to the responses we receive, we aim to publish a policy statement and final Handbook text in Q4 2024.

## Chapter 2

# The wider context

- 2.1** This chapter explains the role of different agencies in delivering the Government's pensions dashboard initiative, including our role in delivering the regulatory framework for pensions dashboard service (PDS) firms. We also summarise our originally proposed regulatory framework and highlight how our new proposals sit within that original package of proposals.

## The pensions dashboard initiative

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- 2.2** Consumers struggle to engage with pensions, with limited take-up of advice or guidance, and often leave it very late to think about retirement. Pensions dashboards will allow consumers to find and view basic information about their pensions not yet in payment, whether state, occupational, workplace and personal.
- 2.3** Access to pensions information through pensions dashboards has the potential to improve engagement in pensions planning and reconnect savers with lost pension pots. In October 2022, the Pensions Policy Institute estimated there were more than 2.8 million lost pension pots in the UK, worth approximately £26.6 billion.
- 2.4** The Government owns the pensions dashboards initiative. It established the legislative framework and tasked the Money and Pensions Service (MaPS) to establish the delivery programme (the Pensions Dashboards Programme (PDP)) to develop and implement the central digital architecture that will enable dashboards to operate.
- 2.5** The ecosystem, to which pensions dashboards will connect, will enable a consumer to use a PDS to find and view pensions information. How the 'find' process will operate and the information a user will be able to 'view' is set out in:
- Government regulations: The Pensions Dashboards Regulations 2022 came into force in December 2022.
  - Binding standards: PDP published drafts of most of its standards in November 2022 and consulted on Design Standards in December 2022. The PDP is currently revising and refreshing the standards before finalising them. We refer to these standards collectively as PDP's standards, as they are published by the PDP on behalf of MaPS.
- 2.6** As well as making MaPS responsible for developing a public pensions dashboard service, the Government also enabled parties in the private sector to offer dashboards. The Government set certain parameters for these dashboards, including that they should be non-transactional and that they must meet PDP standards. It also committed to make the operators of these private sector dashboard services subject to FCA regulation. This means these parties must get our permission to carry out this specific activity and must comply with our rules on operating a PDS.

**2.7** In December 2022, we consulted on a proposed regulatory framework for PDS firms (CP22/25). We received 33 responses from a broad range of respondents, including consumer groups, industry representatives, pension providers, Master Trusts and fintech companies. This feedback has been very valuable and we are grateful to all respondents.

## Recap of the proposed regulatory framework for pension dashboard service firms

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**2.8** We provide a recap of the proposals in CP22/25 to help readers consider the additional proposals in this paper in the context of the overall proposed framework. This is a high-level summary: the full detail and the supporting rationale for the proposals is set out in [CP22/25](#).

**2.9** For the same reason, Appendix 1 includes the full draft instrument from CP22/25, amended only for the proposals in Chapters 3 to 5 so that readers may consider the proposed framework as a whole.

**2.10** This does not mean we have finalised our position and rules for matters outside those covered in Chapters 3 to 5. We will consider responses to both CP22/25 and this further consultation before making any revisions necessary to finalise the full set of rules later this year.

**2.11** The proposals in CP22/25 are distinct from, but designed to complement, the requirements proposed by the Government's Pensions Dashboards regulations 2022 and PDP's 7 standards. They also meet the Government's commitment that transactions will not be permitted on pensions dashboards. As a result, neither the central digital architecture developed by the PDP, nor our rules, can allow for transaction functionality.

**2.12** We know that, if our framework is too lax, consumers' pensions information may be at risk and consumers could be led into decisions which create poor outcomes in retirement. If our standards are too stringent, we may prevent desirable innovation that helps consumers and deter reputable firms from entering the market. In turn, this could limit the emergence of opportunities for consumers to meaningfully engage with their pensions.

**2.13** If consumers lose confidence with dashboards, due to firms not acting in consumers' best interests, we risk losing the opportunities dashboards offer and the ability to build on this in the future. So it is important from the start that our framework has adequate safeguards to limit these risks.

**2.14** The regulatory framework we proposed in CP22/25 comprises:

- the core requirements: these apply the minimum high standards expected of all FCA regulated firms
- conduct standards (PDCOB rules): requirements for PDS firms to address the specific risks of this new activity

## Core requirements for PDS firms as FCA regulated firms

**2.15** In line with our approach to all FCA authorised firms, we propose that PDS firms must comply with our core regulatory framework. This includes our high-level standards (such as our Principles for Businesses, including the Consumer Duty, and Systems and Control sourcebooks), regulatory processes and guides (including supervision, authorisation and enforcement), and specific proposals on fees, regulatory reporting, record keeping, prudential requirements, complaints and redress. Combined, these set out the minimum standards we expect from PDS firms and how we would interact with them. These proposals are set out in Chapters 3, 4, 6, 7 and 8 of CP22/25.

## Conduct standards for PDS firms (PDCOB rules)

**2.16** This section summarises our proposed conduct of business rules for firms undertaking the regulated activity of operating a PDS. These are set out in further detail in Chapter 5 of CP22/25. Where relevant, this table highlights where the later chapters of this paper propose changes to the original CP22/25 proposals.

**Table 2: summary of proposed PDCOB rules for PDS firms**

Topic	Requirements proposed in CP22/25
Disclosures, signposts and warnings	<p>PDS firms must display on a PDS:</p> <ul style="list-style-type: none"> <li>• information about the PDS firm and the nature of its PDS*</li> <li>• warnings explaining the limitations of the pensions data displayed on a PDS (view data)</li> <li>• warnings discouraging consumers from making financial decisions on view data alone</li> <li>• signposts to appropriate sources of information, support and guidance*</li> </ul> <p>*Proposed change: Chapter 4 proposes changes in this area.</p>
Marketing	<p>PDS firms cannot advertise products or services anywhere on a PDS except for:</p> <ul style="list-style-type: none"> <li>• signposting the post-view services the PDS offers</li> <li>• financial promotions for FCA regulated investment advice (but not defined benefit transfer advice). These promotions must comply with existing FCA rules in COBS 4 of the Handbook.</li> </ul>
Scam prevention	<p>PDS firms must:</p> <ul style="list-style-type: none"> <li>• display warnings highlighting the risks from screen-sharing and giving control of devices to a third-party</li> <li>• notify the FCA if they become aware of scams involving their PDS, such as a clone dashboard</li> <li>• (where data export is offered and the consumer consents) anonymise part of the consumer's pension reference</li> </ul>

Topic	Requirements proposed in CP22/25
Export of consumers data	<p>PDS firms can take 1 of 3 approaches to exporting consumers data out of the dashboard ecosystem:</p> <ul style="list-style-type: none"> <li>• not to offer data export</li> <li>• offer consumers the option to export data to themselves</li> <li>• offer the consumer the option to export to self <u>and</u> (with consumer consent) export to the PDS firm for use with the post-view services allowed within the dashboard*</li> </ul> <p>*Proposed change: Chapter 5 proposes changes in this area.</p>
Post-view services	<p>PDS firms can offer consumers services in addition to the core 'find and view' function of a PDS. These post-view services include:</p> <ul style="list-style-type: none"> <li>• services such as tools, calculators or modellers and</li> <li>• FCA regulated investment advice*</li> </ul> <p>These post-view services must:</p> <ul style="list-style-type: none"> <li>• be offered after displaying a consumers pensions data (view data)</li> <li>• be operated by the PDS firms</li> <li>• be a service and not a product or offer to sell</li> <li>• relate to pensions and retirement planning</li> <li>• support customers in understanding or taking decisions about their pension</li> <li>• be user-tested</li> <li>• not be defined benefit pension transfer advice</li> </ul> <p>*Proposed change: Chapters 4 and 5 propose changes in this area.</p>

## Our wider work on pensions

**2.17** We want to deliver a pensions system that works well and which:

- provides good products for savers that offer value for money
- supports consumers to make well informed decisions
- ensures strong confidence in pensions and consumer protection

**2.18** We are delivering a number of initiatives to support these outcomes. These include a value for money framework for pensions providers, a thematic review of retirement income advice and a joint review with the Treasury to examine the regulatory boundary between financial advice and guidance and what other forms of support consumers can be offered.

**2.19** The launch of pensions dashboards will complement this programme by reducing some of the existing barriers to pension engagement and retirement planning. It will allow savers to find and view information about their collective pensions more easily and reconnect savers with an estimated £26.6bn in lost pension pots. This could potentially transform the way individuals engage with their pensions. With better access to pension data, pension savers may well be empowered to explore pension saving and retirement options.

## How it links to our objectives

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### Consumer protection

- 2.20** The principal reason the Government committed to bring operators of private sector PDSs into our remit was to ensure an appropriate degree of consumer protection.
- 2.21** Central to our CP22/25 proposals is the expectation PDS firms will act fairly, honestly and professionally in consumers' best interests and deliver good consumer outcomes consistent with the Consumer Duty. The CP22/25 proposals emphasise that the services that PDS firms offer must be fit for purpose, offer fair value and help consumers make effective choices or act in their own interests.
- 2.22** The proposals in this paper aim to deliver against our strategic commitments that firms put consumers' needs first and enable consumers to help themselves.
- 2.23** Our proposal in chapter 4, that PDS firms present choices to consumers, aims to help the consumer to:
- be in control of their dashboard journey
  - understand the difference between the environments they are navigating and
  - take appropriate care when viewing material outside the regulated dashboard.
- 2.24** Our revised data export proposals in chapter 5 promote consumer choice in the advice market.

### Competition

- 2.25** Our proposals in this paper aim to deliver against our operational objective of promoting effective competition in the interest of consumers. As noted in CP22/25, pensions dashboards have the potential to increase effective competition in adjacent markets, specifically among:
- Pension providers: the information on dashboards may increase consumer engagement. This could drive effective competition and innovation by increasing pressure on providers and advisers to ensure their products and services offer value for money and meet consumers' needs and demands.
  - Firms offering advice: our revised proposals in Chapter 5 aim to ensure that all persons with the investment advice permission can access users' dashboard data on the same terms, so long as the consumer gives consent. We consider our proposal will contribute to the ability of our framework to promote effective competition by promoting consumer choice in the advice market.

### Secondary international competitiveness and growth objective

- 2.26** Our proposals contribute to the originally intended outcomes of the CP22/25 regulatory framework for PDSs which is designed to allow firms to compete based on how effectively they innovate, and on the cost and quality of their services. In turn, these forces may contribute to the ability of private sector dashboards to drive sustainable

economic growth. Greater levels of engagement, fuelled by pensions dashboards' use, also has the potential to increase effective competition in adjacent markets, specifically among pension providers and firms offering advice and guidance. This, along with allowing international firms to apply to be PDS operators, could increase the attractiveness of UK markets. We consider these proposals are proportionate and could facilitate the international competitiveness and growth of the UK economy.

## The Consumer Duty

- 2.27** The Consumer Duty requires firms to act to deliver good outcomes for retail customers. As dashboard users will be retail customers, all PDS firms will need to comply with the requirements under the Consumer Duty.
- 2.28** The Duty includes rules requiring firms to act in good faith, to avoid causing foreseeable harm and to enable and support retail customers to pursue their financial objectives. All PDS firms will also have to comply with the rules for the 4 outcomes we want to see under the Duty. These represent key elements of the firm-customer relationship which are vital in helping to drive good outcomes for customers. The outcomes apply to products and services, price and value, consumer understanding and consumer support. PDS firms should familiarise themselves with our expectations of firms under the Duty. Where applicable, we provide guidance to remind PDS firms of this.

## Environmental, social & governance considerations

- 2.29** In developing these proposals, we have considered the environmental, social and governance (ESG) implications of our proposals and our duty under ss. 1B(5) and 3B(c) of the Financial Services and Markets Act 2000 (FSMA) to have regard to contributing towards the Secretary of State achieving compliance with the net-zero emissions target under section 1 of the Climate Change Act 2008. Overall, we do not consider that the proposals in this paper are relevant to contributing to those targets. However, we welcome your input and will keep this issue under review when considering responses to this consultation.

## Equality and diversity considerations

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- 2.30** We recognise that not all consumers will benefit from pensions dashboards equally. Digitally-excluded consumers will not be able to access a PDS without support and those who have started to access 1 or more of their pensions, most of whom will be 55 or over, will not see all of their pensions on dashboards. These are not consequences of the proposals in this paper but rather of the Government's wider policy initiative. There are currently alternative avenues for individuals, including those with protected characteristics and characteristics of vulnerability, to request information about their pensions directly from their providers.
- 2.31** We do not consider that our proposed framework for PDS firms, including the proposals in this consultation, materially impact any of the groups with protected characteristics under the Equality Act 2010. Our proposals will operate alongside our guidance for

firms on the fair treatment of vulnerable customers (FG21/1) and the Consumer Duty (FG22/5), which require firms to consider the wide range of needs within their target market. This includes characteristics of vulnerability.

**2.32** However, we know that structural issues within society can influence pensions outcomes. These include:

- types of employment – self-employed versus employed and the movement between the different types of employment
- gender – the gender pay gap is also reflected in pensions
- ethnicity – with pensions participation varying across ethnicity
- disability – which can lead to poorer pensions outcomes
- other protected characteristics that cause pensions inequality

**2.33** While these factors can lead to lower incomes in retirement, lack of engagement with pensions and the risk of poor choices, pensions dashboard services may drive greater consumer engagement and, as a result, may empower consumers to make better-informed decisions.

**2.34** We will continue to consider the equality and diversity implications of the proposals during the consultation period and welcome your input. We will revisit the implications when making the final rules.

## Chapter 3

# Perimeter guidance on the scope of the regulated activity

## The regulated activity of operating a pensions dashboard service

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- 3.1** The recently made Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2024 (RAO amendment) brings the activity of operating a pensions dashboard service into FCA regulation.
- 3.2** This means that firms wanting to carry out the activity of 'operating a pensions dashboard service' must become FCA authorised, get the regulatory permission to carry out this specific activity and meet our Handbook requirements. The RAO amendment defines this new regulated activity as 'operating a pensions dashboard service which connects to the Money and Pensions Service dashboards digital architecture'.

### About the FCA authorisation process

Chapter 8 of CP22/25 sets out information about our proposed approach to authorising PDS firms. It emphasises that the application form is important because the information given, and documents submitted with it, are the basis on which we assess the firm's readiness for being authorised. This application form will contribute to our decision on whether or not to authorise the firm or approve the variation of permission.

Consistent with our overall approach to Authorisations, we expect all firms to only apply for the new permission when they can demonstrate that they are ready, willing and organised to undertake the activity of operating a PDS in line with our regulatory standards. A firm is unlikely to be able to demonstrate it is ready and organised to operate a PDS if it is not also ready and capable of meeting the requirements under the Pensions Dashboards Regulations 2022 and PDP standards. We expect firms to demonstrate this through a well-developed technology infrastructure and business plan, which should provide us with detailed information about the business, in particular:

- the activities the firm proposes to carry out
- the key regulatory, operational and other risks involved
- how the firm will mitigate these risks
- how it will comply with its various regulatory obligations on an ongoing basis

We are likely to ask firms for additional/more detailed information and/or documents as part of our gateway assessment. It is important that firms provide all the information we request in good time to help avoid delays in assessing the application. Where an application for FCA permissions is complete, we will usually assess it within 6 months. If an application isn't complete, it could take up to 12 months, so firms should allow time for this. We give further information on our authorisation process at [How to apply for authorisation or registration | FCA](#)

- 3.3** Industry has told us that some parties interested in becoming operators of PDSs intend to use services from other parties to develop or operate part of the pensions dashboard service. For example, a firm may contract technical services providers, such as fintech companies or software suppliers, to build the digital elements of a dashboard service and/or the connection to the MaPS' digital architecture. The explanatory memorandum to the RAO amendment states that operating a pensions dashboard service 'may include taking regulatory responsibility for any third parties involved in connecting to the MaPS digital architecture on their behalf'.
- 3.4** In this context, we expect some interested parties will have questions about which entity needs authorisation and permission to operate a pensions dashboard service. Our proposed perimeter guidance in Appendix 1 aims to help firms answer this question in the context of their intended arrangements. We engaged with Treasury in developing this guidance.

### **About FCA perimeter guidance**

We provide perimeter guidance (PERG in the FCA Handbook) to help firms understand the scope of the activities we regulate and give guidance on the circumstances in which a party will need our authorisation. PERG represents the FCA's view. It is not binding on courts but may be persuasive in their considerations.

Interested parties can use this perimeter guidance to inform how they develop their business plan and to prepare for the FCA authorisation process. The aim of providing perimeter guidance is to support a more efficient and effective authorisations process, for both firms and the FCA, with fewer applications delayed or rejected for failing to understand the scope of the regulated activity.

## **Proposed perimeter guidance**

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- 3.5** The proposed perimeter guidance sets out that a party will be carrying out the regulated activity of operating a PDS if they have control over the dashboard service provided to consumers.

The perimeter guidance sets out at Q7 that a party will have control of the PDS where they do one or both of the following:

- Accept responsibility for the PDS, which includes accepting responsibility:
  - for compliance with FCA rules for PDS firms
  - for connection to the MaPS digital architecture and is the party registered with MaPS as the operator of that particular PDS, even if another party is instructed to carry out the physical connection
  - for compliance with the requirements set out in the Pensions Dashboards Regulations 2022 and PDP standards
  - towards individuals using their pension dashboard service.
- Have some or full authority and discretion over how the dashboard service is run or managed. This includes the PDS user interface and the connection to the MaPS digital architecture. Where relevant, this means having the authority to instruct another party to carry out activities or services to support the PDS. For example, a contractual arrangement setting the extent of another party's involvement in the service and ensuring compliance with relevant standards and regulations.

**3.6** In cases where control is split across more than 1 party, each party is likely to require our authorisation. In such cases, the governance arrangements and agreements between the parties would be subject to even greater scrutiny at the authorisations gateway. However, we consider it may be difficult for a firm to demonstrate compliance with our Threshold Conditions if responsibility and authority is split between more than 1 party.

**3.7** Q10 of the proposed perimeter guidance gives the following examples where a party is unlikely to be considered as operating a PDS if they:

- Simply display, on their website for example, a publicly available link or URL to another party's dashboard, making it clear this is another party's dashboard service.
- Are providing advice, guidance or consultancy services to support the development of a dashboard service and bringing it to market. For example, guidance on preparing a business case or undertaking consumer research.

## Illustrative example scenarios

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**3.8** Below we set out 2 examples to illustrate how you might apply the perimeter guidance in practice (we give further examples in the draft PERG 12A in Annex H of Appendix 1). These examples demonstrate that only 1 firm needs the new permission for a single PDS, where that firm can effectively demonstrate they have control of the dashboard. For this paper, we call scenario 1 outsourcing and scenario 2 third-party dashboard arrangements. We know some stakeholders might use different names for these scenarios.

Example scenario	Arrangements
<p><b>Scenario 1</b>  <b>Outsourcing</b></p> <p>Firm A outsources the digital software that will connect to the MaPS digital architecture to another party – Firm B.</p> <p>Firm B builds the digital software for this on behalf of Firm A and in accordance with Firm A's instructions.</p> <p>Firm B can make further amends or technical support but only on instruction of Firm A.</p>	<p><b>Firm A will be the operator</b> where it has control of the PDS, for example it:</p> <ul style="list-style-type: none"> <li>• Accepts responsibility for compliance with all legal requirements. For example, FCA rules and guidance, the Pensions Dashboards Regulations 2022 (including the audit requirement under regulation 13) and the PDP standards.</li> <li>• Is registered with MaPS as the PDS firm responsible for that connection.</li> <li>• Has authority over how the dashboard service is run or managed, including the connection to the MaPS digital architecture.</li> <li>• Has the authority, through contract terms or otherwise, to instruct Firm B to act on its behalf and has sufficient oversight arrangements in place, as required in our Handbook to ensure Firm B acts in accordance with our regulatory requirements.</li> </ul> <p><b>Firm B is not likely to be operating</b> the PDS because it has no control over the PDS. This is because Firm B's involvement is limited to acting on behalf of, and under the instruction of, Firm A, even if Firm B takes decisions about the technical steps and details needed to achieve Firm A's instructions.</p> <p>This does not mean the element of the service that has been outsourced to Firm B is unregulated. It means that Firm A is responsible for the entire PDS, including any outsourced elements.</p>
<p><b>Scenario 2</b>  <b>Third-party dashboard arrangements</b></p> <p>Firm A builds a PDS and connects to the MaPS digital architecture. Firm A has the FCA permission to operate a PDS. This means it was able to demonstrate at the authorisations gateway that it has control of the entire PDS.</p> <p>Firm A then enters into an arrangement with Firm B to provide Firm B's members with exclusive access to a PDS provided by Firm A. It is clear to Firm B's members that the PDS is provided and operated by Firm A.</p>	<p>In this scenario <b>Firm A continues to be the operator</b> of this PDS because it:</p> <ul style="list-style-type: none"> <li>• Accepts (under contract terms) responsibility for compliance with all of the legal requirements applicable to the PDS. For example, FCA rules and guidance (including our third-party dashboard arrangement rules in PDCOB 9), the Pensions Dashboards Regulations 2022 (including the audit requirement under regulation 13) and the PDP standards.</li> <li>• Is registered with MaPS as the PDS operator.</li> <li>• Retains (under contract terms) full authority over how the PDS is run or managed.</li> </ul> <p><b>Firm B is not likely to be operating</b> where it has no responsibility or authority over the PDS. Firm B cannot edit or alter the dashboard service and has no discretion over how the service is managed or run.</p>

- 3.9** In both scenarios, it is unlikely Firm B is operating the dashboard if it is clear it **does not**:
- have any authority over the PDS and cannot alter, edit or adapt the service, other than when acting under the instruction of the regulated PDS firm
  - have any responsibility for compliance with any of the requirements under the Pensions Dashboards Regulations 2022, PDP standards and the FCA Handbook rules and guidance
  - have the capability, under contract terms for example, to carry out activities or services to support the PDS, unless commissioned or instructed by the PDS firm to carry this out on their behalf.
- 3.10** Our overarching consideration when deciding if a firm requires our permission, is whether the facts of each application show the firm has control over the PDS.

The draft perimeter guidance can be found at **PERG 12A in Annex H of Appendix 1**.

## Interaction with proposals in CP22/25 on outsourcing and third-party dashboard arrangements

- 3.11** As well as considering the RAO and who needs to be authorised, firms will need to consider what other rules apply when they collaborate with third parties. For example, Firm A in scenarios 1 and 2 above would also be subject to the proposals we outlined in CP22/25 (Chapter 5) on outsourcing and third-party dashboard arrangements. We summarise these below. They aim to prevent regulatory arbitrage and ensure that the consumer is no less protected if more than 1 party is involved in the dashboard that they use. Interested parties should take these proposed requirements into account in their business plan development and in preparing their applications for FCA authorisation or variation of permission.

### Outsourcing

- 3.12** In CP22/25, we noted firms may need to outsource certain elements of a PDS. Outsourcing provides valuable benefits such as cost savings, enabling innovation and supplying services a PDS firm may not have capability to provide.
- 3.13** In line with our approach to outsourcing arrangements for other FCA regulated firms, we proposed that PDS firms comply with the expectations in SYSC 8, or other relevant SYSC provisions where they hold other permissions. These SYSC provisions set out governance requirements when entering into outsourcing arrangements, meaning PDS firms:
- cannot delegate regulatory responsibility
  - remain responsible for compliance with our rules for any outsourced part of the service

- must have sufficient oversight arrangements in place, including any necessary expertise, to be satisfied that any outsourced element of the service complies with the relevant regulatory requirements
- must take responsibility for managing any risk created by the outsourced arrangement.

**3.14** For additional clarification, potential PDS firms might also wish to consider the guidance we produced for firms outsourcing to the 'cloud' and other third-party IT services. This was published in 2016 and updated in 2019.

### Third-party dashboard arrangements

**3.15** In CP22/25 we discussed the possibility of PDS firms entering third-party dashboard arrangements. Through these arrangements, a pensions dashboard service operated by a PDS firm is made available exclusively to the employees, members or customers of a third-party (that does not hold the permission to operate a pensions dashboard service). We proposed that PDS firms entering these arrangements must follow the requirements set out under our third-party dashboard arrangement rules. These requirements are designed to ensure:

- the PDS accessed by third-party members remains fully operated and controlled by the PDS firm, and not the third-party
- the third-party cannot edit or alter the PDS
- the PDS firm retains full responsibility for compliance with all regulatory requirements
- it is clear to the consumer who is operating the PDS, as well as who the third-party is. This can be achieved, for example, through the use of text, logos and/or company colours.

The draft Handbook rules that would give effect to the CP22/25 proposals relating to third-party dashboard arrangements and outsourcing arrangements can be found at **PDCOB 9 and 10 in Annex E of Appendix 1**.

**Question 1:** Do you agree that the proposed perimeter guidance at Annex H of Appendix 1 provides sufficient guidance to support firms understanding of:

- the scope of the regulated activity of operating a pensions dashboard service; and
- the circumstances in which authorisation (or variation of permission) is required by a firm?

**If not, what else could the perimeter guidance cover to support firms understand what comes within the scope of the regulated activity?**

## Chapter 4

# User's next steps: presenting initial choices

- 4.1** After considering respondents' feedback to CP22/25, and discussions with industry and consumer groups, we propose that PDS firms present the consumer with choices that enable them to decide their journey through and beyond the PDS.

### Context

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- 4.2** Most respondents to CP22/25, both those representing the views of industry and those representing consumer interests, asked questions that suggested they need greater clarity on the point at which a consumer's dashboard journey ends and they leave the FCA regulated PDS.
- 4.3** Industry respondents wanted clarity on when they would need to apply dashboard rules. Consumer representatives were keen to ensure consumers are adequately protected. They urged us to ensure that consumers understand when they are leaving the FCA regulated dashboard space. This would enable the consumer to exercise due care and make informed decisions about if and how to continue their journey.
- 4.4** CP22/25 noted it is Government policy that dashboards cannot be transactional, and so proposed that PDS firms:
- cannot include marketing for products or services on a PDS, other than COBS 4 compliant financial promotions for regulated investment advice
  - can offer post-view services, but these cannot be a product or offer to sell
- 4.5** As a result, respondents representing both industry and consumers, wanted to better understand when and how a dashboard user can be taken to a page or site where they may be shown links to products, application forms or transactional functionality.

### Our proposed choices architecture requirements

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- 4.6** Greater clarity on when and where the PDS journey ends would benefit both PDS firms and consumers. Potential harms could arise if it is not clear to either consumers or PDS firms that a user has left the regulated PDS space, as:
- The 'halo' effect of the PDS could be extended to the firm's wider commercial digital estate. Consumers may assume what they see on a firm's own commercial website is appropriate or tailored to them based on their pensions view data. This could result in consumers making financial decisions that are not in their best interests.
  - If our requirements are unclear, this could reduce the levels of consumer protections and create an inconsistent user experience between dashboards.

**4.7** So we propose to introduce requirements for a choices architecture that puts the consumer in control of deciding what initial steps to take after:

- viewing their pensions data on a PDS ('view data')
- engaging with a PDS firm's post-view service (where offered), and
- exporting a copy of their data to themselves (where offered).

**4.8** We consider that the choices architecture will better equip users to navigate the dashboard service on an informed basis, enabling the consumer to:

- understand the difference between the environments they are navigating
- be clear when a desired action will take them outside the FCA-regulated PDS
- exercise appropriate care when viewing material outside a PDS

**4.9** We also consider that the choices architecture will limit the potential for a:

- consumer to pursue a course of action without knowing the other available options
- PDS firm to bias a consumer towards a particular action, through accident, design or omission

## The choices

**4.10** We accept that visiting a dashboard might prompt the consumer to take any number of wide-ranging subsequent steps over time. However, our view is that consumers have a core set of choices which the PDS firm should make them aware of, and actively offer, no matter which firm's PDS the consumer uses. These choices are to:

- take no further action
- raise a question or complaint about the service or relating to the view data
- get further information, support and impartial guidance from MaPS MoneyHelper
- find an adviser (one regulated by the FCA with permission to make personal recommendations about pensions and investments)
- grant permission for their chosen FCA regulated adviser to access their view data via a PDS
- review, revoke or amend consents originally granted at the Consent and Authorisation Service (part of the PDP ecosystem)

**4.11** Additionally, if the PDS firm's service offering includes post-view services and/or the facility for the user to obtain a copy of their view data, the PDS firm must actively offer these as choices for the consumer in addition to those listed in 4.10.

**4.12** Table 3 below sets out the choices a PDS firm must offer the consumer, and where the PDS firm should redirect the consumer in respect of each choice, if selected.

## When and how to present the choices to the consumer

**4.13** We do not propose to prescribe the design, format, language and mechanism for presenting the choices to the consumer, other than requiring that they must be:

- readily accessible to the consumer from the point at which they view their pensions data onwards
- fair, clear and not misleading, and
- impartial and give equal prominence to each choice

**4.14** The PDS firm should ensure that compliance with these requirements is not compromised where the choices are presented to a user in a format that allows them to scroll up or down the page or screen. PDS firms must ensure the scrolling function or other navigation mechanism does not hide, obscure or misrepresent the choices.

**Table 3: The choices and corresponding destinations**

Choice offered to user	Where the PDS firm must redirect the consumer if they select the choice offered	Does redirection take the consumer outside the PDS?
In all cases		
Take no further action	Redirect to PDS firm's wider (non-PDS) digital environment from where the consumer can take up other information, services or activity offered by the PDS firm.	Yes
Raise a question or complaint about the service or relating to the view data*	Redirect to the central complaints process for the Money and Pensions Service which is a service to help users understand: <ul style="list-style-type: none"> <li>• what help is available if things go wrong and</li> <li>• their available routes to redress</li> </ul> The central complaints process is currently under PDP development.	Yes
Get further information, support and impartial guidance from MaPS MoneyHelper**	Redirect to MoneyHelper. If the PDS firm identifies the consumer is 50+ and has defined contribution pots it may, alternatively, redirect to MoneyHelper Pension Wise.	Yes
Find an adviser (one regulated by the FCA with permission to make personal recommendations about pensions and investments)	Redirect to where a consumer can find impartial information about finding a regulated financial adviser: <a href="#">MoneyHelper: choosing a financial adviser</a>	Yes
Grant permission for an FCA regulated adviser of the user's choice to access their view data via a PDS	Redirect to the MaPS PDP Consent and Authorisation service from where the user can delegate access to their chosen adviser	Yes
Review, revoke or amend consents originally granted at the Consent and Authorisation Service***	Redirect to the PDP Consent and Authorisation service to manage consents	Yes

Choice offered to user	Where the PDS firm must redirect the consumer if they select the choice offered	Does redirection take the consumer outside the PDS?
Can be offered if these choices are available to a PDS firm's users		
Explore and/or use a post-view service offered by the PDS firm****	Continue to the PDS firm's post-view service If a consumer has the choice to export their data to populate the post-view service, the firm should take them to the relevant area with the option to provide consent for this function, if they want, in line with the proposed rules in CP22/25	No
Get a copy of their view data	User taken through export-to-self process	No

\* This does not supersede the requirement under DISP 1.2.1R to publish appropriate information regarding their internal procedures for the reasonable and prompt handling of complaints. PDS firms will need to reach their own view on whether additional steps are needed to satisfy Regulation 12 of the Pensions Dashboards Regulations 2022.

\*\* This effectively supersedes the information signposting requirement we previously proposed which we have now deleted from our draft rules.

\*\*\* PDS firms will need to reach their own view on whether additional steps are needed to satisfy Regulation 8(4) of the Pensions Dashboards Regulations 2022.

\*\*\*\* The PDS firm may present a single choice for all post-view services that it offers or 1 choice for each post-view service that it offers.

**4.15** The outcome we want to achieve is that the:

- PDS firm doesn't decide the user's journey for them
- PDS firm must enable the consumer to pursue all the choices available
- the consumer actively chooses what they do next, in full knowledge of the choices available to them, and cannot move into those steps without having selected the option to do so

**4.16** We recognise that the range of choices it may be appropriate to offer consumers, as immediate next steps (after viewing pensions data or engaging with post-view services), could evolve and expand over time. We welcome stakeholder views on how this might be achieved in the rules, noting that we are keen to ensure our proposed rules:

- allow firms to incorporate flexibility for future change into their design
- minimise the cost impact of implementing revisions to the choices that might follow in future

**Consequence of each choice**

**4.17** Most of the next-step choices will take the user outside the PDS platform. Only the post-view services and data export (to the user or to the PDS firm to support a post-view service) can be done within the PDS platform.

- 4.18** To ensure the user is directed to appropriate and consistent external sources we propose to specify these external destinations. See Table 3.

### Exit communications

- 4.19** Where the consumer's choice will take them outside the PDS, we propose that the PDS firm must, before executing the choice, clearly communicate to the user that:

- they are leaving the FCA regulated PDS
- explain where they are being redirected to
- what they see next is independent of the PDS and will not be subject to the same legislative / regulatory requirements, and
- they should not make financial decisions based only on view data seen on the PDS

- 4.20** We are also aware that 'view data' includes information to enable the consumer to get in touch with the administrator or provider of the found pension. This information can be a website address. So we propose that PDS firms must display an exit communication if a consumer clicks on such a link provided in the view data. The exit communication should address the same points as those above, except for an explanation of where the consumer is being redirected - as this should be:

- apparent to the user from the context in which the link was presented, and
- simpler for firms to implement

- 4.21** We do not propose to prescribe the design, format, language and mechanism for delivering the exit communications to the consumer, other than in accordance with PDCOB 4.2 which requires communications must be fair, clear and not misleading.

The draft Handbook rules that would give effect to the proposed choices architecture requirements are set out at **PDCOB 8 in Annex E of Appendix 1**.

### Additional disclosure requirement about delegated access functionality

- 4.22** The Pensions Dashboards Regulations 2022 (Part 2, para 8(4)) requires all dashboards to provide a link to MaPS to enable a user to review, revoke or amend their consent to a delegate to access their view data. This means a PDS must enable the consumer to access the Consent and Authorisation service. This is the part of the pensions dashboards ecosystem which manages user authentication and oversees consents and permissions. This service will also allow the consumer to give consent for a delegate to view their data. A delegate can be a MaPS guider or a person with the regulatory permission to give investment advice. It is a valuable mechanism that enables dashboard users to get support, so we propose that the presentation of choices should include an option for users to delegate access to an adviser.

- 4.23** The Pensions Dashboards Regulations 2022 do not compel a PDS firm to allow users' chosen delegates to view users' data. Instead, where the user has given consent to a delegate to access the user's view data, and if the PDS allows for delegated access, the PDS must enable the delegate to access the user's view data. This means that PDS firms can choose whether they will allow delegates to use their PDS to view users' data.
- 4.24** We expect PDS firms will consider the needs of its intended target market when deciding whether or not to allow access by delegates. Where a PDS firm decides not to enable delegates to access users' data via the firm's PDS we propose that firms must:
- inform users of this limitation, and
  - explain that delegates may be able to access users' data on other dashboards
- 4.25** We do not propose to prescribe the design, format, language and mechanism for providing this explanation to the consumer, other than it must be fair, clear and not misleading. It is important that dashboard users have timely information about what a firm's PDS can and cannot do. So, we propose that these explanations should be provided at 2 points in the consumer's dashboard journey:
- before the PDS firm passes the customer to the Consent and Authorisation service to initiate a find request,
  - when a consumer chooses the option to provide consent to a delegate (from the choice architecture described above)
- 4.26** We do not want this warning to discourage customers from using dashboard services. Rather, we want them to be clear if and when their intended delegated adviser will need to use another dashboard to access their data. Without this clarity, consumers may become confused or concerned when they find out a delegate must use a dashboard operated by a different firm to view their data.
- 4.27** Our proposals assume that the mechanism to delegate access will be available in the Consent and Authorisation service from the Dashboards Available Point. As the PDP Reset is still underway, the delivery timeline for this function has not yet been finalised.

## Interaction with the Consumer Duty

- 4.28** In deciding how to present the information required under the proposals above, PDS firms will also need to consider their obligations under the Consumer Duty, including the rules under the consumer understanding outcome in PRIN 2A.5:
- Appropriate testing and monitoring are an important part of the consumer understanding outcome, embodying the Duty's outcomes-focused approach by emphasising what works in practice. We have published [non-Handbook guidance covering testing and monitoring communications to support consumer understanding](#). Firms should consider this when developing and designing the choices architecture. In particular, we expect firms to check that communications can be understood by pensions dashboard users. This will help ensure users can make informed decisions especially where communications include information designed to prompt or inform a decision that is likely to be of importance to the user's pension planning.

- Firms must make changes to improve their communications if they identify common areas of misunderstanding through testing or monitoring.

## Record keeping

**4.29** We propose that PDS firms must keep records of:

- each version of the choices presented to consumers, including the language and format used, and the dates each version was made available to consumers
- how many consumers select each choice
- each version of the exit communications presented to consumers

**4.30** We propose these records must be kept for 6 years. The records will support consumer protection by enabling consumers' next-step choices to be monitored by PDS firms and, on request, also by the FCA. This proposal is compatible with the Senior Management Arrangements, Systems and Controls (SYSC) requirement in our Handbook to keep orderly records which are sufficient to enable us to:

- monitor firms' compliance with our rules
- work out whether they have met all their obligations to consumers

**Question 2:** Do you agree with our proposals to require PDS firms to introduce a choices architecture to put the consumer in control of deciding initial next steps? If not, what problems can you foresee with these proposals? And how might they be addressed?

**Question 3:** Do you agree with our proposals concerning exit communications? If not, please explain why.

**Question 4:** Do you agree with our proposals to require firms to inform the user if a delegate will not be able to use the firm's dashboard to access the user's data? If not, please explain why.

## Chapter 5

# Revisions to data export proposals

**5.1** This chapter sets out why and how we propose to revise our original CP22/25 data export proposals. Our new proposals will make delegated access the single and consistent route through which dashboard users can, if they choose, allow FCA regulated investment advisers to access their view data securely.

## Data export proposals in CP22/25

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**5.2** The Government concluded that the right to data portability under UK General Data Protection Regulation (UK GDPR) is not created when a consumer uses a PDS to find and view their pensions. This means we must decide whether PDS firms should be allowed to offer any form of data export.

**5.3** Data export is the process of extracting or 'exporting' a consumer's view data outside of the PDP ecosystem. In CP22/25, we proposed that PDS firms could take 1 of 3 approaches to data export:

- Not to offer data export
- Offer consumers the option to export data to themselves
- Offer the consumer the option to export to self and export to the PDS firm to use with permitted post-view services. We proposed that the permitted post-view services could include:
  - services such as tools, calculators or modellers that would help customers understand their pension(s) but which are not products or offers to sell
  - investment advice provided by the PDS firm or a member of the same group (a 'connected person'), so long as they have the permission to give investment advice

**5.4** Our proposal to allow export to PDS firms or connected persons for the purpose of investment advice, was separate from and in addition to delegated access which is a mechanism already provided for in Government's Pensions Dashboards Regulations 2022.

**5.5** As we explained in Chapter 4, at the Consent and Authorisations service a user can grant consent for a delegate (including a person with the regulatory permission to give investment advice) to view their pensions data.

**5.6** Our data export proposals, as initially proposed in CP22/25 and the revised proposals in this paper, aim to safeguard against potential risks that might otherwise emerge from unrestricted data export. Our proposed data export and post-view services requirements are set out in PDCOB 11 and 12 in Annex E of Appendix 1.

## Feedback received

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- 5.7** Respondents to CP22/25 were concerned that permitting data export to PDS or connected firms for investment advice purposes would give these firms an unfair competitive advantage over other firms and persons with permission to give investment advice.
- 5.8** Many respondents had either been unaware that the Pensions Dashboards Regulations 2022 provide for delegated access to advisers or assumed our data export proposals would supersede and replace delegated access. In this context, they were concerned that consumers would choose (or be encouraged) to use less secure means to share their pensions information with advisers/advice firms that are not PDS firms.

## Proposed revision to data export proposals

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- 5.9** We carefully considered respondents' feedback and the advice community's views during stakeholder engagement. As a result, we agree that permitting data export to PDS firms (or connected persons) for investment advice purposes is neither necessary, nor warranted, given that legislation already provides for a secure mechanism for sharing data with advisers. Continuing to allow the additional mechanism we originally proposed for sharing data with a small number of firms (ie PDS firms that also have advice permissions) could:
- Give an unintended and unfair competitive advantage to PDS firms that also have the regulatory permission to offer investment advice. Such firms are likely to be few in number
  - Discourage consumer choice in the advice market (a large market in which thousands of advisers can advise on retail investment products)
- 5.10** We can see that consumers might consider the option to export data to a PDS firm as the most simple and convenient option to progress to investment advice, without necessarily considering whether and how other parties could provide investment advice.
- 5.11** So we propose to revise our original proposal by removing the option for data export to a PDS firm or connected person for investment advice purposes.
- 5.12** Our revised proposals would offer PDS firms the following data export options:
- 1.** Not to offer data export.
  - 2.** Offer consumers the option to export data to themselves.
  - 3.** Offer the consumer the option to export to self **and** export to the PDS firm for use with the permitted post-view services. Post-view services would no longer include investment advice provided by the PDS firm or a member of the same group (a 'connected person').

- 5.13** This change does not prevent the consumer from sharing their view data with an adviser or advice firm for the purposes of investment advice. It also does not deny PDS firms the ability to offer investment advice to their PDS users. Rather, where a consumer wishes to share their data with an adviser/advice firm, delegated access would be a consistent and secure mechanism for this. The adviser/advice firm could include PDS firms with the relevant permission but is not limited to those PDS firms. This change would mean that PDS firms with the advice permission would access the view data on the same terms as any other advice firm the consumer has given consent to. This would create a level playing field between integrated and standalone advice firms.
- 5.14** We consider this revised proposal, when read alongside our choices architecture requirements proposal in Chapter 4, empowers consumers to exercise choice in the advice market. It is compatible with our duty under section 1B(4) of FSMA to discharge our general functions (which include rule-making) in a way which promotes effective competition in the interests of consumers.
- 5.15** Our proposals assume that the mechanism to delegate access will be available in the Consent and Authorisation service from the Dashboards Available Point. As the PDP Reset is still underway, the delivery timeline for this function has not yet been finalised.

The draft rules that would give effect to the revised data export proposals can be found at **PDCOB 11 in Annex E of Appendix 1**.

**Question 5:** Do you agree that permitting data export to PDS firms (with the investment advice permission) for investment advice purposes creates an unfair competitive advantage in relation to advice?

**Question 6:** Do you agree that our proposal (to remove the option of data export to the PDS firm, or connected person, for investment advice) is appropriate? If not, what would be a more appropriate and competitively fair approach for the FCA to adopt? Please provide evidence where available.

## Looking forward

- 5.16** We recognise that consumers' ability to access pensions information on pensions dashboards is likely to drive greater interest and appetite in sources of information, support, guidance and advice.
- 5.17** Our recent discussion paper on the Advice Guidance Boundary Review (AGBR), published jointly with the Treasury, is exploring how a continuum of help, guidance and advice could be offered to support consumers, beyond the current regulatory framework.

- 5.18** The proposals in this paper allow for dashboard users to access advice, and for PDS firms to explore ways of offering information and guidance as post-view services. Post-view services allow PDS firms to distinguish their PDS from other private sector PDSs, and the MaPS dashboard. We therefore see post-view services as an integral part of a firm's commercial business model for operating a PDS.
- 5.19** After the AGBR concludes, we will consider a) whether any AGBR outcomes can be offered as a post-view service; and b) whether to permit data export to firms delivering any of the AGBR outcomes.

## Annex 1

### Questions in this paper

**Question 1:** Do you agree that the proposed perimeter guidance at Annex H in Appendix 1 provides sufficient guidance to support firms understanding of:

- the scope of the regulated activity of operating a pensions dashboard service; and
- the circumstances in which authorisation (or variation of permission) is required by a firm?

If not, what else could the perimeter guidance cover to support firms understand what comes within the scope of the regulated activity?

**Question 2:** Do you agree with our proposals to require PDS firms to introduce a choices architecture to put the consumer in control of deciding initial next steps? If not, what problems can you foresee with these proposals? And how might they be addressed?

**Question 3:** Do you agree with our proposals concerning exit communications? If not, please explain why.

**Question 4:** Do you agree with our proposals to require firms to inform the user if a delegate will not be able to use the firm's dashboard to access the user's data? If not, please explain why.

**Question 5:** Do you agree that permitting data export to PDS firms (with the investment advice permission) for investment advice purposes creates an unfair competitive advantage in relation to advice?

**Question 6:** Do you agree that our proposal (to remove the option of data export to the PDS firm, or connected person, for investment advice) is appropriate? If not, what would be a more appropriate and competitively fair approach for the FCA to adopt? Please provide evidence where available.

**Question 7:** Are you currently interested in becoming an operator of pensions dashboard services?

- If yes, are you currently FCA authorised for other activity?
- If not, was it the proposals in this paper that deterred you?

**Question 8:** Do you have any comments on our cost benefit analysis in Annex 2?

## Annex 2

# Cost Benefit Analysis

## Introduction

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1. The Financial Services and Markets Act (2000) requires us to publish a cost benefit analysis (CBA) of our proposed rules. Specifically, section 138I requires us to publish a CBA of proposed rules, defined as 'an analysis of the costs, together with an analysis of the benefits that will arise if the proposed rules are made'.
2. This analysis presents estimates of the significant impacts of our proposal. We provide monetary values for the impacts where we believe it is reasonably practicable to do so. For others, we provide a qualitative explanation of their impacts. Our proposals are based on weighing up all the impacts we expect and reaching a judgement about the appropriate level of regulatory intervention.
3. The CBA has the following structure:
  - The Market
  - Problem and rationale for intervention
  - Our proposed intervention
  - Baseline and key assumptions
  - Summary of impacts
  - Benefits
  - Costs
  - Wider economic impacts
  - Monitoring and Evaluation
4. This CBA reflects how we have factored costs and benefits into designing the proposals in this Chapters 3 to 5 of this paper only. The CBA for our wider set of proposals for pensions dashboard operators was set out in Annex 2 of CP22/25. We have taken a largely narrative approach to both CBAs, rather than quantitative because:
  - Operating a pensions dashboard service is a new activity and no firm is currently offering this service. The market does not yet exist for us to survey. Furthermore, the nearest conceptually comparable activity (Account Information Service under Payment Services Regulations) is operationally distinct, and Account Information Service Providers are not subject to requirements analogous to those proposed in this paper. For these reasons, we do not have a basis upon which to confidently estimate costs.
  - Our proposed framework (as set out in CP22/25 and supplemented by the proposals in this paper) gives firms discretion over their business models and the functionality of their pensions dashboard services. We expect costs arising from the firm's business model and functionality choices to be absorbed in the firm's initial build cost for the service.

5. However, where appropriate, we have estimated costs based on our standardised cost model. We have not quantified the benefits from these proposals in isolation because the purpose of these proposals is to better enable the realisation of the intended benefits from the overall framework that we set out in CP22/25.

## The Market

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6. Pensions dashboards will be digital interfaces that allow consumers to find their pensions and view basic information about them in one secure place. The Government tasked the Money and Pensions Service (MaPS) with developing and operating the public (non-commercial) Pensions Dashboard Service (PDS). To extend the reach of dashboards, Government also enabled private sector entities to offer a PDS. As a result of Government policy and legislation, these private sector dashboards must be non-transactional and cannot charge consumers to find and view their data.

## Consumers

7. The Government's Impact Assessment estimates that by 2032 there could be in excess of 16 million users of pensions dashboard services.

## Industry

8. At this stage we cannot predict with certainty the number of firms that will become operators of pensions dashboard services. We anticipate the number will be relatively small (tens, rather than hundreds of firms).
9. We anticipate that some firms that wish to operate a pensions dashboard service will already be FCA regulated for other business, such as life insurers and open banking participants. It is possible that other firms with no prior experience of financial services regulation could also apply to become operators of pensions dashboard services, such as technology firms and software providers.

### **Question 7: Are you currently interested in becoming an operator of pensions dashboard services?**

- **If yes, are you currently FCA authorised for other activity?**
- **If not, was it the proposals in this paper that deterred you?**

## Problem and rationale for intervention

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10. The Government's Impact Assessment summarises:
  - the rationale for the Government policy to introduce pensions dashboards
  - the Government's estimate of the costs and benefits attributable to the Government policy.

- 11.** In anticipation of Government making the necessary legislative change to bring the operation of pensions dashboards within our regulatory remit, [Consultation Paper CP22/25](#) set out our proposed regulatory framework for pensions dashboard operators. Annex 2 of that paper contained our estimate of the costs and benefits of those proposals.
- 12.** Now, in response to consultation feedback and in light of the recently made Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2024 (RAO amendment) which brings the activity of operating a pensions dashboard service under FCA regulation, we are proposing two additions and one revision to the regulatory framework in CP22/25. We consider these proposals necessary to better enable the realisation of the benefits and desired outcomes we set out in CP22/25.

### **Authorisation of pensions dashboard operators**

- 13.** The effect of the RAO amendment is that entities wishing to operate a pensions dashboard service must:
- be or become FCA-authorised
  - obtain the regulatory permission to undertake the new regulated activity
  - adhere to the requirements we set for firms undertaking this activity
- 14.** Industry has told us that some parties interested in becoming operators of pensions dashboard services intend to buy services from other parties to develop or operate part of the overall pensions dashboard service. For example, a firm may contract technical services providers, such as fintech companies or software suppliers, to build the digital elements of a dashboard service and/or the connection to the MaPS' digital architecture. The explanatory memorandum to the RAO amendment states that operating a pensions dashboard service 'may include taking regulatory responsibility for any third parties involved in connecting to the MaPS digital architecture on their behalf'.
- 15.** In this context, we expect some interested parties will have questions about which entity needs authorisation and permission to operate a pensions dashboard service. These questions were not anticipated when we set out information regarding our proposed approach to authorising PDS firms in Chapter 8 of CP22/25.

### **Conduct rules for pensions dashboard operators**

- 16.** Exiting the pensions dashboard service: questions contained in many CP22/25 responses revealed that our proposed conduct rules need to provide greater clarity on the point at which a consumer's dashboard journey ends and the consumer leaves the FCA regulated PDS (i.e., the point at which the proposed conduct rules cease to apply).
- 17.** Data export: in CP22/25, we proposed that PDS firms could take 1 of 3 approaches to data export: 1) not to offer data export; 2) offer consumers the option to export data to themselves; 3) offer the consumer the option to export to self and export to the PDS firm to use with permitted post-view services. We proposed that the permitted post-view services could include:

- services such as tools, calculators or modellers that would help customers understand their pension(s) but which are not products or offers to sell
- investment advice provided by the PDS firm or a member of the same group (a 'connected person'), so long as they have the permission to give investment advice

- 18.** CP22/25 respondents were concerned that permitting data export to PDS firms or connected firms for investment advice purposes would give these firms an unfair competitive advantage over other firms and persons with permission to give investment advice.
- 19.** We agree that permitting data export to PDS firms (or connected persons) for investment advice purposes is neither necessary, nor warranted, given that legislation already provides for a secure mechanism to share data with advisers: delegated access.

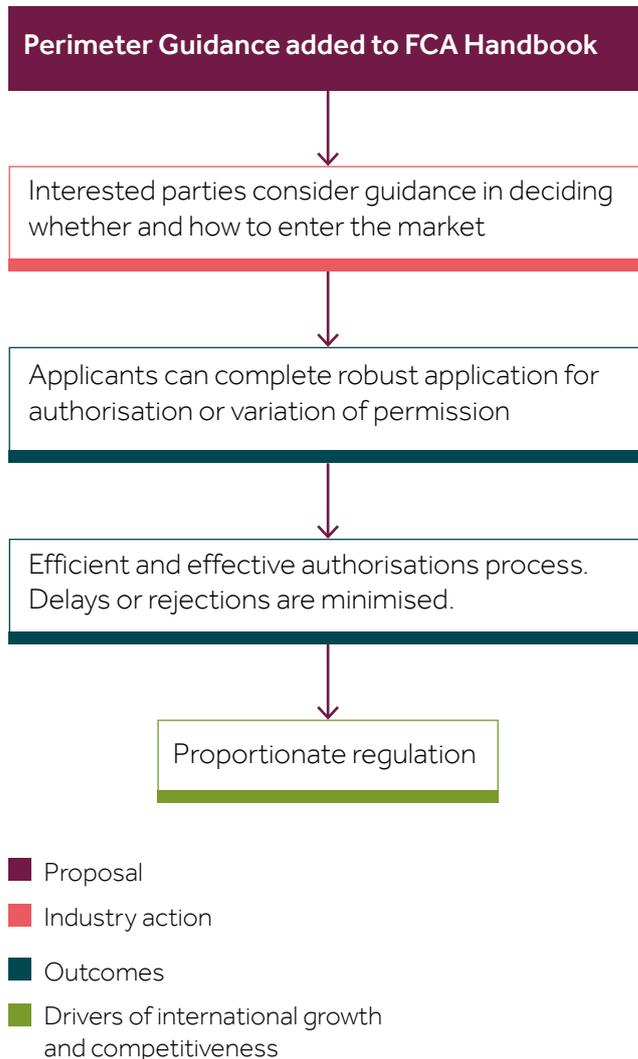
## Our proposed intervention

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### Perimeter guidance

- 20.** We propose to include guidance in our Perimeter Guidance manual (PERG) to help firms understand the scope of this new regulated activity and the circumstances in which permission to undertake the new activity is required.
- 21.** PERG does not impose any obligations on firms. Rather it provides guidance on the circumstances in which a party will need FCA authorisation. PERG represents the FCA's view. It is not binding on courts but may be persuasive in their considerations.
- 22.** Interested parties can use our proposed perimeter guidance to inform their business plan development and to prepare appropriately for the FCA authorisation process. We anticipate that providing perimeter guidance will support a more efficient and effective authorisations process, for both firms and the FCA, with fewer applications delayed or rejected for failing to understand the scope of the activity.
- 23.** The causal chain at Figure 1 below illustrates how we expect our proposed perimeter guidance to introduce efficiency to the authorisations process we set out in CP22/25.

**Figure 1: Causal chain for perimeter guidance proposal**

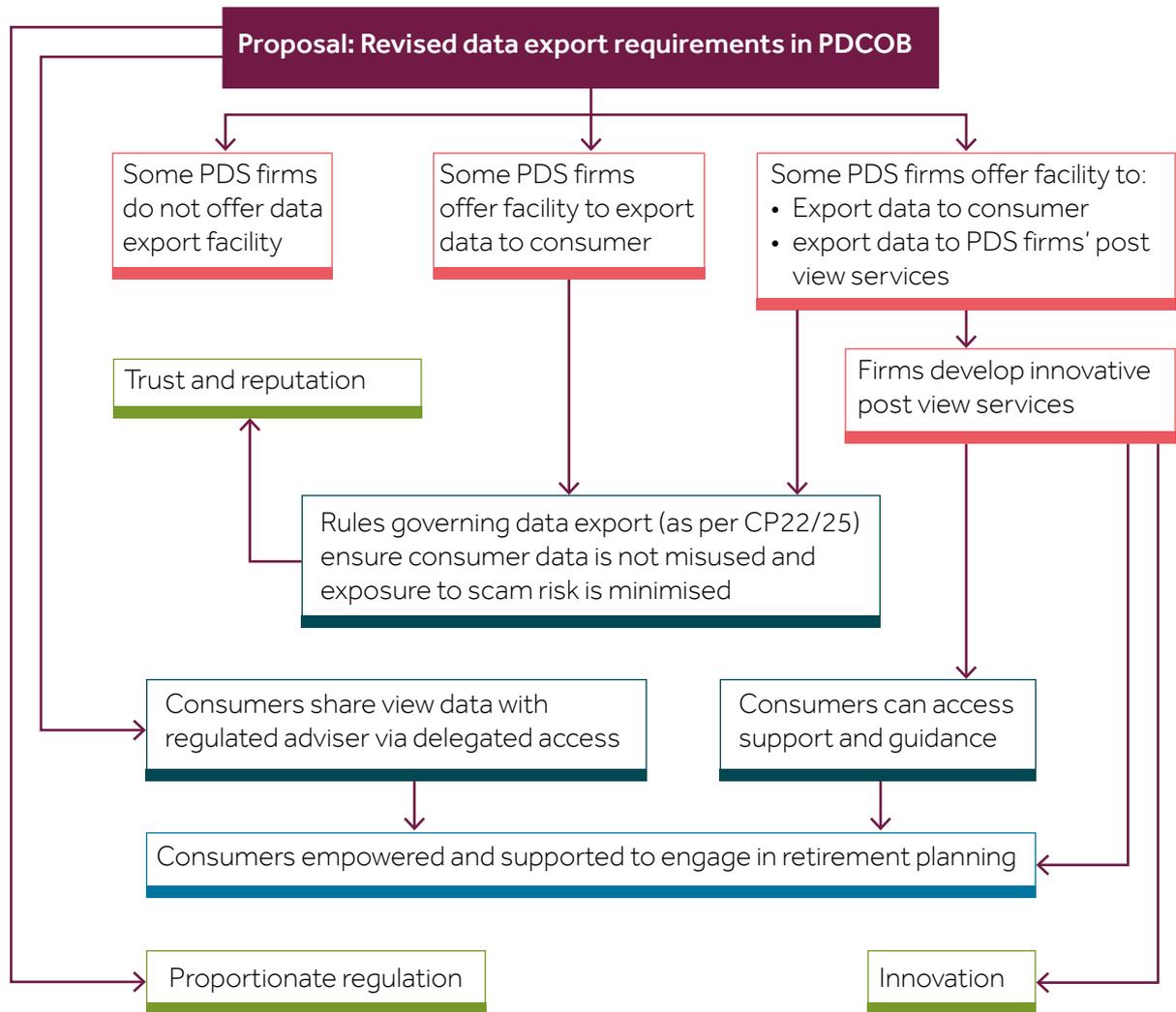


## Choice Architecture

24. In Chapter 4 we propose to introduce requirements for a choice architecture that puts the consumer in control of deciding what initial steps to take after a) viewing their core dashboard data; b) engaging with a PDS firm's post view service (where offered), and c) exporting a copy of their data to themselves (where this function is offered by the PDS firm).
25. We consider that the choice architecture will better equip users to navigate the dashboard service on an informed basis, enabling the consumer to:
  - understand the difference between the environments they are navigating
  - be clear when a desired action will take them outside the FCA regulated PDS
  - exercise appropriate care when viewing material outside a PDS
26. The proposals will also provide greater clarity and certainty to firms about where the rules for PDS firms apply or do not apply.
27. When a consumer's chosen next step takes them outside the dashboard, we propose that this should be communicated to the consumer, with appropriate explanations and warnings.

28. The causal chain in Figure 2 below illustrates the expected outcomes from the choice architecture proposals and how they contribute to the realisation of what CP22/25 articulated as the intended outcomes of the conduct proposals in the regulatory framework.

**Figure 2: causal chain for choice architecture proposal**

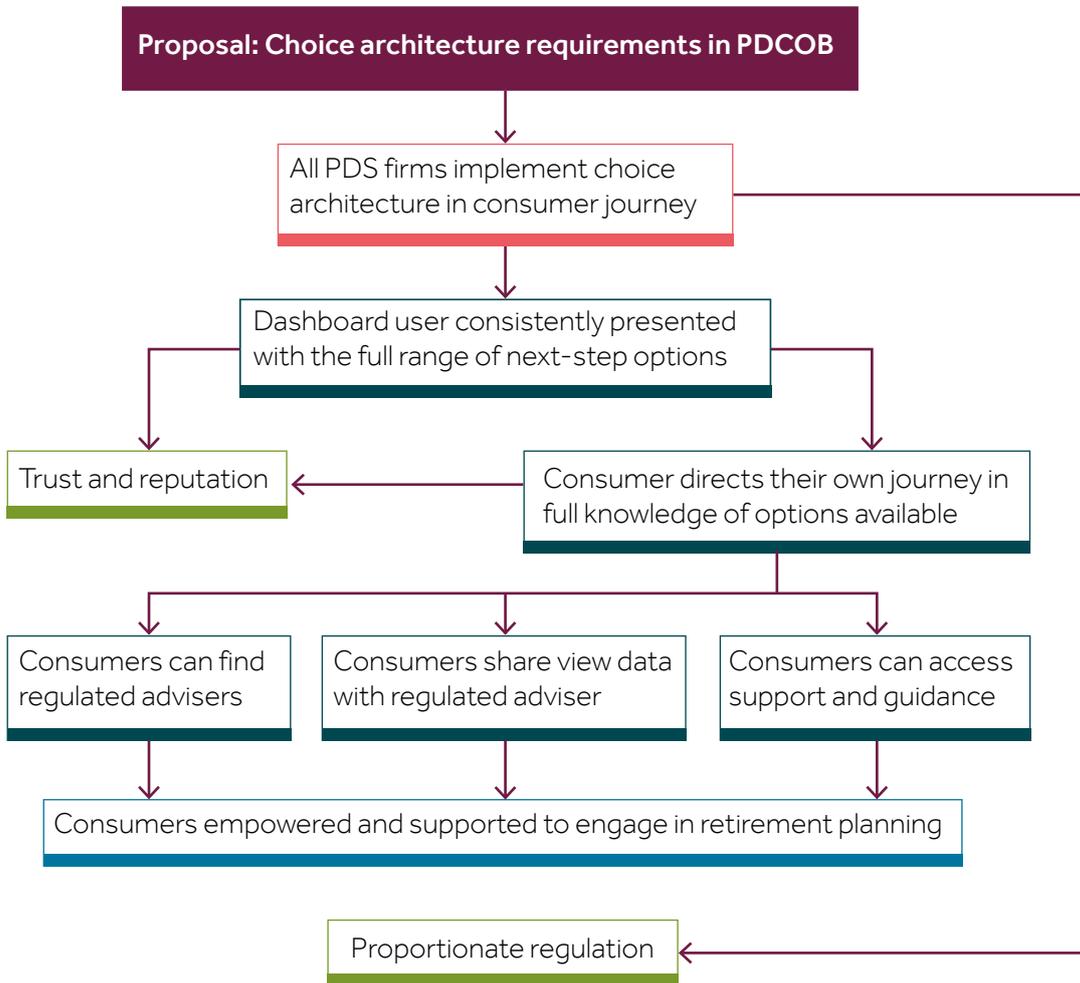


- Proposal
- Industry action
- Outcomes from proposals in this paper
- Intended outcome of CP22/25 regulatory framework
- Drivers of international growth and competitiveness

## Revised data export proposals

- 29.** In chapter 5 we propose to revise the data export proposals in CP22/25 by removing the option for data export to a PDS firm or connected person for investment advice purposes.
- 30.** This change does not prevent the consumer from sharing their view data with an adviser or advice firm for the purposes of investment advice. It also does not deny PDS firms the ability to offer investment advice to their PDS users. Rather, where a consumer wishes to share their data with an adviser/advice firm delegated access would be a consistent and secure mechanism for this. This change would mean that PDS firms with the advice permission would access the view data on the same terms as any other advice firm the consumer has given consent for. This would create a level playing field between integrated and standalone advice firms.
- 31.** The causal chain in Figure 3 below illustrates the expected outcomes from the revised data export proposals and how they contribute to the realisation of what CP22/25 articulated as the intended outcomes of the conduct proposals in the regulatory framework. The data export proposals compliment the choice architecture proposals in contributing to these outcomes.

**Figure 3: causal chain for revised data export proposal**



- Proposal
- Industry action
- Outcomes from proposals in this paper
- Intended outcome of CP22/25 regulatory framework
- Drivers of international growth and competitiveness

## Baseline and key assumptions

**32.** It is not currently possible to operate a pensions dashboard service: private sector dashboards cannot connect to the underpinning central digital architecture (being developed by MaPS) unless and until they have FCA authorisation to operate a pensions dashboard service. This means the proposals in this paper do not concern an existing market. Rather they set requirements for firms that choose to enter this market in future.

- 33.** We cannot state with certainty how many firms will enter the market or the size of those firms, so it is not reasonably practicable to provide an estimate of the cost of our proposals for firms as a whole. Instead, we provide an estimate of those costs on a per firm basis, where this is reasonably practicable. Where we estimate costs on a per firm basis, we have generally done so for large, medium and small firms. In light of this being a new activity and the uncertainties described above, we do not attempt to define what each of these types of firms looks like.
- 34.** For the avoidance of doubt, individual PDS firms may in practice bear costs greater or lesser than the per firm figures provided in this CBA. This will depend, among other things, on the firm's individual size, composition and current practices. Firms should consider our proposals in relation to their specific operations and provide feedback on this basis, supported by evidence where they believe costs differ.
- 35.** This CBA is specific to the proposals in this paper only. It is separate from, and in addition to the CBA of the proposed regulatory framework in CP22/25 referring to additional costs deemed proportionate to realised expected benefits of the framework. PDS firms will incur other costs not accounted for in either CBA – these are the initial and ongoing costs that arise from complying with obligations in DWP's regulations, PDP's standards and other relevant legal requirements, such as UK GDPR.
- 36.** Unless stated otherwise, all references to 'average' are the mean average and:
- all price estimates are in nominal terms
  - when estimating net present value of costs and benefits we use a 3.5% discount rate as in the Treasury's Green Book
  - we assume that firms will fully comply with the rules we implement

## Benefits

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### Consumers

- 37.** The proposals in this paper supplement and revise the originally proposed pensions dashboard framework. They are designed to better enable the realisation of the consumer benefits that CP22/25 expected to arise from the operation and application of the framework as a whole.
- 38.** Thus, we consider the main benefits to consumers that could arise exclusively from the limited additional proposals in Chapters 3 to 5 of this paper to be enabling the realisation of the overall benefits of the pension dashboards regulatory framework. Namely:
- enabling consumers to control their journey through and beyond the pensions dashboard service
  - creating opportunities for consumers to take advice or guidance, or to seek further support and information
  - enabling consumers to understand when they are leaving the pensions dashboard service.

## Industry

39. Our proposed rules will only apply to firms that choose to become PDS firms. We therefore expect that firms will only incur the costs of becoming a regulated PDS firm and being subject to our rules if the direct or indirect benefits of doing so outweigh the costs for that firm.
40. As a result of the proposed perimeter guidance, we would expect fewer authorisation applications to be rejected, withdrawn, refused or delayed, either because we require further information or legal advice to establish if any of the parties involved in bringing a dashboard to market should be authorised. We expect the proposals to save potential applicants unnecessary time and expense in applying for authorisation or variation permission.
41. Ultimately, however, the proposals in this paper are designed to supplement and revise the originally proposed framework to better enable the realisation of the benefits that CP22/25 expected to arise from the operation and application of the framework as a whole.

## Costs

42. Table 1 recaps the costs estimated in the CBA of CP22/25. It also summarises where the proposals in this paper add to those original costs – a more detailed analysis of these additional costs for each of the proposals in this paper is set out below.

**Table 1: Costs of initial proposals and additional costs from new proposals**

	CBA in CP22/25		Additional costs – proposals in this paper	
	Average cost per firm		Average cost per firm	
	Medium	Large	Medium	Large
Familiarisation and legal review	£9,500	£29,000	£6,300	£19,100
IT project (including systems and controls)	£96,000	£214,000	Minimal	Minimal
Reporting and recordkeeping (supervision)	£3,000	£18,000	Minimal	Minimal
Prudential requirements	£40,000	£40,000	N/A	N/A

### Familiarisation and legal review costs

43. We expect parties interested in operating pensions dashboard services to read the proposals in this consultation paper and:

- familiarise themselves with the detailed requirements of our new proposals in this consultation paper
- conduct a legal review of the instrument in Appendix 1, including a gap analysis where appropriate.

**44.** We have estimated the familiarisation costs to firms using the standardised cost model and set out our estimates in Table 2. We assume that 20 compliance staff per large firm will read the c.50 pages of the consultation document, 5 staff per medium firm and 2 staff per small firm. The legal instrument in Appendix 1 is c.100 pages. We assume the review of the legal text will require 4 legal or compliance staff and 224 hours per large firm, 2 staff and 84 hours per medium firm and 1 member of staff over 14 hours per small firm.

**Table 2: Familiarisation and legal review costs**

Firm category	Familiarisation cost per firm	Legal review cost per firm	Total costs per firm
Large	£3,100	£16,100	£19,100
Medium	£700	£5,600	£6,300
Small	£200	£900	£1,100

### Perimeter Guidance

- 45.** Our proposed addition to PERG does not impose any obligations on firms. Rather it provides guidance on the circumstances in which a party will need FCA authorisation.
- 46.** So, there are no implementation costs for firms beyond the familiarisation and legal analysis costs detailed in Table 2 above. Rather, we expect fewer applications (for authorisation or variation of permission) will be delayed or rejected for failing to understand the scope of the activity. This means the cost of the authorisation process will be minimised for both firms and the FCA.

### Choices architecture

- 47.** We recognise that PDS firms' IT costs could be impacted by the proposals in Chapter 4 as each firm would be required to incorporate the choices architecture and exit communications into their dashboard journey. However, we are giving firms discretion to determine the appropriate format and digital mechanism for their target market. Furthermore:
- absent these proposals, firms would still need to develop a mechanism and journey for consumers' exiting the dashboards – our proposals simply ensure there is some level of consistency between dashboards
  - these proposals provided a mechanism by which firms can also satisfy their obligations under Regulations 8(4) and 12 of the DWP's Pensions Dashboards Regulations 2022

- 48.** Given these flexibilities, we do not consider it to be reasonably practicable to estimate the costs and of these requirements in isolation. We expect compliance with these requirements will form part of firms' overall IT project to create the pensions dashboard service and is therefore unlikely to add more than minimal costs to the IT project costs we calculated in CP22/25.
- 49.** We propose corresponding record-keeping requirements for these proposals, including that firms keep records of:
- how they present the choice architecture and exit communications
  - the numbers of users selecting each option from the choice architecture
- 50.** We expect compliance with these requirements will form part of firms' overall approach to record-keeping and reporting in respect of pensions dashboard service (see requirements in Chapter 5 of CP22/25) and is therefore unlikely to add more than minimal costs to those estimated in CP22/25.

### **Export of customers' data**

- 51.** We are not mandating that firms offer data export. It will be for firms to weigh up the costs and benefits from the perspective of their specific business model and decide whether to offer data export. Where they choose to do so we anticipate they could incur additional build, operation, and compliance costs. We do not consider it is reasonably practicable to provide a general estimate of these costs as they are inextricably linked to which types of data export the firm chooses to offer and how the firm operates this function.
- 52.** We recognise that some industry participants would have liked the CP22/25 proposals to be more liberal and to permit data export to a wider population and/or for a wider range of purposes. The proposals in this paper limits that export population further, so we recognise that some interested parties may consider our policy revision presents opportunity costs. However, we consider such costs to be minimal as the revised proposal preserves the ability for PDS firms to offer advice to dashboard users where they have the appropriate permission to do so. The effect of the proposals in this paper is that PDS firm must use the same mechanism as other advisers (delegated access), rather than data export. This ensures a level playing field and better enables the regulatory framework to deliver the benefit outlined in CP22/25 of preventing harm to consumers from conflicts of interests and misaligned incentives.

### **Wider economic impacts, including on secondary objective**

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- 53.** We consider our proposals are proportionate:
- by introducing a choice architecture requirement, but not prescribing the presentation format, we aim to ensure the content and form of our proposals do not exceed what is necessary
  - the proposed perimeter guidance is designed to increase the efficiency of the authorisations process by ensuring firms are aware of our requirements, enabling firms to save costs.

- 54.** We do not expect the limited proposals in this paper will, in isolation, drive international competitiveness or sustainable economic growth. However, they contribute to the ability of the regulatory framework for PDS firms as a whole to provide drivers of international growth and competitiveness.

## Monitoring and evaluation

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### Perimeter guidance

- 55.** Our proposed perimeter guidance will be successful if it helps firms:
- to determine how to effectively demonstrate they are operating a pensions dashboard service that meets our regulatory standards
  - plan and prepare for authorisation.
- 56.** The number of applications that are rejected, withdrawn, refused or delayed because the applicant has not understood the scope of the regulated activity will provide an indicator of whether this proposal in isolation is achieving its intended outcome.

### Revised conduct policy proposals

- 57.** We expect firms' initial ability to comply with the user-choice proposals and revised data export proposals in Chapters 4 and 5 will be evident from their applications for authorisation or variation of permission. We are requiring firms to keep records of the number of consumers that select each option from the choice architecture. When appropriate we can request that information to assess how consumers are using dashboards. However, the proposals in this paper should not be considered in isolation and will need to be evaluated in the context of the overall framework. We will indicate how we can monitor and evaluate the framework when we make the final rules later this year.

## Annex 3

# Compatibility statement

## Compliance with legal requirements

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1. This Annex records the FCA's compliance with a number of legal requirements applicable to the proposals in this consultation, including an explanation of the FCA's reasons for concluding that our proposals in this consultation are compatible with certain requirements under the Financial Services and Markets Act 2000 (FSMA).
2. When consulting on new rules, the FCA is required by section 138I(2)(d) FSMA to include an explanation of why it believes making the proposed rules (a) is compatible with its general duty, under section 1B(1) FSMA, so far as reasonably possible, to act in a way which is compatible with its strategic objective and advances one or more of its operational objectives, (b) so far as reasonably possible, advances the secondary international competitiveness and growth objective, under section 1B(4A) FSMA, and (c) complies with its general duty under section 1B(5)(a) FSMA to have regard to the regulatory principles in section 3B FSMA. The FCA is also required by s 138K(2) FSMA to state its opinion on whether the proposed rules will have a significantly different impact on mutual societies as opposed to other authorised persons.
3. This Annex also sets out the FCA's view of how the proposed rules are compatible with the duty on the FCA to discharge its general functions (which include rule-making) in a way which promotes effective competition in the interests of consumers (section 1B(4)). This duty applies in so far as promoting competition is compatible with advancing the FCA's consumer protection and/or integrity objectives.
4. In addition, this Annex explains how we have considered the recommendations made by the Treasury under s 1JA FSMA about aspects of the economic policy of His Majesty's Government to which we should have regard in connection with our general duties.
5. This Annex includes our assessment of the equality and diversity implications of these proposals.
6. Under the Legislative and Regulatory Reform Act 2006 (LRRRA) the FCA is subject to requirements to have regard to a number of high-level 'Principles' in the exercise of some of our regulatory functions and to have regard to a 'Regulators' Code' when determining general policies and principles and giving general guidance (but not when exercising other legislative functions like making rules). This Annex sets out how we have complied with requirements under the LRRRA.

## The FCA's objectives and regulatory principles: Compatibility statement

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- 7.** Our proposed framework for pension dashboard service firms, including the proposals in this paper, are primarily intended to advance the FCA's operational objective of consumer protection.
- 8.** In particular, our proposed choices architecture requirements advance our consumer protection objective by supporting the consumer to be in control of their dashboard journey, understand the difference between the environments they are navigating and exercise appropriate care when viewing material outside the regulated dashboard space. In considering what degree of protection for consumers might be appropriate, we have had regard in this consultation to the 8 matters listed in s. 1C(2)(a)(h) FSMA.
- 9.** Our proposals are also relevant to the FCA's objectives of promoting competition. We have had regard in this consultation to the 5 matters listed in s. 1E(2)(a)(e) FSMA and consider our proposals to be compatible with our competition objective. The proposed choices architecture requirements and revised data export proposals in this paper contribute to the ability of our overall proposed regulatory framework for PDS firms to promote competition in the interest of consumers. Our proposed rules aim to ensure that firms equip consumers with the information dashboards make available. Our proposed rules, which enable consumers to navigate the choices available to them as next steps (including guidance, advice and post-view services), could help drive effective competition and innovation by increasing pressure on providers and advisers to ensure their products and services offer value for money and meet consumers' needs and demands.
- 10.** We have also had regard to the FCA's duty to promote effective competition in the interest of consumers under s.1(b)(4). Our proposals in Chapter 5 are designed to ensure that all persons with the investment advice permission can (with consumer consent) access users' dashboard data on the same terms, supporting a level playing field in the advice market. We expect this to advance our competition objective by promoting consumer choice in the advice market.
- 11.** We consider our proposals contribute to the ability of the overall framework to comply with the FCA's secondary objective in advancing international competitiveness and growth objective. Our proposals contribute to the intended outcomes of the regulatory framework which is designed to allow firms to compete based on the cost and quality of their advice services. This, in turn, may drive sustainable economic growth. More generally, pensions dashboards are designed to drive greater levels of consumer engagement, which has the potential to increase effective competition in adjacent markets, specifically among pension providers and firms offering advice and guidance.
- 12.** We consider these proposals are proportionate and, as part of the overall framework, could facilitate the international competitiveness and growth of the UK economy. By taking a proportionate regulatory approach in issuing the proposed perimeter guidance, firms benefit from a better understanding of the regulatory requirements, helping them save costs in the long run. When considered alongside our framework proposals in CP22/25, the proposals in this paper ultimately facilitate engagement with pensions, innovation in digital markets and competition in the interests of consumers.

13. We consider these proposals are compatible with the FCA's strategic objective of ensuring that the relevant markets function well because they will drive higher service standards, provide greater consumer protection and promote competition. Clarifying the regulatory perimeter is consistent with ensuring efficient and resilient markets and greater transparency for all participants. For the purposes of the FCA's strategic objective, 'relevant markets' are defined by section 1F FSMA.
14. We have had regard to the Treasury's recommendations in the remit letter published by the Chancellor of the Exchequer on 8th December 2022. As set out within this Consultation Paper and Annex, we consider the proposals in this paper will contribute to the ability of our wider framework for PDS firms to foster effective competition and innovation while protecting consumers from harm.
15. In preparing the proposals set out in this consultation, the FCA has had regard to the regulatory principles set out in s 3B FSMA.

### **The need to use our resources in the most efficient and economic way**

16. We have largely based our rules for PDS firms on where potential harm may emerge in this new market. This allows us to use our resources in the most efficient way.
17. Our proposed perimeter guidance will better enable industry participants to understand the scope of the regulated activity and to plan and prepare for the FCA authorisation process accordingly. This should result in a more effective and efficient authorisation gateway assessment process thus minimising the number of applications that need to be rejected, withdrawn, refused or delayed. Driving efficiency in this way helps ensure that the primary focus of the authorisations process remain on preventing harm by identifying poor practice and bad actors at the gateway.

### **The principle that a burden or restriction should be proportionate to the benefits**

18. We have had regard to this principle and considered the impact of proposals on both firms and consumers. We have undertaken a cost benefit analysis (CBA) of our proposals, which is included in Annex 2. We consider the costs are proportionate to the benefits.

### **The general principle that consumers should take responsibility for their decisions**

19. Our proposals have regard to this principle and evidenced by the requirement for PDS firms to clearly communicate necessary information to consumers at the right stage in the customer journey. Our choices architecture requirement proposals aim to support consumers to be in control of their dashboard journey so they are better informed when navigating a PDS and what they go on to view beyond the regulated dashboard space. Our proposals will allow consumers will remain responsible for their decisions but be in a position to make effective choices or act in their own interests.

### **The desirability of recognising differences in the nature of, and objectives of, businesses carried on by different persons including mutual societies and other kinds of business organisation**

20. We have had regard to this principle and do not believe that our proposals are relevant for this principle. Our proposals do not discriminate between different business models. This is intended to ensure a level playing field for all firms in the market.

### **The desirability of publishing information relating to persons subject to requirements imposed under FSMA, or requiring them to publish information**

21. We have had regard to this principle and do not believe that our proposals undermine it.

### **The principle that we should exercise our functions as transparently as possible**

22. We have engaged regularly, and worked closely, with other delivery partners in the Government led pensions dashboard initiative, including the Department for Work and Pensions (DWP), the Pensions Dashboards Programme (PDP), the Money and Pensions Service (MaPS) and the Treasury. We have also engaged with consumer protection representatives and industry while shaping our proposals and we will continue to do so as part of this consultation process before making final rules.

## **Financial crime**

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23. In formulating these proposals, the FCA has had regard to the importance of taking action intended to minimise the extent to which it is possible for a business carried on (i) by an authorised person or a recognised investment exchange; or (ii) in contravention of the general prohibition, to be used for a purpose connected with financial crime (as required by s 1B(5)(b) FSMA).

## **Expected effect on mutual societies**

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24. The FCA does not expect the proposals in this paper to have a significantly different impact on mutual societies than any other PDS firm or present them with any more or less burden than other PDS firms.

## **Equality and diversity**

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25. We are required under the Equality Act 2010 in exercising our functions to 'have due regard' to the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by or under the Act, advance equality of opportunity between persons

who share a relevant protected characteristic and those who do not, and foster good relations between people who share a protected characteristic and those who do not.

- 26.** As part of this, we ensure the equality and diversity implications of any new policy proposals are considered. The outcome of our consideration in relation to these matters in this case is stated in paragraph 2.30-2.34 of the Consultation Paper.

## **Legislative and Regulatory Reform Act 2006 (LRRRA)**

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- 27.** We have had regard to the principles in the LRRRA for the parts of the proposals that consist of general policies, principles or guidance. We consider that the proposals are proportionate and promote our operational objectives of consumer protection and effective competition, as well as our strategic objective to ensure that markets function well. We consider that the proposals will result in an appropriate level of consumer protection without creating undue burdens on the industry or adversely affecting competition. The proposed perimeter guidance should help promote transparency and consistency in authorisation and supervision of firms, in line with our obligations under Part 2 of the LRRRA.
- 28.** We have had regard to the Regulators' Code for the parts of the proposals that consist of general policies, principles or guidance and consider that our proposals meet the following principles, that regulators should:
- carry out their activities in a way that supports those they regulate to comply and grow
  - base their regulatory activities on risk
  - ensure clear information, guidance and advice is available to help those they regulate meet their responsibilities to comply
  - ensure that their approach to their regulatory activities is transparent

## Annex 4

# List of respondents

1. We are obliged to include a list of the names of respondents to our Consultation Paper 22/25 who have consented to the publication of their name. That list is as follows:

Abaka  
Association of British Insurers  
Aegon  
AgeWage  
AJ Bell  
Association of Pension Lawyers  
Aviva  
Bravura  
BT Pension Scheme Management  
Fidelity International  
Financial Services Consumer Panel  
Iress  
Laverock Financial Consulting  
Legal and General  
Moneyhub  
National Pension Trust  
Nest Corporation  
Pensions Administration Standards Association  
Pensions Management Institute  
People's Partnership (B&CE)  
Phoenix Group  
Pensions and Lifetime Savings Association  
Royal London  
Sackers and Partners LLP  
Scottish Widows  
Smart Pension  
The Money Charity  
The Society of Pension Professionals  
The Investing and Saving Alliance  
Which?  
Willis Towers Watson

## Annex 5

# Abbreviations in this document

<b>Abbreviation</b>	<b>Description</b>
<b>AGBR</b>	Advice Guidance Boundary Review
<b>CBA</b>	Cost Benefit Analysis
<b>CP</b>	Consultation paper
<b>CP22/25</b>	<u>CP22/25: Proposed regulatory framework for pensions dashboard service firms</u>
<b>DWP</b>	Department for Work and Pensions
<b>ESG</b>	Environmental, social and governance
<b>FSMA</b>	Financial Services and Markets Act 2000
<b>LRRA</b>	Legislative and Regulatory Reform Act 2006
<b>MaPS</b>	Money and Pensions Service
<b>PDCOB</b>	Pensions Dashboard Conduct of Business sourcebook
<b>PDP</b>	Pensions Dashboards Programme
<b>PDS</b>	Pensions Dashboard Service
<b>PERG</b>	Perimeter Guidance Manual
<b>RAO</b>	Regulated Activities Order
<b>SYSC</b>	Senior Management Arrangements, Systems and Controls sourcebook
<b>UK GDPR</b>	UK General Data Protection Regulation

We make all responses to formal consultation available for public inspection unless the respondent requests otherwise. We will not regard a standard confidentiality statement in an email message as a request for non-disclosure.

Despite this, we may be asked to disclose a confidential response under the Freedom of Information Act 2000. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by the Information Commissioner and the Information Rights Tribunal.

We are obliged to list the names of respondents, which is a matter separate from any request for the content of a response to be kept confidential. However, we will only publish the name of a respondent to a consultation where that respondent has consented to the publication of their name.

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# Appendix 1

## Draft Handbook text

## PENSIONS DASHBOARD SERVICE INSTRUMENT 2024

### Powers exercised by the Financial Conduct Authority

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137A (The FCA’s general rules);
  - (2) section 137T (General supplementary powers);
  - (3) section 139A (Power of the FCA to give guidance); and
  - (4) section 226 (Compulsory jurisdiction).
- B. The rule-making provisions listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.
- C. The FCA consents to and approves the rules and guidance and standard terms made and amended and fixed and varied by the Financial Ombudsman Service Limited, as set out at Annex G.

### Powers exercised by the Financial Ombudsman Service Limited

- D. The Financial Ombudsman Service Limited makes and amends the rules and guidance for the Voluntary Jurisdiction and fixes and varies the standard terms for Voluntary Jurisdiction participants, as set out in Annex G to this instrument, in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 227 (Voluntary jurisdiction);
  - (2) paragraph 8 (Information, advice and guidance) of Schedule 17;
  - (3) paragraph 18 (Terms of reference to the scheme) of Schedule 17; and
  - (4) paragraph 20 (Voluntary jurisdiction rules: procedure) of Schedule 17.
- E. The making and amendment of the rules and guidance and the fixing and varying of the standard terms by the Financial Ombudsman Service Limited, as set out at paragraph D above, is subject to the consent and approval of the Financial Conduct Authority (“the FCA”).

### Commencement

- F. This instrument comes into force on *[date]*.

### Amendments to the Handbook

- G. The modules of the FCA’s Handbook of rules and guidance listed in column (1) below are amended in accordance with the Annexes to this instrument listed in column (2) below.

(1)	(2)
Glossary of definitions	Annex A
Principles for Business sourcebook (PRIN)	Annex B
Senior Management Arrangements, Systems and Controls sourcebook (SYSC)	Annex C
Fees manual (FEES)	Annex D
Supervision manual (SUP)	Annex F
Dispute Resolution: Complaints sourcebook (DISP)	Annex G

### **Amendments to material outside the Handbook**

- H. The Perimeter Guidance manual (PERG) is amended in accordance with Annex H to this instrument.

### **Making the Pensions Dashboards: Conduct of Business sourcebook (PDCOB)**

- I. The FCA makes the rules and gives the guidance in accordance with Annex E to this instrument.
- J. The Pensions Dashboards: Conduct of Business sourcebook (PDCOB) is added to the Business Standards block within the Handbook, immediately after FPCOB.

### **Notes**

- K. In the Annexes to this instrument, the notes (indicated by “**Note:**” and “*Editor’s note:*”) are included for the convenience of readers but do not form part of the legislative text.

### **Citation**

- L. This instrument may be cited as the Pensions Dashboard Service Instrument 2024.

By order of the Board of the Financial Conduct Authority  
[date]

By order of the Board of the Financial Ombudsman Service Limited  
[date]

## Annex A

## Amendments to the Glossary of definitions

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

Insert the following new definitions in the appropriate alphabetical position. The text is not underlined.

<i>Dashboard Regulations</i>	means the Pensions Dashboards Regulations 2022.
<i>data export</i>	(in <i>PDCOB</i> ) the service by which a <i>customer's pensions dashboard view data</i> is transferred outside the <i>MaPS pensions dashboard ecosystem</i> .
<i>data export to the firm</i>	(in <i>PDCOB</i> ) <i>data export to a firm</i> in accordance with <i>PDCOB 11.2.1R(2)</i> .
<i>PDCOB</i>	Pensions Dashboards: Conduct of Business sourcebook.
<i>pensions dashboard platform</i>	means: <ul style="list-style-type: none"> <li>(1) <i>view services</i>; and</li> <li>(2) (where applicable) <i>permitted dashboard services</i>.</li> </ul>
<i>permitted dashboard service</i>	means: <ul style="list-style-type: none"> <li>(1) <i>data export</i>; and</li> <li>(2) <i>post-view services</i> that: <ul style="list-style-type: none"> <li>(a) are provided by a <i>firm</i> with the <i>permission</i> to carry on <i>regulated pensions dashboard activity</i>; and</li> <li>(b) meet the requirements of <i>PDCOB 12.3.1R(1)</i>.</li> </ul> </li> </ul>
<i>post-view services</i>	services, other than <i>data export</i> , provided after the <i>view services</i> that a <i>customer</i> accesses via the <i>qualifying pensions dashboard service</i> .
<i>regulated pensions dashboard activity</i>	the <i>regulated activity</i> in article 89BA of the <i>Regulated Activities Order</i> .
<i>third party dashboard access provider</i>	a <i>person</i> that does not have <i>permission</i> to carry on <i>regulated pensions dashboard activity</i> , that under an arrangement with a <i>firm</i> that does have <i>permission</i> to carry on <i>regulated pensions dashboard activity</i> ,

makes available to a *customer* a *pensions dashboard platform*, for which the *firm* is responsible.

*third party dashboard arrangement*

an arrangement, entered into by a *firm* with *permission* to carry on *regulated pensions dashboard activity*, under which another *person*, that does not have permission to carry on *regulated pensions dashboard activity* makes a *pensions dashboard platform*, for which the *firm* is responsible, available to a *customer*.

*view services*

services providing the display of *pensions dashboard view data* by a *firm* carrying on *regulated pensions dashboard activity*.

Amend the following definitions as shown.

*core capital resources requirement*

...

- (2) for a *firm* with a *Part 4A permission* to carry on *funeral plan distribution* to which *FPCOB 15* applies and that does not also carry on any other *regulated funeral plan activity*, the requirement specified in *FPCOB 15.6.1R*; ~~or~~
- (3) for a *firm* with a *Part 4A permission* to carry on any other *regulated funeral plan activity* to which *FPCOB 15* applies, the requirement specified in *FPCOB 15.5.1R*;
- (4) for a *firm* with a *Part 4A permission* to carry on *regulated pensions dashboard activity* to which *PDCOB* applies, the requirement specified in *PDCOB 13.5.1R*; or
- (5) for a *firm* to which *PDCOB* applies that also has a *Part 4A permission* to carry on other *regulated activities*, the requirement specified in *PDCOB 13.6.1R*.

*customer*

...

- (B) in the *FCA Handbook*:
  - (1) (except in relation to *SYSC 19F.2*, *ICOBS*, *retail premium finance*, a *credit-related regulated activity*, *regulated claims management activity*, *regulated funeral plan activity*, *regulated pensions dashboard activity*, *MCOB 3A*, an *MCD credit agreement*, *CASS 5*, *PRIN* in relation to *MiFID* or equivalent *third country business*, *DISP 1.1.10-BR*, *PROD 1.4* and *PROD 4*) and in relation to *payment services* and issuing *electronic money* (where not a *regulated activity*) a *client* who is not an *eligible counterparty* for the relevant purposes.

		...
		(9) ...
		(10) <u>(in relation to regulated pensions dashboard activity) a pensions dashboard user or a potential pensions dashboard user.</u>
<i>customer's best interests rule</i>	(1)	...
	(-2)	<u>(in relation to regulated pensions dashboard activity) PDCOB 2.1.1R.</u>
		...
<i>fair, clear and not misleading rule</i>		...
	(2)	...
	(-3)	<u>(in relation to regulated pensions dashboard activity) PDCOB 4.2.1R.</u>
		...
<i>general solvency requirement</i>	(1)	<u>(in relation to regulated funeral plan activity) the requirement specified in FPCOB 15.2.1R.</u>
	(2)	<u>(in relation to regulated pensions dashboard activity) the requirement specified in PDCOB 13.2.1R.</u>
<i>individual capital guidance</i>	(1)	(other than in (2) and (3)) <i>guidance</i> given to a <i>firm</i> about the amount and quality of capital resources that the <i>appropriate regulator</i> thinks the <i>firm</i> should hold at all times under the <i>overall financial adequacy rule</i> as it applies on a solo level or a consolidated level.
	(2)	...
	(3)	<u>(in PDCOB 13) guidance given to a firm about the amount and quality of capital resources that the FCA thinks the firm should hold at all times under PDCOB 13.2.1R (General solvency requirement).</u>
<i>individual liquidity guidance</i>		...
	(2)	...
	(3)	<u>(in PDCOB 13) guidance given to a firm about the amount and quality and funding profile of liquidity resources that the</u>

FCA thinks the firm should hold at all times under PDCOB 13.2.1R (General solvency requirement).

...

*pensions dashboard  
find data*

(1) (in COBS 19.11) data which enables ~~pensions dashboard matching~~ the pensions dashboard matching process to take place, comprising:

...

(c) any other data elements that the *Money and Pensions Service* may add as part of the services that it provides.

(2) (in PDCOB)

(a) data which enables the *pensions dashboard matching process* to take place, comprising:

(i) *pensions dashboard verified identity attributes;*

(ii) *pensions dashboard self-asserted data elements; and*

(iii) *any other data elements that the *Money and Pensions Service* may add as part of the services that it provides; or*

(b) 'find data' as defined in Schedule 1 of the *Dashboard Regulations*, as applicable.

*pensions dashboard  
standards*

(1) (in COBS 19.11) standards, specifications or technical requirements published by the *money and pensions service* from time to time for the purpose of section 137FAA(4) of the *Act* comprising of the following matters in relation to any part of the *MaPS pensions dashboards ecosystem*:

...

(f) data.

(2) (in PDCOB and PERG 12A) standards, specifications or technical requirements published by the *money and pensions service* from time to time for the purpose of section 137FAA(4) of the *Act* comprising of the following matters in relation to any part of the *MaPS pensions dashboards ecosystem*:

(a) connection and security;

(b) technical;

- (c) service;
- (d) operational;
- (e) reporting;
- (f) data; and
- (g) design.

*pensions dashboard user* a consumer who is using a *pensions dashboard service* (either directly or via a delegate as defined under Regulation 8(7) of the *Dashboard Regulations*) to locate information in relation to their pensions.

*pensions dashboard view data* (1) (in COBS 19.11) the data comprising:

...

(d) *contextual information.*

(2) (in PDCOB) the data comprising the information that must be displayed on a *qualifying pensions dashboard service* under Regulations 8, 9 and 10 of the *Dashboard Regulations*.

*regulated activity* ...

(B) in the *FCA Handbook*: (in accordance with section 22 of the *Act* (Regulated activities)) the activities specified in Part II (Specified activities), Part 3A (Specified activities in relation to information) and Part 3B (Claims management activities in Great Britain) of the *Regulated Activities Order*, which are, in summary:

...

(tu) advice, investigation or representation in relation to a criminal injury claim (article 89L); ~~and~~

(tv) advice, investigation or representation in relation to an employment-related claim (article 89M); and

(tw) *regulated pensions dashboard activity* (article 89BA);

...

## Annex B

### Amendments to the Principles for Business sourcebook (PRIN)

In this Annex, underlining indicates new text and striking through indicates deleted text.

#### 3 Rules about application

...

#### 3.2 What?

3.2.1A R *PRIN* (other than *Principle 12* and *PRIN 2A*) applies with respect to the carrying on of:

...

- (3) *ancillary activities* in relation to *designated investment business*, *home finance activity*, *regulated funeral plan activity*, *credit-related regulated activity*, *insurance distribution activity*, *regulated pensions dashboard activity* and *accepting deposits*; and

...

...

#### 3.4 General

Clients and the Principles

3.4.-1 R *PRIN 3.4.1R*, *PRIN 3.4.2R* and *PRIN 1 Annex 1* do not apply with respect to:

...

- (4) ...

- (-5) *regulated pensions dashboard activity*; or

...

...

## Annex C

### Amendments to the Senior Management Arrangements, Systems and Controls sourcebook (SYSC)

In this Annex, underlining indicates new text and striking through indicates deleted text.

#### 1 Application and purpose

...

#### 1 Annex Detailed application of SYSC

1

...

Part 2	Application of the common platform requirements (SYSC 4 to 10)		
...			
2.10	R	The provisions on record-keeping in SYSC 9 and articles 21 and 72 of the <i>MiFID Org Regulation</i> apply as set out in SYSC 1 Annex 1.2.8R and SYSC 1 Annex 1.2.8AR, except that they only apply to the carrying on of <i>ancillary activities</i> that are performed in relation to:	
		...	
		(4)	<i>credit-related regulated activity</i> ;
		(5)	<i>regulated pensions dashboard activity</i> .
...			

Part 3	Tables summarising the application of the common platform requirements to different types of firm		
...			

**Table A: Application of the common platform requirements in SYSC 4 to SYSC 10**

Provision SYSC 4	COLUMN A Application to a common platform firm other than to a	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs,

	UCITS investment firm			managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
...				
SYSC 4.1.5R	...			
<u>SYSC 4.1.5AR</u>	<u>Not applicable</u>	<u>Not applicable</u>	<u>Not applicable</u>	<u>Applies as a rule only to a firm carrying on regulated pensions dashboard activity</u>
<u>SYSC 4.1.5BR</u>	<u>Not applicable</u>	<u>Not applicable</u>	<u>Not applicable</u>	<u>Applies as a rule only to a firm carrying on regulated pensions dashboard activity</u>
<u>SYSC 4.1.5CR</u>	<u>Not applicable</u>	<u>Not applicable</u>	<u>Not applicable</u>	<u>Applies as a rule only to a firm carrying on regulated pensions dashboard activity</u>
...				

Provision SYSC 6	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the
---------------------	---	--	--	--

				Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
...				
SYSC 6.3.9R	Rule	Rule	Rule	<p>Rule</p> <p>For <i>firms</i> carrying on a <i>credit-related regulated activity</i> or <i>regulated claims management activity</i>, or <i>operating an electronic system in relation to lending</i>, applies only where the <i>Money Laundering Regulations</i> apply to the <i>firm</i>. Rule does not apply to a <i>firm</i> for which a professional body listed in Schedule 1 to the <i>Money Laundering Regulations</i>, and not the <i>FCA</i>, acts as the supervisory authority for the purposes of those regulations. (FCA Handbook</p>

				only). <u>Rule does not apply to a firm carrying on regulated pensions dashboard activity.</u>
...				

...

### 3 Systems and controls

...

#### 3.2 Areas covered by systems and controls

...

##### Investment strategy and investment decision making

3.2.23 G ...

##### **Operators of pensions dashboard services: security, integrity and confidentiality**

3.2.24 R A firm carrying on regulated pensions dashboard activity must comply with the requirements set out in SYSC 4.1.5AR, SYSC 4.1.5BR and SYSC 4.1.5CR as if those rules applied to firms to which SYSC 3 applies.

...

### 4 General organisational requirements

#### 4.1 General requirements

...

Mechanisms and procedures for a firm

...

4.1.5 R ...

##### **Operators of pensions dashboard services: security, integrity and confidentiality**

4.1.5A R A firm carrying on regulated pensions dashboard activity must establish, implement and maintain systems and procedures that are adequate to safeguard the security, integrity and confidentiality of any personal or

pensions information held by the *firm*, taking into the account the nature of the information in question.

4.1.5B R A *firm* carrying on regulated pensions dashboard activity must keep appropriate records to demonstrate compliance with SYSC 4.1.5AR.

4.1.5C R (1) If there is an incident which may compromise the security, integrity and confidentiality of any personal or pensions information held by the *firm*, the *firm* must immediately notify the *FCA* using the relevant form in Connect.

(2) A notification under (1) must contain:

(a) a description of the incident;

(b) the time of the incident (where known); and

(c) a description of the steps the *firm* is taking since being made aware of the incident (where applicable).

...

## 23 Senior managers and certification regime: Introduction and classification

...

### 23.2 Definitions and types of firms

...

23.2.3 G Broadly speaking, *firms* covered by the senior managers and certification regime that are regulated by the *FCA* are divided into three categories:

...

(3) *Firms* whose business is limited to certain types. These are called “*limited scope SMCR firms*”. A large number of *firms* will be in this category. The main examples are:

...

(f) a *firm* that only has *permission* for benchmark activities and has the benefit of a *waiver* treating it as a *limited scope SMCR firm* as described in SYSC 23 Annex 1 6.12R (Benchmark firms: Waiver applying limited scope status); ~~and~~

(g) a *firm* that only has *permission* for funeral plan distribution; ~~and~~

(h) a *firm* that only has *permission* for regulated pensions dashboard activity and, if applicable, making arrangements with a view to transactions in investments which has a limitation to activities which are *post-view services* as permitted under PDCOB 10.

...

**23 Definition of SMCR firm and different types of SMCR firms**  
**Annex 1**

...

Part Six: Definition of limited scope SMCR firm			
...			
6.27	G	...	
<u>Pensions dashboard service</u>			
6.28	R	<u>A firm is a limited scope SMCR firm if it meets the following conditions:</u>	
		(1)	<u>it has permission to carry on regulated pensions dashboard activity; and</u>
		(2)	<u>either:</u>
		(i)	<u>it does not have permission to carry on any other regulated activity; or</u>
		(ii)	<u>it does not have permission to carry on any other regulated activity except for:</u>
		(a)	<u>permission to carry on making arrangements with a view to transactions in investments which has a limitation to activities which are post-view services as permitted under PDCOB 10; and/or</u>
		(b)	<u>permission for agreeing to carry on a regulated activity in respect of regulated pensions dashboard activity.</u>
6.29	G	<u>The FCA considers that, if a firm offers post-view services as permitted under PDCOB 10, the firm may need permission to carry on the regulated activity of making arrangements with a view to transactions in investments which has a limitation to activities which are post-view services as permitted under PDCOB 10. In that scenario, the firm will be a limited scope SMCR firm if it meets the requirement in SYSC 23 Annex 1 6.28R.</u>	
...			

## Annex D

### Amendments to the Fees manual (FEES)

In this Annex, underlining indicates new text and striking through indicates deleted text.

#### 3 Application, Notification and Vetting Fees

...

#### 3 Annex Authorisation fees payable 1R

...

Part 2 – Pricing categories applicable to applications made in the following activity groupings in the A, B, C, CC and CMC fee blocks

Activity grouping	Description	Applicable pricing category in FEES 3 Annex 1AR
...		
A.23	...	
<u>A.24</u>	<u>Carrying on regulated pensions dashboard activity</u>	<u>5</u>
...		

...

#### 4 Periodic fees

...

#### 4.2 Obligation to pay periodic fees

...

Calculating all other fees in the second and subsequent years of authorisation where a full year of tariff data is not available

...

- 4.2.7K R Where the measure is not cumulative (e.g. the number of traders for fee-block A10), the *firm* must use the figure relating to the valuation date specified in *FEES* 4 Annex 1R Part 5 (e.g. 31 December for A10). Table A

sets out the reporting requirements for the key fee-blocks when full actual data is not available:

Table A: calculating tariff data for second and subsequent years of authorisation when full trading figures are not available

Fee-block	Tariff base	Calculation where trading data are not available
...		
A.23	...	
<u>A.24</u>	<u>Flat fee</u>	<u>Not applicable</u>
...		

...

**4 Annex FCA activity groups, tariff bases and valuation dates  
1AR**

Part 1

This table shows how the *FCA* links the *regulated activities* for which a *firm* has *permission* to activity groups (fee-blocks). A *firm* can use the table to identify which fee-blocks it falls into based on its *permission*.

Activity group	Fee payer falls into the activity group if:
...	
<b>A.23 Funeral plan intermediaries and funeral plan providers</b>	...
<b><u>A.24 Pensions dashboard firms</u></b>	<u>Its permissions include carrying on regulated pensions dashboard activity.</u>
...	

Part 3

This table indicates the tariff base for each fee-block set out in Part 1.

The tariff base in this Part is the means by which the *FCA* measures the amount of business conducted by a *firm* for the purposes of calculating the annual periodic fees payable to the *FCA* by that *firm*.

Activity group	Tariff base
...	
<b>A.23</b>	...
<b><u>A.24</u></b>	<u>Not applicable.</u>
...	

Part 5

This table indicates the valuation date for each fee-block. A *firm* can calculate its tariff data in respect of fees payable to the *FCA* by applying the tariff bases set out in Part 3 with reference to the valuation dates shown in this table.

Activity group	Valuation date
<p>IN THIS TABLE, REFERENCES TO SPECIFIC DATES OR MONTHS ARE REFERENCES TO THE LATEST ONE OCCURRING BEFORE THE START OF THE PERIOD TO WHICH THE FEE APPLIES, UNLESS OTHERWISE SPECIFIED - E.G. FOR 2013/14 FEES (1 APRIL 2013 TO 31 MARCH 2014), A REFERENCE TO DECEMBER MEANS DECEMBER 2012.</p>	
<p>Where a <i>firm</i>'s tariff data is in a currency other than sterling, it should be converted into sterling at the exchange rate prevailing on the relevant valuation date.</p>	
...	
<b>A.23</b>	...
<b><u>A.24</u></b>	<u>Not applicable.</u>
...	

**4 Annex 2AR FCA Fee rates for the period from 1 April 2023 to 31 March 2024**

Part 1

This table shows the tariff rates applicable to each of the fee blocks set out in Part 1 of *FEES* 4 Annex 1AR.

...

Activity group	Fee payable	
...		
A.23	...	
<u>A.24</u>	<u>Flat Fee (£)</u>	
	<u>£10,000</u>	
...		

...

## 5 Financial Ombudsman Service Funding

...

### 5 Annex 1R Annual General Levy Payable in Relation to the Compulsory Jurisdiction for 2023/24

...

#### Compulsory jurisdiction – general levy

Industry block	Tariff base	General levy payable by firm
...		
<i>25 – funeral plan intermediaries and funeral plan providers</i>	...	
<i>26 – firms carrying on regulated pensions dashboard activity</i>	<u>Flat fee</u>	<u>Levy of £65</u>

...

## Annex E

### Pensions Dashboards: Conduct of Business sourcebook (PDCOB)

In this Annex, all of the text is new and is not underlined.

#### 1 Application and purpose

##### 1.1 Application

- 1.1.1 G (1) The Pensions Dashboards: Conduct of Business sourcebook (*PDCOB*) is the specialist sourcebook for *firms* carrying on *regulated pensions dashboard activity*.
- (2) *PDCOB* applies as described in the General Application provisions in *PDCOB* 1.3, unless modified in the manner described in the application provisions of a particular chapter, section or *rule*.
- (3) *PERG* 12A contains general *guidance* on when a *firm* will be carrying on *regulated pensions dashboard activity*. Where a *firm* enters an outsourcing arrangement with a third party, the third party will need to consider whether it is also carrying on *regulated pensions dashboard activity* taking into account the *guidance* in *PERG* 12A.
- 1.1.2 G *Firms* are reminded that they may require *permissions* to carry on *regulated activities* other than *regulated pensions dashboard activity*, in which case *firms* will need to comply with the conduct requirements in the *FCA Handbook* that are relevant to those activities in the usual way.
- 1.1.3 G *Firms* are also reminded that they may need to comply with other conduct of business focused sourcebooks in the *FCA Handbook* (for example, *COBS*) where they also fall within the application provisions of those sourcebooks.

##### 1.2 Purpose

- 1.2.1 G The purpose of *PDCOB* is to set out the detailed obligations that are specific to a *firm* carrying on *regulated pensions dashboard activity* and any related services carried on by that *firm* that are permitted under the *rules* in this sourcebook. *PDCOB* 17 refers to the other high-level obligations in the *FCA Handbook* that apply to such *firms*, for example, *PRIN*, *SYSC* and *GEN*.

##### 1.3 General application

Who? What?

- 1.3.1 R This sourcebook applies to a *firm* in relation to any of the following activities it carries on, offers or allows access to:
- (1) *regulated pensions dashboard activity*;
- (2) any *post-view services*;

- (3) *data export*; and
  - (4) any other activity which could be carried out in a way that is connected to the *qualifying pensions dashboard service*, including:
    - (a) any marketing related to *regulated pensions dashboard activity* or *post-view services*; and
    - (b) any communications related to (1) to (3) above.
- 1.3.2 G For the purposes of *PDCOB* 1.3.1R(1), *firms* are reminded of the *guidance* in *PERG* 12A on when a *firm* will be carrying on *regulated pensions dashboard activity* and who will be considered to be the operator in relation to a particular *qualifying pensions dashboard service* where there is more than one party or *firm* involved.
- 1.3.3 R Where a *firm* involves a *third party dashboard arrangement* in any part of the activities listed in *PDCOB* 1.3.1R, the *rules* in *PDCOB* 9 apply to the *firm*.
- Where?
- 1.3.4 R The sourcebook applies to all *regulated pensions dashboard activity* wherever in the world the *customer* accesses the *pensions dashboard platform*.
- 1.3.5 R A *Gibraltar-based firm* with *permission* for *regulated pensions dashboard activity* must comply with the provisions of *PDCOB* relating to *regulated pensions dashboard activity*.

## **2 General principles**

### **2.1 The customer's best interests rule**

- 2.1.1 R A *firm* must act honestly, fairly and professionally in accordance with the best interests of its *customer* (the *customer's best interests rule*).

### **2.2 Exclusion of liability**

- 2.2.1 R A *firm* must not seek to exclude or restrict, or rely on any exclusion or restriction of any duty or liability it may have to a *customer*, unless:
- (1) it is reasonable for it to do so and it is consistent with the *firm's* obligations under the *customer's best interests rule*; and
  - (2) the duty or liability arises other than under the *regulatory system*.
- 2.2.2 G The general law, including the *CRA*, also limits the scope for a *firm* to exclude or restrict any duty or liability to a *customer*.

### **2.3 Active election by a customer**

- 2.3.1 R In this sourcebook, references to an active election by a *customer* must not be read to include an omission by a *customer*.

- 2.3.2 G A failure by a *customer* to change a default option such as a pre-ticked box on a website is an example of an omission by a *customer* for the purposes of *PDCOB 2.3.1R*.

## 2.4 Inducements

- 2.4.1 R A *firm* must not pay or accept any fee or commission, or provide or receive any non-monetary benefit, unless the payment or acceptance of the fee or commission, or provision or receipt of the non-monetary benefit, would not impair compliance with the *firm's* duty to act in accordance with the *customer's best interest rule*.
- 2.4.2 G (1) *Principle 8* requires a *firm* to manage conflicts of interest fairly, both between itself and its *customers* and between a *customer* and another *customer*. This principle extends to soliciting or accepting inducements where this would conflict with a *firm's* duties to its *customers*. A *firm* that offers such inducements should consider whether doing so conflicts with its obligations under:
- (a) *Principle 1* to act with integrity;
  - (b) *Principle 12* to act to deliver good outcomes for *retail customers*; and
  - (c) the *customer's best interests rule*.
- (2) An inducement is a benefit offered to a *firm*, or any *person* acting on its behalf, with a view to that *firm*, or that *person*, adopting a particular course of action. This can include, but is not limited to, cash, cash equivalents, *commission*, goods, hospitality or training programmes.
- (3) *Firms* should also refer to the *rules* on charging for the *qualifying pensions dashboard service* and *post-view services* (*PDCOB 2.5* and *PDCOB 12.4.1R* to *12.4.3R*).

## 2.5 Restrictions on charging in relation to dashboard services

- 2.5.1 G *Firms* are reminded that the *Dashboard Regulations* require that *view services* must be provided without charge.

Prohibition on charging other than for permitted dashboard services

- 2.5.2 R A *firm* must not impose a charge on a *customer* for any service other than for a *permitted dashboard service*.

Prohibition on charging by other parties

- 2.5.3 R A *firm* must not permit any other *person* to charge in relation to any services on or from the *firm's pensions dashboard platform*.

Prohibition on providing a service for which a charge is payable without active election

- 2.5.4 R A *firm* must not impose a charge on a *customer* for a *permitted dashboard service*, or enter into an agreement with a *customer* under which a charge is, or may become, payable for a *permitted dashboard service*, unless the *customer* has actively elected to receive that service and pay that charge.
- 2.5.5 R A *firm* must not invite or induce a *customer* to receive services for which a charge will be, or may become, payable if the *firm* knows or has reasonable cause to suspect that the services are not *permitted dashboard services* or that an active election to be charged is unlikely to be made.

Impact of auto-renewals on active election

- 2.5.6 R If, under the terms and conditions of a *permitted dashboard service* there is to be an automatic renewal of the agreement on substantially the same terms, it suffices for the purposes of *PDCOB 2.5.4R* if the *customer* actively elects before entering into the initial agreement or a preceding renewal to obtain the *permitted dashboard service*.
- 2.5.7 R An automatic renewal of the agreement is not to be regarded as being on substantially the same terms if, following the renewal, a charge, or a significant charge, will or may become payable for the *permitted dashboard service* for the first time (in which case, *PDCOB 2.5.4R* applies at the time of the renewal).

Meaning of charge

- 2.5.8 R For the purposes of this section, a charge includes any direct or indirect financial or non-financial consideration of any kind, whether payable to the *firm* or any other *person*.
- 2.5.9 G *Firms* are reminded that a similar prohibition on opt-out selling of add-on products is imposed by the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (available at <https://www.legislation.gov.uk/ukxi/2013/3134>) in relation to additional payments under a contract where the main sale is not a financial service or product.

### **3 What is a firm permitted to do?**

#### **3.1 Permitted offers to customers**

- 3.1.1 R A *firm* is only permitted to offer to *customers*:
- (1) *view services*;
  - (2) *data export* in accordance with *PDCOB 11*; and
  - (3) *permitted post-view services*.

- 3.1.2 G Whilst a *firm* must provide *view services* as part of *regulated pensions dashboard activity*, *data export* and *post-view services* are optional activities that a *firm* may choose to provide.

### 3.2 Other permitted activities

- 3.2.1 R A *firm* is only permitted to undertake the following other activities:
- (1) communications in relation to *PDCOB* 3.1.1R(1) to (3) amounting only to:
    - (a) information which the *firm* is required to display by law, including information under the *Dashboard Regulations*; and
    - (b) communications which the *firm* is permitted or required to make under *PDCOB* or other *rules*;
  - (2) the placement of advertisements as permitted under *PDCOB* 6.3 to *PDCOB* 6.4;
  - (3) other marketing activities as permitted under *PDCOB* 7;
  - (4) entry into a *third party dashboard arrangements* in accordance with *PDCOB* 9; and
  - (5) other activities necessary for the proper functioning of the activities in *PDCOB* 3.1.1R(1) and, where applicable, *PDCOB* 3.1.1R(2) and (3), including those required under *PDCOB* and other *rules*.

## 4 Communications: General Principles applying to all communications

### 4.1 Application

- 4.1.1 R This chapter applies with respect to a *firm*'s communications in relation to a *pensions dashboard platform*.

### 4.2 General principles applicable to all communications: the fair, clear and not misleading rule

- 4.2.1 R A *firm* must ensure that any communication it makes is fair, clear and not misleading.
- 4.2.2 G A *firm* should consider whether the omission of any relevant fact could result in a communication being insufficiently clear or unfair, or could result in the communication being misleading.
- 4.2.3 G If a communication names the *FCA*, the *PRA* or both as the regulator of a *firm* or other provider and refers to matters not regulated by the *FCA*, the *PRA* or both, the *firm* should ensure that the communication makes clear that those matters are not regulated by the *FCA*, the *PRA* or both.

4.2.4 G Part 7 (Offences relating to financial services) of the Financial Services Act 2012 (available at <https://www.legislation.gov.uk/ukpga/2012/21/contents>) creates criminal offences relating to certain misleading statements and practices.

### 4.3 General principles applicable to communications: additional requirements including comprehensibility, prominence and notification of changes

4.3.1 R A *firm* must communicate information:

- (1) in the manner and form most likely to be comprehensible to a *customer*, and in good time, having regard to their expected ability to comprehend information, including the abilities of *customers* with characteristics of vulnerability;
- (2) in English or in any other language agreed by the parties;
- (3) free of charge; and
- (4) prominently.

4.3.2 R The requirement to communicate to the *customer* prominently includes ensuring that the communication is visible and that the communication is accessible to *customers* without requiring them to expand a window or text box.

4.3.3 R A *firm* must notify a *customer* in good time about any material change to any information communicated to the *customer* which is relevant to a service that the *firm* is providing, or is proposing to provide, to that *customer*.

4.3.4 G (1) In determining what constitutes the provision of information ‘in good time’, a *firm* should take into account, having regard to the urgency of the situation, the *customer’s* need for sufficient time to read and understand the information before taking a decision.

(2) A *customer* is likely to require more time to review information given on a complex or unfamiliar service, or a service a *customer* has no experience with, than a *customer* considering a simpler or more familiar service, or where the *customer* has relevant prior experience.

4.3.5 G The *rules* in this sourcebook regarding communications to *customers* do not prescribe the exact wording or formatting of the communications. To comply with the *customer’s best interests rule*, Principle 12, and the *rules* in relation to general communications in this sourcebook, a *firm* should consider the information needs of, and seek to make general communications appropriate and comprehensible for, a *customer* in their target market, including:

- (1) what a *customer* needs in order to understand the relevance of any information provided by the *firm*;

- (2) the point at which information will be most useful to the *customer* to enable them to make an informed decision; and
- (3) the *firm*'s obligations under *PRIN 2A.5*.

#### **4.4 General principles applicable to communications: additional requirements for content to be balanced with appropriate warnings**

- 4.4.1 R A *firm* must ensure that any communication it makes is balanced and contains appropriate risk warnings and, in particular:
- (1) does not emphasise any potential benefits that may be available to *customers* without also giving a fair and prominent indication of any relevant risks or downsides;
  - (2) does not disguise, omit, diminish or obscure important items, statements or warnings; and
  - (3) ensures that any comparisons or contrasts are meaningful and are presented in a fair, balanced way.

#### **4.5 General principles applicable to communications: additional requirements in relation to the use of advertisements**

- 4.5.1 R A *firm* must ensure that advertisements do not have the effect of impairing the quality of the *firm*'s communications, including not concealing or reducing their prominence or allowing for them to give a misleading impression, taking into account the requirements in the *FCA's Handbook*, and the other requirements that a *firm* is subject to under law, including the *Dashboard Regulations*.

#### **4.6 The reasonable steps defence to an action for damages**

- 4.6.1 R If, in relation to a particular communication, a *firm* takes reasonable steps to ensure it complies with the *fair, clear and not misleading rule*, a contravention of that *rule* does not give rise to a right of action under section 138D of the *Act*.

### **5 Disclosure requirements**

#### **5.1 Information about a firm and its services**

- 5.1.1 R Before each time the *firm* directs a *customer* to the *MaPS dashboards digital architecture* to generate *pensions dashboard find data*, the *firm* must provide the *customer* with at least the following:
- (1) the name and address of the *firm*, and the contact details necessary to enable a *customer* to communicate effectively with the *firm*;

- (2) appropriate information about the services offered by the *firm*, including *regulated pensions dashboard activity* and (if applicable) any *data export* and *post-view services*;
- (3) a statement that some pensions may not be displayed on a *qualifying pensions dashboard service* and at least two of the possible reasons;
- (4) a statement of the fact that the *firm* is authorised by the *FCA*;
- (5) if the *firm* has entered into a *third party dashboard arrangement*, a statement of this fact, and the name of the third party that has given the *customer* access to the *pensions dashboard platform*;
- (6) information, or a link to a location containing information, about how a *customer* could register *complaints* about the *firm* with the *firm* and the *Financial Ombudsman Service*;
- (7) if relevant, a statement explaining that the *firm's qualifying pensions dashboard service* does not enable a *customer's* delegate to access that *customer's view data*;
- (8) if relevant, a statement explaining that other *qualifying pensions dashboard services* operated by *other firms* may enable a *customer's* delegate to access that *customer's view data*; and
- (9) any other information which the *firm* deems necessary so that the *customer* is reasonably able to understand the nature of the *pensions dashboard platform* that is being offered.

5.1.2 G A *firm* disclosing details of its authorisation should refer to the appropriate forms of words set out in *GEN 4 Annex 1R*.

5.1.3 G For the purposes of the statement in *PDCOB 5.1.1R(3)*, examples of the reasons why a pension might not be shown on a *qualifying pensions dashboard service* include:

- (1) if a pension provider is not connected to the *MaPS pensions dashboards ecosystem*; or
- (2) if the *customer* is entitled to the present payment of the pension benefits.

## 5.2 Fees disclosure

5.2.1 R Before each time the *firm* directs a *customer* to the *MaPS dashboards digital architecture* to generate *pensions dashboard find data*, the *firm* must inform the *customer* that:

- (1) the *view services* are free of charge; and
- (2) a *fee* may become payable for services other than *view services*, but only for those services which amount to *permitted dashboard services*.

- 5.2.2 G *PDCOB 12.4* applies to a *firm* that imposes a *fee* in connection with any *permitted dashboard service*.
- 5.2.3 R Where a *fee* may become payable for a *permitted dashboard service*, the *firm* must inform the *customer* of the amount of the *fee* before the *customer* incurs a liability to pay the *fee*.

### 5.3 Disclosure warnings about the possibility of scams

- 5.3.1 R On each occasion that the *customer* uses the *pensions dashboard platform*, a *firm* must display a message warning the *customer* that if they are approached by a third party who asks for the *customer's* data or asks to screen share, the *customer* should check who they are dealing with.
- 5.3.2 G *Firms* should consider warning *customers* to use the *Financial Services Register* to check whether a third party that claims to be authorised or exempt is who they say they are.
- 5.3.3 R On each occasion that the *customer* uses the *pensions dashboard platform*, a *firm* must display a message:
- (1) warning the *customer* about the risks of:
    - (a) screen sharing with a third party;
    - (b) giving a third party access to the *customer's* device, including remote access; and
  - (2) explaining that a third party with control of the *customer's* device can access and control more than what is visible on the screen. The *firm* must include one or more examples of what a third party can access remotely on a *customer's* device.
- 5.3.4 G *Firms* should consider whether the messages referred to in *PDCOB 5.3.3R* should:
- (1) remind *customers* that *pensions dashboard view data* is sensitive and valuable and so *customers* should seek to keep their data safe;
  - (2) remind *customers* to think carefully about whether the third party needs to see the information on the screen; and
  - (3) alert *customers* to the potential type of a scam that might occur in relation to a *firm's pensions dashboard platform*, such as:
    - (a) a clone or fake dashboard; or
    - (b) an investment scam.

5.3.5 G For the purposes of *PDCOB* 5.3.3R(2), one of the examples given to a *customer* of what a third party can access remotely should include the *customer's*:

- (1) personal information;
- (2) social media accounts; or
- (3) online banking.

5.3.6 G *Firms* are reminded of the notification requirement relating to scams in *PDCOB* 15.2.

#### **5.4 Disclosure information in relation to view data**

5.4.1 R Immediately prior to the *customer* accessing their *pensions dashboard view data*, a *firm* must communicate to the *customer* the limitations of *pensions dashboard view data*, including that:

- (1) the figures are indicative or estimated and not guaranteed;
- (2) assumptions have been used to calculate the figures;
- (3) figures may change (increase or decrease) and may be influenced by changes in investment performance, contributions and the date the user decides to take their pension;
- (4) *pensions dashboard view data* is supplied for illustrative purposes;
- (5) more up-to-date figures and more details may be available from the pension provider or scheme administrator; and
- (6) all figures are shown before tax.

#### **5.5 Disclosure warnings about decision-making solely in reliance on view data and post-view services**

5.5.1 R A *firm* must communicate to a *customer* each time a *customer* is provided with *view services* or *post-view services* stating that the *customer* should not make a financial decision based solely on the information displayed on the *view services* or (where applicable) *post-view services*.

5.5.2 R Where a *firm* offers *customers* the option of collapsing, hiding or dismissing the warning in *PDCOB* 5.5.1R it must only do so if the *customer* has taken positive action to allow that.

#### **5.6 Other specific disclosures**

5.6.1 G *Firms* are reminded that certain other specific disclosures are only required to be made depending on how the *firm* chooses to operate its business. These disclosures include where the *firm*:

- (1) has entered into *third party dashboard arrangements* (see *PDCOB* 9.6.1R);
- (2) provides *data export* to the *customer* (see *PDCOB* 11.4.1R to *PDCOB* 11.4.2R and *PDCOB* 11.4.6R);
- (3) provides *data export to the firm* (see *PDCOB* 11.5.1R); or
- (4) provides *post-view services* (see *PDCOB* 12.5.1R to *PDCOB* 12.5.2R).

## 5.7 Form of messages

- 5.7.1 G The *rules* in this chapter do not prescribe the form in which messages should be communicated by *firms* to *customers*. *Firms* should consider the most effective and engaging way that they can convey the messages to *customers*.

## 6 Restrictions on advertising permitted on a pensions dashboard

### 6.1 Application

- 6.1.1 R (1) *PDCOB* 6.2 to *PDCOB* 6.4 apply to a *firm* that places advertisements on or around its *pensions dashboard platform*.
- (2) In this sourcebook, reference to the placement of advertisements encompasses the placement of advertisements for services by third parties as well as advertisements for the *firm*'s services.

### 6.2 Purpose

- 6.2.1 G The purpose of the *rules* in this chapter is to ensure that *firms* are only permitted to place certain types of advertisements on a *pensions dashboard platform* and only in a particular manner.

### 6.3 Restriction on types of advertisement

- 6.3.1 R A *firm* must not place advertisements on its *pensions dashboard platform* other than advertisements offering:
- (1) *advising on investments (except pension transfers and pension opt-outs)*; and/or
  - (2) *permitted post-view services*.
- 6.3.2 R Before a *firm* places an advertisement offering *advising on investments (except pension transfers and pension opt-outs)*, the *firm* must check that the *firm* offering those services holds the relevant *permission*.
- 6.3.3 R A *firm* must ensure that an advertisement does not create the impression that the service is an appropriate service for the *customer's* circumstances.

6.3.4 G *Firms* are reminded of the requirements under *COBS 4* that apply to any *financial promotions* in relation to *advising on investments (except pension transfers and pension opt-outs)*.

6.3.5 R Only a *firm* may place advertisements on or around its *pensions dashboard platform*, and must not permit any other *person* to have control over the placement of advertisements.

#### **6.4 Restrictions on manner in which advertisements are placed**

6.4.1 R A *firm* must ensure that the placement and volume of advertisements on or around its *pensions dashboard platform* does not lead to any impairment in a *customer's* ability to get the full benefit of the services available on the *pensions dashboard platform*.

6.4.2 G *Firms* are reminded of the need to ensure that their use of advertisements does not impair the quality of their communications taking into account requirements in *FCA rules (see PDCOB 4)*.

### **7 Restrictions on marketing: permitted tracking technology and use of customer information on a dashboard platform**

#### **7.1 Obligations on firms under general privacy laws**

7.1.1 G *Firms* are reminded of the need to comply with *data protection legislation* and the Privacy and Electronic Communications (EC Directive) Regulations 2003 (PECR).

#### **7.2 Cookies**

7.2.1 R If a *firm* wishes to use cookies, pixels, tags or similar technologies to track *customers*, it must obtain the *customer's* consent for that technology to be used, unless the conditions in *PDCOB 7.2.7R* are satisfied.

7.2.2 R When seeking the *customer's* consent, a *firm* must first properly explain to the *customer*:

(1) the cookies, pixels, tags or other technologies which the *firm* is proposing to use;

(2) the function of any such technology; and

(3) which organisation or *firm* will be using the technology.

7.2.3 R When presenting options for the *customer* to consent to, a *firm* must not give prominence to one option over another.

7.2.4 R The *firm* must provide *customers* with the option of rejecting non-essential cookies.

- 7.2.5 G A *firm* should ensure that the option of rejecting non-essential cookies is as straightforward to select as the option of consenting to non-essential cookies.
- 7.2.6 R A *firm* must not make the acceptance of non-essential cookies a pre-condition of using any of the services on the *pensions dashboard platform*.
- 7.2.7 R If a *customer* does not consent to cookies or other similar tracking technologies, a *firm* is not permitted to use cookies or other similar tracking technologies unless they are:
- (1) necessary for the transmission of a communication; and
  - (2) strictly necessary for the provision of the service which the *customer* is using.

### 7.3 Obtaining a customer's details for marketing purposes

- 7.3.1 R A *firm* must not:
- (1) add a *customer's* details to its marketing database, unless the *customer* has actively elected to be added; or
  - (2) undertake direct marketing to the *customer*, unless the *customer* has actively elected to receive direct marketing from the *firm*.
- 7.3.2 R Before requesting that a *customer* actively elects to receive direct marketing from the *firm*, the *firm* must provide the following information to the *customer*:
- (1) how and why the *customer's* details will be processed; and
  - (2) the entity which will be processing the details.
- 7.3.3 R A *firm* must not require the *customer* to agree to direct marketing as a condition of using the *pensions dashboard platform*.
- 7.3.4 R A *firm* must not provide a *customer's* details to another *person* for marketing purposes.

## 8 Choices architecture

### 8.1 Purpose

- 8.1.1 G The purpose of the *rules* in this chapter is to ensure that *firms* provide *customers* with choices to assist them to navigate through the *qualifying pensions dashboard service* on an informed basis, and to understand when they have left the *qualifying pensions dashboard service*. The exit communications *rules* (at *PDCOB* 8.4) will ensure that *customers* are informed about when an action will take them outside of the regulated *qualifying pensions dashboard service*. They are intended to assist *customers*

to take appropriate care when viewing material outside of a *qualifying pensions dashboard service*.

## 8.2 Requirement to incorporate the choices architecture

- 8.2.1 R Subject to *PDCOB* 8.2.5R and *PDCOB* 8.2.7R, a *firm* must ensure that:
- (1) its *pensions dashboard platform* gives a *customer* choices:
    - (a) in accordance with the first column of the table in *PDCOB* 8.2.4R;
    - (b) which direct the *customer* in accordance with the second column in the table at *PDCOB* 8.2.4R;
    - (c) at the times described in *PDCOB* 8.3.1R; and
  - (2) which have the effect that the *customer* can only progress beyond the relevant stage in *PDCOB* 8.3.1R, after they have made a selection from one of the choices set out in the first column of the table in *PDCOB* 8.2.4R, or where relevant, the first column of the table in *PDCOB* 8.2.6R or *PDCOB* 8.2.8R.
- 8.2.2 R For the purposes of *PDCOB* the presentation of the choices as described in *PDCOB* 8.2.1R is referred to as the choices architecture.
- 8.2.3 G *PDCOB* 8.5 provides *rules* and *guidance* in relation to the presentation of the choices architecture.
- 8.2.4 R The choices architecture:

Choice offered to user	Where to direct the consumer if they select the choice offered	Does direction take user outside the pensions dashboard service?
In all cases		
<b>Take no further action</b>	Redirect to the <i>firm's</i> wider digital environment outside of the <i>qualifying pensions dashboard service</i> from where the <i>consumer</i> can, if desired, take-up other information, services and/or activities offered by the <i>firm</i> .	Yes

<p><b>Raise a question or complaint about the service or the <i>pensions dashboard view data</i>, where relevant</b></p>	<p>Redirect to the central complaints process for <i>Money and Pensions Service</i>.</p>	<p>Yes</p>
<p><b>Obtain further information, support and impartial guidance from <i>Money and Pensions Service</i> MoneyHelper</b></p>	<p>Redirect to MoneyHelper.  If the <i>firm</i> identifies a <i>customer</i> may be eligible for <i>pensions guidance</i> it may, alternatively, redirect to MoneyHelper Pension Wise.</p>	<p>Yes</p>
<p><b>Find an adviser (that is regulated by the <i>FCA</i> and has permission to make <i>personal recommendations</i>)</b></p>	<p>Redirect <i>customer</i> to MoneyHelper to obtain impartial information about finding a financial adviser:  MoneyHelper: choosing a financial adviser</p>	<p>Yes</p>
<p><b><i>Customer</i> to grant permission to their chosen <i>FCA</i> regulated adviser to access their <i>pensions dashboard view data</i> via a <i>qualifying pensions dashboard service</i> (delegated access pursuant to Regulation 8(4)(b) of the <i>Dashboard Regulations</i>)</b></p>	<p>Where the <i>firm</i> enables delegates to access <i>customers' view data</i>:  Redirect to the <i>Money and Pensions Service Pensions Dashboard Programme Consent and Authorisation</i> service from where the <i>consumer</i> can delegate access to their chosen adviser.  Where the <i>firm</i> does not enable delegates to access <i>customers' view data</i>, the <i>firm</i> must redirect the <i>customer</i> as above and also comply with <i>PDCOB 8.2.9R</i>.</p>	<p>Yes</p>
<p><b>Review, revoke or amend consents originally granted at the <i>Consent and Authorisation Service</i></b></p>	<p>Redirect to the <i>Pensions Dashboard Programme Consent and Authorisation</i> service to manage consents</p>	<p>Yes</p>

- 8.2.5 R Where a *firm* offers *post-view services*, the *firm* must, in addition to the requirements in *PDCOB* 8.2.1R, and *PDCOB* 8.2.7R where relevant, ensure that the *customer*:
- (1) is able to select the choice in accordance with the first column of the table in *PDCOB* 8.2.6R; and
  - (2) is directed in accordance with the second column of the table in *PDCOB* 8.2.6R where that selection is made.

- 8.2.6 R Additional choice to be offered to a *customer* for the purposes of *PDCOB* 8.2.5R:

Choice offered to user	Where to direct the consumer if they select the choice offered	Does direction take user outside the pensions dashboard service?
Explore and/or use a <i>post-view service</i> offered by the <i>firm</i>	Continue to the <i>firm</i> 's <i>post-view service</i> .	No

- 8.2.7 R Where a *firm* enables a *customer* to obtain a copy of their *pensions dashboard view data* through *data export*, the *firm* must, in addition to the requirements in *PDCOB* 8.2.1R, and 8.2.5R where relevant, ensure that the *customer*:
- (1) is able to select the choice in accordance with the first column of the table in *PDCOB* 8.2.8R; and
  - (2) is directed in accordance with the second column of the table in *PDCOB* 8.2.8R where that selection is made.

- 8.2.8 R Additional choice to be offered to a *customer* for the purposes of *PDCOB* 8.2.7R:

Choice offered to user	Where to direct the consumer if they select the choice offered	Does direction take user outside the pensions dashboard service?
Obtain a copy of their <i>pensions dashboard view data</i>	<i>Customer</i> taken through <i>data export</i> process to themselves.	No

- 8.2.9 R Where a *pensions dashboard user* has made the selection “*Customer* to grant permission to their chosen *FCA* regulated adviser to access their *pensions*

*dashboard view data* via a *qualifying pensions dashboard service*” from the table in *PDCOB 8.2.3R* but the *firm* does not enable the delegate to access the *view data*, the *firm* must communicate the following to the *customer*:

- (1) that the *firm*’s *qualifying pensions dashboard service* does not allow for delegated access; and
- (2) other *qualifying pensions dashboard services* operated by other *firms* may allow for delegated access.

8.2.10 G A *firm* may offer a single choice for all *post-view services* or one choice for each *post-view service* that it offers.

8.2.11 G Where a *customer* elects to export their data to populate a *post-view service*, the *firm* should enable the *customer* to move to the relevant part of the *qualifying pensions dashboard service*, to ensure compliance with *PDCOB 11.5*.

### **8.3 Timing of the choices architecture**

8.3.1 R A *firm* must ensure that it gives a *customer* the choices in accordance with *PDCOB 8.2.1R*, and *8.2.5R* and *8.2.7R* where relevant, each time they have accessed any of the following:

- (1) *pensions dashboard view data*;
- (2) *post view services*; or
- (3) *data export* to the *customer* in accordance with *PDCOB 11.2.1(1)R*.

### **8.4 Exit communications requirements**

8.4.1 R Where a *customer* makes a choice that would cause them to exit the *qualifying pensions dashboard service*, the *firm* must communicate to the *customer*:

- (1) that they are exiting the *qualifying pensions dashboard service*;
- (2) where they are being directed to;
- (3) that information seen by them after they have exited the *qualifying pensions dashboard service* will not be subject to the same regulatory requirements or *FCA* protections; and
- (4) a risk warning to discourage them from making financial decisions based only on *pensions dashboard view data*.

8.4.2 G (1) *Firms* are reminded of their obligations in *PDCOB 4* in relation to communications. In particular, *firms* are reminded of the requirement that any communication it makes is clear, fair and not misleading.

- 8.4.3 R Where a *customer* is provided with a link to the website of a particular pension scheme administrator in their *pensions dashboard view data* which would cause them to exit the *qualifying pensions dashboard service* the *firm*:
- (1) (subject to (2)) must comply with the exit communication requirements in *PDCOB* 8.4.1 R(1), (3) and (4); and
  - (2) may comply with the requirement in *PDCOB* 8.4.1R(2) if the *firm* wishes to do so.

## 8.5 Presentation of the choices architecture

- 8.5.1 R A *firm* must ensure that the choices architecture is designed such that the presentation of the choices is:
- (1) accessible to the *customer* from the point at which they access their *pensions dashboard view data* onwards;
  - (2) impartial with equal prominence given to each choice; and
  - (3) fair, clear and not misleading.
- 8.5.2 G The choices architecture should be presented in a way that enables *pensions dashboard users* to:
- (1) understand all of the choices available to them; and
  - (2) make informed choices based on this understanding.
- 8.5.3 R A *firm* must ensure the requirements in *PDCOB* 8.5.1R are met even where the *customer* is able to scroll up or down the page or otherwise navigate around the screen or interface on which the choices are presented.
- 8.5.4 G A *firm* may choose the design, form, language and mechanism for the presentation of the choices.
- 8.5.5 G The choices architecture should enable the *customer*:
- (1) to select from the available choices in full knowledge of all the choices available; and
  - (2) thereafter navigate to the next step.
- 8.5.6 G *Firms* are reminded they must comply with the requirements of *Principle 12* and *PRIN 2A* on *product* design and product testing. In particular, *firms* must comply with *PRIN 2A.3.4R*, *PRIN 2A.3.9R* and *PRIN 2A.3.10R*, and *firms* should assess whether the presentation of the choices architecture is designed to meet the needs, characteristics and objectives of the *target market*, does not adversely affect groups of consumers in the *target market* including groups with characteristics of vulnerability and avoids causing foreseeable harm to the *target market*.

- 8.5.7 G Where appropriate, *firms* should test and monitor the impact of communications related to the choices architecture to support *consumer* understanding so that they can make decisions that are effective, timely and properly informed and act in their best interests. In particular, we expect *firms* to check that communications are likely to be understood by *consumers* so they can make properly informed decisions, especially where communications include information designed to prompt or inform a decision that is likely to be of importance to the *consumer's* pension planning.
- 8.5.8 G *Firms* should make changes to improve their communications if there are common areas of *consumer* misunderstanding identified through a *firm's* testing or monitoring.
- 8.5.9 G In addition to the above, *firms* are reminded of their obligations under *Principle 12* and *PRIN 2.A*, in particular, the consumer understanding outcome in *PRIN 2A.5*.

## 9 Third party dashboard arrangements

### 9.1 Application

- 9.1.1 R This chapter applies to a *firm* that enters into a *third party dashboard arrangement*.
- 9.1.2 G The *third party dashboard arrangement* referred to in *PDCOB 9.1.1R* is an arrangement between parties with continuing effect and would not include, for example, placing a publicly available link to a *firm's pensions dashboard platform* either with or without that *firm's* permission.

### 9.2 Purpose

- 9.2.1 G The purpose of this chapter is to ensure that, where a *firm* enters into a *third party dashboard arrangement*, the arrangement does not, as far as is reasonably possible, create scope for *consumer* harm. This chapter imposes additional obligations upon a *firm* that enters into a *third party dashboard arrangement*.
- 9.2.2 G A *firm* that enters into a *third party dashboard arrangement* must continue to comply with all of the other *rules* in *PDCOB*.

### 9.3 Requirements for the arrangement

- 9.3.1 R Before a *third party dashboard access provider* is able to offer a *firm's pensions dashboard platform* to a *customer*, the *firm* must ensure that there is an enforceable written agreement in place between the *firm* and the *third party dashboard access provider* that:
- (1) allows the *firm* reasonable access to the *third party dashboard access provider's* operations as necessary to allow the *firm* to carry out proper monitoring;

- (2) requires the *third party dashboard access provider* to represent and warrant that it will not:
  - (a) modify, edit or alter the *pensions dashboard platform*;
  - (b) charge or attempt to charge a *customer* for any services connected to the *firm's pensions dashboard platform*; or
  - (c) promote the *firm's pensions dashboard platform* in a way that may breach any protections within the *FCA's* regulatory framework or the general law;
- (3) requires the *third party dashboard access provider* to take all reasonable steps to remedy a breach of the requirements in (2);
- (4) requires the *third party dashboard access provider* to indemnify the *firm* (or, where applicable, a *successor*) against all losses suffered by the *firm* (or, where applicable, a *successor*) arising out of, or in connection with, a breach by the *third party dashboard access provider* of any of the requirements set out in (2); and
- (5) permits the *firm* to terminate the *third party dashboard access provider's* access to the *pensions dashboard platform* immediately where the *third party dashboard access provider* has breached, or attempted to breach, one of the requirements in (2).

9.3.2 G *PDCOB* 9.3.1R does not prescribe the exact wording of the written agreement with the *third party dashboard access provider*.

#### **9.4 Responsibility for the actions of the third party dashboard access provider**

9.4.1 R The *firm* retains responsibility for compliance with the *rules* in *PDCOB* and any other relevant *FCA rules* in relation to the *pensions dashboard platform*. This includes responsibility for the actions of a *third party dashboard access provider* in relation to the *firm's pensions dashboard platform*.

9.4.2 R Prior to entering into a *third party dashboard arrangement* and routinely thereafter, a *firm* must satisfy itself that the *third party dashboard access provider* is a suitable and reputable entity through which to make its *pensions dashboard platform* available to *customers*.

#### **9.5 Restrictions on changes to the pensions dashboard platform**

9.5.1 R A *firm* must ensure that the *pensions dashboard platform* is not capable of being altered, modified or edited by another *person*.

9.5.2 R A *firm* must ensure that, when a *customer* accesses the *firm's pensions dashboard platform* under the *third party dashboard arrangement*, no part of the *third party dashboard access provider* website or other application or similar is visible alongside the *pensions dashboard platform*.

- 9.5.3 G Under *PDCOB* 12.2.1R, a *firm* is not permitted to allow any other *person* to offer *post-view services*.

## 9.6 Disclosures to the customer about third party dashboard arrangements

- 9.6.1 R A *firm* must ensure that, where a *customer* accesses the *pensions dashboard platform* through a *third party dashboard arrangement*, the first point of contact with a *customer* on a *pensions dashboard platform* contains a prominent message that:
- (1) the *firm* is authorised to carry on *regulated pensions dashboard activity*;
  - (2) the *firm* is responsible for the *pensions dashboard platform*;
  - (3) the *third party dashboard access provider* has entered an arrangement with the *firm* to make the *pensions dashboard platform* available to *customers*; and
  - (4) complaints about the *pensions dashboard platform* should be directed to the *firm*, not the *third party dashboard access provider*.

## 9.7 Notifications to the FCA

- 9.7.1 G *Firms* are reminded of the notification requirements relating to *third party dashboard arrangements* in *PDCOB* 15.3.

## 10 Arrangements involving outsourcing

**Note:** The FCA has issued non-Handbook guidance for firms on. [See https://www.fca.org.uk/publication/finalised-guidance/fg16-5.pdf](https://www.fca.org.uk/publication/finalised-guidance/fg16-5.pdf)

- 10.1.1 G *Firms* that outsource any service or activity relating to their *qualifying pensions dashboard services*, should have particular regard to how they comply with *SYSC* 8 and *SYSC* 13, where relevant.

## 11 Specific requirements where firms offer data export

### 11.1 Application

- 11.1.1 R This *chapter* applies to a *firm* which chooses to offer or provide *data export*.

### 11.2 Permitted data export functionality

- 11.2.1 R A *firm* is not permitted to offer or provide *data export*, apart from:
- (1) *data export* to the *customer*; or
  - (2) *data export* to itself.
- 11.2.2 R A *firm* must not permit another *person* to offer or provide *data export* from the *firm's pensions dashboard platform*.

- 11.2.3 R A *firm* which chooses to offer *data export to the firm* must also offer *data export* to the *customer*.
- 11.2.4 G *Data export* will involve a *firm* processing personal data. Accordingly, *firms* processing such data are data controllers or data processors and are obliged to comply with *data protection legislation* and, in particular, to adhere to the data protection principles.

### 11.3 Restrictions on providing data export

- 11.3.1 R A *firm* must not provide *data export* to the *customer* or to itself unless the *customer* has actively elected to select that specific type of *data export*.
- 11.3.2 R A *firm* must not require the *customer* to agree to *data export* as a condition of using the *qualifying pensions dashboard service*.

Restrictions on the content, format and manner of data export

- 11.3.3 R The information exported to the *firm* by *data export* must include the *customer's pensions dashboard view data*, subject to *PDCOB* 11.3.4R.
- 11.3.4 R The *firm* must not export the *customer's* full pension reference.
- 11.3.5 G For the purposes of *PDCOB* 11.3.4R, a *firm* should include only the last four characters of the pension reference.
- 11.3.6 G A *firm* should transfer the *pensions dashboard view data* securely to the *customer* or itself (as applicable). *Firms* are reminded of their obligation to comply with the principle of integrity and confidentiality in article 5(1)(f) of the *General data protection regulation*.

### 11.4 Restrictions on providing data export to the customer

Specific disclosures prior to the provision of data export to the customer

- 11.4.1 R In good time before the *customer* elects to receive *data export*, a *firm* must provide the *customer* with appropriate information to help the *customer* make an informed choice as to whether or not to agree to *data export*. This information must include:
- (1) the name of the *person* who is the data controller;
  - (2) the nature of the processing which will take place to export the data;  
and
  - (3) the purpose for which the data will be processed.
- 11.4.2 R Before the *customer* agrees to *data export*, a *firm* must clearly and prominently display a warning to the *customer* about the risks of *data export* to the *customer*, including that:

- (1) their data is valuable;
- (2) it is important that they keep their data safe; and
- (3) if the *data export* is being facilitated by download, the *customer* should avoid downloading the data on a shared device.

Restrictions on the content, format and manner of data export to the customer

- 11.4.3 R A *firm* must ensure that *pensions dashboard view data* exported to a *customer* is in a format which is accessible to a member of the general population.
- 11.4.4 G A *firm* should consider whether the format of *data export* engages any accessibility obligations, such as under the Equality Act 2010.
- 11.4.5 R The information exported by *data export* to the *customer* must include:
- (1) subject to *PDCOB* 11.3.4R, the *customer's pensions dashboard view data*; and
  - (2) any display explanations and contextual information which is required by *PDCOB* 5 and other legislation, such as the *Dashboard Regulations*.

Specific disclosures when providing information by data export to the customer

- 11.4.6 R The information provided by *data export* to the *customer* must be prominently accompanied by the following messages:
- (1) the warning at *PDCOB* 5.5.1R(1);
  - (2) if the *customer* is asked to share their data with a third party, the *customer* should check whether the third party is who they say they are, and if they claim to be authorised or exempt should use the *Financial Services Register* to check;
  - (3) a signpost to the ScamSmart campaign, such as a link to <https://www.fca.org.uk/scamsmart>;
  - (4) the *customer's pensions dashboard view data* is sensitive and valuable and the *customer* should seek to keep their data safe;
  - (5) if the *customer* is asked to share their data with a third party, the *customer* should think carefully about whether a third party needs to see the data; and
  - (6) signposts to impartial guidance available from Moneyhelper.

## 11.5 Data export to the firm

Specific disclosures prior to the provision of data export to the firm

- 11.5.1 R In good time before the *customer* elects to *data export to the firm*, a *firm* must provide the *customer* with appropriate information to help the *customer* make an informed choice as to whether or not to agree to *data export to the firm*. This information must include:
- (1) the name of the *persons* who will be the data controllers both before and after the data is exported;
  - (2) the nature of the processing which will take place to export the data and once the data is exported; and
  - (3) the purpose for which the data will be processed both during *data export to the firm* and once the data has been exported.
- 11.5.2 R Once the data is exported to the *firm*, the *firm* must not share the data with any other entities.

Restrictions on the content, format and manner of data export to the firm

- 11.5.3 R The information exported to the *firm* by *data export* must include the *customer's pensions dashboard view data*, subject to *PDCOB 11.3.4R*.
- 11.5.4 G Depending on the nature of the *post-view services* which the *firm* is offering, a *firm* should consider whether it is appropriate to include any display explanations or contextual information required by *PDCOB 5* and other legislation such as the *Dashboard Regulations*.
- 11.5.5 R Once the *customer's* data has been exported to the *firm*, the *firm* must only process that data to deliver *permitted post-view services* and to which the *customer* has consented.

## 11.6 Data retention

- 11.6.1 R Where data has been obtained from *data export*, a *firm* is permitted to store that data for 30 *days* after the *customer* last accessed the *pensions dashboard platform*, after which period it must be deleted.
- 11.6.2 R Where data has been obtained from the *customer* following the *customer* directly inputting that data into the *pensions dashboard platform*, a *firm* is permitted to store that data for 30 *days* after the *customer* last accessed the *pensions dashboard platform*, after which period it must be deleted.

## 12 Post-view services

### 12.1 Purpose

- 12.1.1 G The purpose of the *rules* in this chapter is to place specific additional requirements on *firms* that offer *post-view services*.

### 12.2 Restrictions

- 12.2.1 R *A firm must not permit any other person to offer any services or products to customers from the pensions dashboard platform.*
- 12.2.2 G *Firms are reminded that they must not offer or provide any services or products to customers from the pensions dashboard platform other than the permitted post-view services and data export under PDCOB 11 (see PDCOB 3.1.1R).*

### 12.3 Permitted post-view services

- 12.3.1 R *A firm must only offer or provide post-view services that:*
- (1) *are provided by the firm;*
  - (2) *are provided only once the view services have been provided and are accessed via the view services;*
  - (3) *do not include:*
    - (a) *an offer to sell (which includes sending an application form for a product);*
    - (b) *an offer to arrange for the sale or purchase of;*
    - (c) *selling; or*
    - (d) *arranging for the sale or purchase of (which includes sending an application form for a product),*  
*an investment to or for a customer;*
  - (4) *have been user-tested in accordance with PDCOB 12.6.1R;*
  - (5) *relate to pensions and retirement planning;*
  - (6) *do not include investment advice or advising on pension transfers and pension opt-outs; and*
  - (7) *are a type of service that supports customers in understanding and/or taking decisions in relation to their pension(s).*
- 12.3.2 G *A firm is permitted to ask a customer to input data into the post-view service, such that post-view services can be provided, either by way of auto-populated data from the view services, self-asserted data from the customer or a mixture of both.*
- 12.3.3 G *Firms are reminded that they may require permission to carry on regulated activities other than regulated pensions dashboard activity if any post-view services amount to regulated activities.*
- 12.3.4 G *Firms are reminded of the obligations in PRIN 2 and PRIN 2A. In particular, of the obligation that a firm must act to deliver good outcomes for retail*

*customers (PRIN 2.1.1(12)) when providing post-view services. This will require a firm to ensure that post-view services are fit for purpose, offer fair value and help customers to make effective choices or act in their interests.*

- 12.3.5 G Pursuant to *PDCOB 12.3.1R(6)*, a *firm* is not permitted to offer a *post-view service* which amounts to *advising on pension transfers and pension opt-outs*. This includes *abridged advice*. However, a *firm* is permitted to offer *post-view services* which support and engage *customers* with their *safeguarded benefits*. A *firm* should ensure that such support and engagement does not stray into the *regulated activity of advising on pension transfers and pension opt-outs* and should consider the guidance in *PERG 2.7.16G*.
- 12.3.6 G *Firms* should consider how assumptions about future investment returns and charges can influence *customers'* decision-making on transferring or converting *safeguarded benefits*. *Firms* should ensure that such assumptions do not result in the *firm* to be *advising on pension transfers and pension opt-outs*.

#### **12.4 Specific fees restrictions in relation to post-view services**

- 12.4.1 R A *firm* must not require the *customer* to pay for, or to agree to pay for, any *permitted dashboard service* as a condition of accessing their *pensions dashboard view data*.
- 12.4.2 G *Firms* should also refer to the *rules* on charging in *PDCOB 2.5.2R* to *PDCOB 2.5.9R*.
- 12.4.3 R If a *firm* is charging for a *post-view service*, and the *firm* offers the same service significantly cheaper or free of charge outside the *pensions dashboard platform*, a *firm* must inform the *customer* of that fact in good time before providing the *post-view service*.

#### **12.5 Disclosures to be provided to customers in relation to post-view services**

- 12.5.1 R A *firm* must ensure that any offer for *post-view services* is accompanied by prominent information which:
- (1) explains the nature and purpose of the *post-view service*;
  - (2) explains the limitations of the *post-view service*;
  - (3) explains how *customers* can raise a query or complaint about the *post-view service*; and
  - (4) includes the messages required under *PDCOB 5.5*.
- 12.5.2 G In order to ensure that the nature of the *post-view service* is not misleading and is capable of being understood by *customers*, a *firm* should consider including information which:
- (1) ensures that *customers* do not perceive *post-view services* as giving them guarantees of what their pension(s) will be worth in retirement;

- (2) ensures that *customers* do not perceive *post-view services* as giving them *personal recommendations*; and
- (3) where relevant, explains the assumptions underpinning modellers, projections, calculations or similar.

## 12.6 User testing

- 12.6.1 R The user testing referred to in *PDCOB* 12.3.1R(4) must be designed to ensure that the nature of the *post-view services* is capable of being easily understood and easily used and are not likely to mislead or confuse *customers*.
- 12.6.2 R Where user testing identifies deficiencies in *post-view services* and/or how they are presented, or improvements which should be made, the *firm* must make changes to the *post-view services* to remedy the deficiency or make the improvement.
- 12.6.3 G A *firm* should consider whether further user testing is necessary when a material change has been made to any *post-view services* which it provides.

## 12.7 Use of data

- 12.7.1 R A *firm* must not share *customers*' information, including the outcome of *post-view services*, with any other *persons*.

## 12.8 Access to the results of post-view services

- 12.8.1 R A *firm* must allow a *customer* to receive a copy of the results of the *post-view service*, where applicable, and the *firm* is not restricted by the *rules* in relation to *data export* in *PDCOB* 11.
- 12.8.2 G A *firm* should transfer the results referred to in *PDCOB* 12.8.1R securely to the *customer*. *Firms* are reminded of their obligation to comply with the principle of integrity and confidentiality in article 5(1)(f) of the *General data protection regulation*.

## 12.9 Notifications to the FCA

- 12.9.1 G *Firms* are reminded of the notification requirements in relation to *post-view services* in *PDCOB* 15.4R.

## 13 Prudential requirements

### 13.1 Application and purpose

#### General application

- 13.1.1 R Subject to *PDCOB* 13.1.2R, this chapter applies to *firms* with a *Part 4A permission* for *regulated pensions dashboard activity*.
- 13.1.2 R This chapter does not apply to a *PRA-authorised person*.

Purpose

- 13.1.3 G (1) The purpose of *PDCOB* 13 is to set out the detailed prudential obligations that apply to *regulated pensions dashboard activity*.
- (2) Adequate financial resources are necessary for the effective management of prudential risks. The *rules* in this chapter therefore impose requirements relating to the financial resources of a *firm* to which this chapter applies.
- (3) The *rules* concern the adequacy of the financial resources that a *firm* needs to hold in order to be able to meet its liabilities as they fall due (the *general solvency requirement*). These resources include both capital and liquidity resources.
- (4) The *rules* also place a *core capital resources requirement* on a *firm* to which this chapter applies.

**13.2 General solvency requirement**

- 13.2.1 R A *firm* must at all times maintain overall financial resources which are adequate, both as to amount and quality, to ensure that there is no significant risk that its liabilities cannot be met as they fall due. This includes capital resources and liquidity resources.
- 13.2.2 G The liabilities referred to in the *general solvency requirement* include:
- (1) a *firm*'s contingent and prospective liabilities;
- (2) liabilities that arise both in scenarios where the *firm* is a going concern and where the *firm* ceases to be a going concern; and
- (3) claims that could be made against a *firm*, which ought to be paid in accordance with fair treatment of *customers*, even if such claims could not be legally enforced.
- 13.2.3 G The liabilities referred to in the *general solvency requirement* exclude liabilities that might arise from transactions that a *firm* has not entered into and which it could avoid. This could include, for example, by taking realistic management actions such as ceasing to transact new business after a suitable period of time has elapsed.
- 13.2.4 G A *firm* should therefore make its assessment of adequate financial resources on realistic valuation bases of assets and liabilities, taking into account the actual amounts and timing of cash flows under realistic adverse projections.
- 13.2.5 G Risks may be addressed through holding capital to absorb losses that unexpectedly materialise. The ability to pay liabilities as they fall due also requires liquidity. Therefore, *firms* should consider both capital and liquidity needs in assessing the adequacy of its financial resources. A *firm* should also consider the quality of its financial resources such as the loss-absorbency of

different types of capital and the time required to liquidate different types of assets.

- 13.2.6 G As part of its day-to-day supervision of a *firm*, the *FCA* may review whether the amount and quality of capital and liquidity resources that a *firm* holds to comply with its *general solvency requirement* is sufficient.
- 13.2.7 G Where necessary, the *FCA* may consider the use of its powers under section 166 of the *Act* (Reports by skilled persons) to assist with the review referred to in *PDCOB* 13.2.6G.
- 13.2.8 G (1) Following such a review, the *FCA* may conclude that a *firm* should hold an additional amount or quality of capital or liquidity resources to comply with the *general solvency requirement*.
- (2) Where this is the case, the *FCA* will normally specify an amount or quality of capital or liquidity resources that the *firm* should hold by:
- (a) issuing *individual capital guidance*;
  - (b) issuing *individual liquidity guidance*; or
  - (c) imposing a *requirement* on the *firm*.
- (3) The amounts in (2) will typically represent the *FCA*'s assessment of the *firm's general solvency requirement*. However, in some cases, it may be specified on a different basis (such as by reference to a specific component of the *general solvency requirement* or to a particular risk or harm).
- (4) The *FCA* may choose to conduct reviews of the sector of *firms* carrying on *regulated pensions dashboard activity*, or aspects of it. In such cases, the *FCA* may subsequently choose to issue *guidance* on a sectoral basis or to impose additional requirements on all, or only a subset of, the entities included within that review. The *guidance* or *requirement* may relate to:
- (a) additional amounts or quality of capital or liquidity resources that such *firms* must hold; or
  - (b) other actions that such *firms* must undertake.
- 13.2.9 G The *FCA* will determine whether a *requirement* or *guidance* is more appropriate. Where the *FCA* chooses to issue *guidance*, this will normally explain how the *FCA* will approach supervising the *general solvency requirement* in relation to the *firm*. The *FCA* expects that the *firm* would normally confirm to the *FCA* that the *firm* will hold the amounts specified in that *guidance* going forward (and will therefore hold the relevant capital and or liquidity resources to comply with the *general solvency requirement*), unless the *firm* subsequently determines that higher amounts are required.

- 13.2.10 G Where the *FCA* considers that it is appropriate to apply a *requirement* in connection with the *general solvency requirement*, it may invite a *firm* to make a voluntary application under section 55L(5) of the *Act* to impose a *requirement* on the *firm* to hold the level of capital or liquidity resources that the *FCA* has assessed as being required by the *firm* in order to meet the *general solvency requirement*.
- 13.2.11 G *Guidance* on the *general solvency requirement* issued by the *FCA* will apply until the *FCA* issues revised *guidance* (or varies or removes the *requirement* relating to the *general solvency requirement*) in relation to the *firm*.
- 13.2.12 G If a *firm* subsequently determines, as a result of its own assessment, that it needs to hold a higher level or quality of capital or liquidity resources to satisfy the *general solvency requirement*, it must hold that higher level. This is because the *FCA*'s assessment (or a *requirement* applied to the *firm* by the *FCA*) reflects an assessment carried out at that point in time and does not relieve the *firm* of its obligation to ensure that it is meeting the *general solvency requirement* at all times.
- 13.2.13 G A *firm*'s business model or operating model may undergo a significant change, with the result that the *firm* considers that the amount or quality of capital or liquidity resources specified in the *guidance* issued by, or the *requirement* applied by, the *FCA* exceeds the amount or quality of capital or liquidity resources that the *firm* requires to comply with the *general solvency requirement*. In this case, the *firm*:
- (1) should undertake its own assessment of the amounts that the *firm* now requires to comply with the *general solvency requirement* or, where applicable, to address the risks in relation to which the *requirement* was imposed; and
  - (2) having undertaken the determination in (1), may contact the *FCA* to request a review of the existing *guidance* or *requirement*.
- 13.2.14 G The *FCA* will not give *individual capital guidance* or *individual liquidity guidance* to the effect that the amount of capital advised in that *guidance* is lower than the amount of capital which a *firm* should hold to meet its *core capital resources requirement*.

### **13.3 Core capital resources requirement**

- 13.3.1 R A *firm* must at all times maintain capital resources equal to or in excess of its *core capital resources requirement*.

### **13.4 Capital resources: relevant accounting principles**

- 13.4.1 R A *firm* must recognise an asset or liability, and measure its amount, in accordance with the relevant accounting principles applicable to it for the purpose of preparing its *annual financial statements*.

### 13.5 Core capital resources requirement for regulated pensions dashboard activities

13.5.1 R Subject to *PDCOB* 13.6.1R, for a *firm* with a *Part 4A permission* to carry on regulated pensions dashboard activities, the core capital resources requirement is £40,000.

### 13.6 Core capital resources requirement for a firm carrying on other regulated activity

13.6.1 R Where a *firm*, to which this chapter applies, also has a *Part 4A permission* to carry on other regulated activities, the capital resources requirement is the higher of:

- (1) the core capital resources requirement in *PDCOB* 13.5.1R; and
- (2) a capital resources requirement (however described) applied to the *firm* by any other rule or requirement.

### 13.7 Calculation of core capital resources

The calculation of a firm's core capital resources

13.7.1 R A *firm* must calculate its capital resources for the core capital resources requirement from the items that are eligible to contribute to a *firm's* capital resources, as set out in items 1 to 6 in the table at *PDCOB* 13.7.3R.

13.7.2 R In arriving at its calculation of its capital resources for the core capital resources requirement, a *firm* must deduct the items set out in items 1 to 5 in the table at *PDCOB* 13.7.5R.

13.7.3 R The items that are eligible to contribute to the capital resources of a *firm* are set out in the following table:

	Item	Additional explanation	
1	Share capital	This must be fully paid and may include:	
		(1)	ordinary <i>share</i> capital; or
		(2)	preference <i>share</i> capital (excluding preference <i>shares</i> redeemable by shareholders within 2 years).
2	Capital other than <i>share</i> capital (for example, the capital of a <i>sole trader</i> , <i>partnership</i> )	(1)	The capital of a <i>sole trader</i> is the net balance on the <i>firm's</i> capital account and current account.
		(2)	The capital of a <i>partnership</i> is the capital made up of the <i>partners'</i> :
		(a)	capital account, which is the account:

	or limited liability partnership)		(i)	into which capital contributed by the <i>partners</i> is paid; and	
				(ii)	from which, under the terms of the <i>partnership</i> agreement, an amount representing capital may be withdrawn by a <i>partner</i> only if:
				(A)	the <i>person</i> ceases to be a <i>partner</i> and an equal amount is transferred to another such account by their former <i>partners</i> or any <i>person</i> replacing them as their <i>partner</i> ; or
				(B)	the <i>partnership</i> is otherwise dissolved or wound up; and
			(b)	current accounts according to the most recent financial statement.	
		(3)	For the purpose of calculating capital resources in respect of a <i>defined benefit occupational pension scheme</i> :		
			(a)	a <i>firm</i> must derecognise any <i>defined benefit asset</i> ; and	
	(b)	a <i>firm</i> may substitute for a <i>defined benefit liability</i> the <i>firm's deficit reduction amount</i> , provided that the election is applied consistently in respect of any one <i>financial year</i> .			
3	Reserves (Note)	(1)	These are (subject to the Note) the audited accumulated profits retained by the <i>firm</i> (after deduction of tax, dividends and proprietors' or <i>partners</i> ' drawings) and other reserves created by appropriations of share premiums and similar realised appropriations. Reserves also include gifts of capital, for example, from a <i>parent undertaking</i> .		
		(2)	For the purposes of calculating capital resources, a <i>firm</i> must make the following adjustments to its reserves, where appropriate:		
		(a)	A <i>firm</i> must deduct any unrealised gains or, where applicable, add back in any unrealised losses on debt instruments held, or formerly held, in the available-for-sale financial assets category.		
		(b)	A <i>firm</i> must deduct any unrealised gains or, where applicable, add back in any unrealised losses on cash flow hedges of financial instruments measured at cost or amortised cost.		

		(c)	In respect of a <i>defined benefit occupational pension scheme</i> :
		(i)	a <i>firm</i> must derecognise any <i>defined benefit asset</i> ; and
		(ii)	a <i>firm</i> may substitute for a <i>defined benefit liability</i> the <i>firm's</i> reduction amount, provided that the election is applied consistently in respect of any one <i>financial year</i> .
4	Interim net profits (Note)	If a <i>firm</i> seeks to include interim net profits in the calculation of its capital resources, the profits must (subject to the Note) be verified by the <i>firm's</i> external auditor, net of tax, anticipated dividends or proprietors' drawings and other appropriations.	
5	Revaluation reserves	Revaluation reserves such as reserves arising from the revaluation of land and buildings, including any net unrealised gains for the fair valuation of equities held in the available-for-sale financial assets category.	
6	Subordinated loans/debt	Subordinated loans/debt must be included in capital on the basis of the provisions in this chapter that apply to subordinated loans/debts.	
<b>Note:</b> Reserves and interim net profits			
Reserves must be audited, and interim net profits, general and collective provisions must be verified by the <i>firm's</i> external auditor unless the <i>firm</i> is exempt from the provisions of <i>Part 16</i> of the Companies Act 2006 (section 477 (Small companies: conditions for exemption from audit)) relating to the audit of accounts.			

13.7.4 G A *firm* should keep a record of, and be ready to explain to its supervisory contacts in the *FCA* the reasons for, any difference between the *deficit reduction amount* and any commitment the *firm* has made in any public document to provide funding in respect of a *defined benefit occupational pension scheme*.

13.7.5 R In arriving at its calculation of its capital resources for the *core capital resources requirement*, a *firm* must deduct the items set out in the following table:

Item	Additional explanation
1	<i>Investments</i> in own shares
2	<i>Investments</i> in subsidiaries (Note 1)
3	Intangible assets (Note 2)
4	Interim net losses (Note 3)
5	Excess of drawings over profits for a <i>sole trader</i> or a <i>partnership</i> (Note 3)
<b>Notes:</b>	<p>1. <i>Investments</i> in subsidiaries are the full balance sheet value.</p> <p>2. Intangible assets are the full balance sheet value.</p> <p>3. The interim net losses in row 4, and the excess of drawings in row 5, are in relation to the accounting period following the date as at which the capital resources are being computed.</p>

#### Personal assets

- 13.7.6 R In relation to a *sole trader's firm* or a *firm* which is a *partnership*, the *sole trader* or a *partner* in the *firm* may use personal assets to meet the *core capital resources requirement*, to the extent necessary to make up any shortfall in meeting that requirement, unless:
- (1) those assets are needed to meet other liabilities arising from:
    - (a) personal activities; or
    - (b) another business activity not regulated by the *FCA*; or
  - (2) the *firm* holds *client money* or other *client* assets in relation to *regulated activities* other than *regulated pensions dashboard activity*.
- 13.7.7 G A *sole trader* or a *partner* may use any personal assets, including property, to meet the capital requirements of this chapter, but only to the extent necessary to make up a shortfall.

#### Subordinated loans

- 13.7.8 R A subordinated loan/debt must not form part of the capital resources for the *core capital resources requirement* of the *firm* unless it meets the following conditions:
- (1) it:
    - (a) has an original maturity of at least 5 years; or
    - (b) it is subject to 5 years' notice of repayment;

- (2) the claims of the subordinated creditors must rank behind those of all unsubordinated creditors;
- (3) the only events of default must be non-payment of any interest or principal under the debt agreement or the winding up of the *firm*;
- (4) the remedies available to the subordinated creditor in the event of non-payment or other default in respect of the subordinated loan/debt must be limited to petitioning for the winding up of the *firm* or proving the debt and claiming in the liquidation of the *firm*;
- (5) the subordinated loan/debt must not become due and payable before its stated final maturity date, except on an event of default complying with (3);
- (6) the agreement and the debt are governed by the law of England and Wales, or of Scotland or of Northern Ireland;
- (7) to the fullest extent permitted under the rules of the relevant jurisdiction, creditors must waive their right to set off amounts they owe the *firm* against subordinated amounts owed to them by the *firm*;
- (8) the terms of the subordinated loan/debt must be set out in a written agreement that contains terms that provide for the conditions set out in this rule; and
- (9) the loan/debt must be unsecured and fully paid up.

- 13.7.9 R When calculating its capital resources, the *firm* must exclude any amount by which the aggregate amount of its subordinated loans/debts exceeds the amount calculated as follows:

A - B

where:

A is equal to the sum of items 1 to 6 (inclusive) in the table of items in *PDCOB* 13.7.3R, which are eligible to contribute to a *firm*'s capital resources.

B is equal to the sum of items 1 to 5 (inclusive) in the table of items in *PDCOB* 13.7.5R, which must be deducted in arriving at *firm*'s capital resources.

## 13.8 Systems, strategies, processes and reviews

Purpose

- 13.8.1 G In addition to adequate financial resources, adequate systems and controls are necessary for the effective management of prudential risks. The *rules* in

this section therefore impose requirements relating to such systems and controls.

- 13.8.2 G This section also has *rules* requiring a *firm* to identify, assess and document:
- (1) risks to the *firm* being able to meet its liabilities as they fall due;
  - (2) how the *firm* intends to mitigate these risks; and
  - (3) the amount and nature of financial resources that the *firm* considers necessary to address any remaining risks.
- 13.8.3 G The *FCA* may review this assessment as part of its own assessment of the adequacy of a *firm*'s financial resources.

#### Systems, strategies and processes

- 13.8.4 R A *firm* must use sound, effective and comprehensive systems, strategies and processes to assess and maintain on an ongoing basis the amounts, types and distribution of financial resources that it considers adequate to cover:
- (1) the nature and level of the risks to which it is or might be exposed; and
  - (2) the risk that the *firm* might not be able to meet its *core capital resources requirement* and *general solvency requirement* in the future.

#### Documentation of risk assessments

- 13.8.5 G The *FCA* may review the written record of the assessment as set out under *PDCOB* 16.12.1R as part of its own assessment of the adequacy of a *firm*'s financial resources as part of its day-to-day supervision of *firms*.

### 13.9 Action for damages

- 13.9.1 R A contravention of the *rules* in *PDCOB* 13 does not give rise to a right of action by a *private person* under section 138D of the *Act*, and each of those *rules* is specified under section 138D(3) of the *Act* as a provision giving rise to no such right of action.

## 14 Resolution requirements

### 14.1 Wind-down planning

- 14.1.1 R A *firm* must prepare and keep up to date a wind-down plan.
- 14.1.2 G A *firm* should refer to the *FCA*'s Wind-down Planning Guide (*WDPG*) to develop an effective wind-down plan.
- 14.1.3 G *Firms* are reminded of the disclosure requirements under *Principle* 11 and in *SUP* 16.3.21R (Insolvency, bankruptcy and winding up).

## 15 Notifications

### 15.1 Notifications general provisions

- 15.1.1 G This chapter sets out the requirements imposed on *firms* to notify the *FCA* of certain issues. In addition to the requirements set out in this chapter, *firms* must also comply with the notification requirement contained in *SYSC* 3.2.24R or *SYSC* 4.1.5C, as applicable.
- 15.1.2 G *Firms* are reminded that *PDCOB* also imposes requirements to notify *customers* of certain matters. Those requirements are set out elsewhere in *PDCOB*.

### 15.2 Specific notification requirement: scams

- 15.2.1 R If a *firm* becomes aware of a scam relating to its *pensions dashboard platform*, the *firm* must immediately notify the *FCA* in writing using the relevant form in Connect.
- 15.2.2 R A notification under *PDCOB* 15.2.1R must contain:
- (1) a description of the scam; and
  - (2) a description of the steps the *firm* is taking since being made aware of the scam.
- 15.2.3 G For the purposes of *PDCOB* 15.2.1R, a scam relating to a *firm's pensions dashboard platform* might include the existence of a clone or fake dashboard, or an investment scam.

### 15.3 Specific notification requirement: third party dashboard arrangements

- 15.3.1 R If a *firm* enters into a new *third party dashboard arrangement*, terminates an existing *third party dashboard arrangement*, or if any of the details set out in *PDCOB* 15.3.2R(2) change in relation to an existing *third party dashboard arrangement*, a *firm* must notify the *FCA* in writing using the relevant form in Connect within 30 *days* of the change coming into effect.
- 15.3.2 R A notification under *PDCOB* 15.3.1R must contain the following details:
- (1) the change the *firm* is notifying the *FCA* about (ie, entering into a new *third party dashboard arrangement*, terminating an existing *third party dashboard arrangement*, or changing any of the details set out in *PDCOB* 15.3.2R(2));
  - (2) the *third party access provider's*:
    - (a) registered name;
    - (b) trading name(s);

- (c) registered company number;
  - (d) registered office;
  - (e) principal place of business;
  - (f) head office;
  - (g) website address;
  - (h) Firm Reference Number; and
  - (i) named contact and their contact details; and
- (3) the uniform resource locators (URLs) through which *customers* can access the *pensions dashboard platform*.
- 15.3.3 G Where appropriate, the details provided in accordance with *PDCOB 15.3.2R* should be provided as registered with Companies House.

#### **15.4 Specific notification requirement: post-view services**

- 15.4.1 R If a *firm* adds, removes or makes any material changes to its *post-view services*, a *firm* must notify the *FCA* in writing using the relevant form in Connect within 30 *days* of the change coming into effect.
- 15.4.2 R A notification under *PDCOB 15.4.1R* must include:
- (1) the change the *firm* is notifying the *FCA* about (ie, adding a *post-view service*, removing a *post-view service* or a material change to a *post-view service*);
  - (2) the details of the *post-view service* (ie, a description of the new or removed *post-view service*, or a description of material changes to the *post-view service* where this is a relevant field) and a statement as to whether these changes are informed by user testing or complaints where this is a relevant field;
  - (3) an attestation that the *firm* has considered whether it needs to vary its *permissions* as a result of the change;
  - (4) where a *firm* has concluded that it does not need to vary its *permission*, an attestation of that fact; and
  - (5) where a *firm* has concluded that it does need to vary its *permission*, an attestation of that fact and that it has attained the necessary variation of *permission*, as well as the date of the variation of *permission*.

- 15.4.3 G A material change to *post-view services* includes, but is not limited to, alteration of a *post-view service* in such a way which impacts the *customer's* experience of the *post-view service*.

## 16 Record keeping

### 16.1 General record-keeping provisions

- 16.1.1 G *Firms* will need to decide what records they need to keep in line with the high-level record-keeping requirements elsewhere in the *FCA Handbook*, including in the Senior Management Arrangements, Systems and Controls sourcebook (*SYSC*) (see *SYSC* 4.1.5B and *SYSC* 9.1.1R) and in *SYSC* 3, eg, *SYSC* 3.2.24R, for *insurers*, as well as for their own business needs.
- 16.1.2 R In order to deal with requests for information from the *FCA*, as well as queries and complaints from *customers*, *firms* must keep sufficient evidence and must make and maintain adequate records of how they have complied with the requirements in *PDCOB*, including evidence of the specific requirements set out in *PDCOB* 16.2 to *PDCOB* 16.12 below.
- 16.1.3 R In complying with the record-keeping rules in this chapter, a *firm* must not retain the personal data of *customers*, save as necessary in order to show compliance with the rules – for example, where the record is of correspondence with an *individual* arising out of a complaint or enquiry.
- 16.1.4 G A *firm* may seek to comply with the record-keeping rules in this chapter by keeping a visual record, such as screenshots, of the relevant stages of the *pensions dashboard platform* and screenshots of where the advertising is placed on the platform and how the advertisements are presented.

#### Duration of record retention

- 16.1.5 R A *firm* must retain each record referred to in this sourcebook for at least 6 years.

### 16.2 Specific record-keeping requirements: the customer journey

- 16.2.1 R A *firm* must make and keep a record of the information *customers* were presented with at each stage of the *pensions dashboard platform* and how the information was presented.
- 16.2.2 R Each time there is a material change to the information described in *PDCOB* 16.2.1R, the *firm* must keep a record of that updated information and the dates when each version could be accessed by a *customer*.
- 16.2.3 R A material change is anything that could have an impact on the way a *customer* may understand the services offered on the *pensions dashboard platform*, or the way in which a *customer* is able to use the services, which includes (but is not limited to):

- (1) adding or removing advertising or changing its method of marketing;  
and
- (2) adding or removing functionality.

### **16.3 Specific record-keeping requirements: customer volumes**

16.3.1 R A *firm* must make and keep a record of:

- (1) the number of *customers* using their *pensions dashboard platform*;
- (2) the number of *customers* using their *post-view services*;
- (3) the number of *customers* using each of their *post-view services*;
- (4) the total number of times their *post-view services* are used;
- (5) the total number of times each of their *post-view services* are used;  
and
- (6) in relation to *data export*:
  - (a) the number of *customers* deciding to export their data in accordance with *PDCOB 11*;
  - (b) the number of *customers* using *data export to the firm*; and
  - (c) the total number of times that *data export* has been used.

### **16.4 Specific record-keeping requirements: warning and signposting**

16.4.1 R A *firm* must make and keep a record of each version of the warning and signposting information provided to *customers* to comply with *PDCOB 5* and the dates that each version was available to a *customer*.

### **16.5 Specific record-keeping requirements: advertisements**

- 16.5.1 R
- (1) A *firm* must make and keep a record of the advertisements which it places on the *pensions dashboard platform*, and how those advertisements are placed, including the size, prominence and positioning of the advertisements.
  - (2) A *firm* must make and keep a record of the steps which it has taken to comply with *PDCOB 6.3.3R*.
  - (3) A *firm* must make and keep a record of the remuneration it receives for placing advertisements.
  - (4) A *firm* must make and keep a record of the checks which it has conducted to comply with *PDCOB 6.3.2R*.

### **16.6 Specific record-keeping requirements: consents**

- 16.6.1 R A *firm* must make and keep a record of the text and presentation of consent options for cookies or similar tracking technologies.

### **16.7 Specific record-keeping requirements: consents architecture**

- 16.7.1 R A firm must make and maintain a record of:
- (1) all versions or iterations of the choices architecture including the language and format used, and the dates each version or iteration was made available to *customers*; and
  - (2) how many how many *customers* select each of the choices described *PDCOB* 8.2.4R.
  - (3) each version of the exit communications presented to consumers.

### **16.8 Specific record-keeping requirements: third party dashboard arrangements**

- 16.8.1 R A *firm* must make and keep a record of any *third party dashboard arrangement* into which it enters, including the contractual terms of agreements entered into, and of any changes to such arrangements.

### **16.9 Specific record-keeping requirements: data export**

- 16.9.1 R A *firm* must make and keep a record of:
- (1) the information presented to the *customer* prior to their *data export* election;
  - (2) where *data export* to the *customer* is used, the warnings and messages displayed to *customers* in accordance with *PDCOB* 11.4.1R, *PDCOB* 11.4.2R and *PDCOB* 11.4.6R; and
  - (3) where *data export* to the *firm* is used, the warnings and messages displayed to *customers* in accordance with *PDCOB* 11.5.1R.

### **16.10 Specific record-keeping requirements: data protection impact assessments**

- 16.10.1 R Where a *firm* completes, or updates, a data protection impact assessment in relation to its *pensions dashboard platform*, it must keep a record of that assessment.
- 16.10.2 R Where a *firm* decides not to complete a data protection impact assessment in relation to its *pensions dashboard platform*, it must make a record of its reasons for not completing the assessment and retain that record.

### **16.11 Specific record-keeping requirements: post-view services**

- 16.11.1 R A *firm* must keep a record of:
- (1) the information which it provides to *customers* to comply with *PDCOB* 12.5.1R;

- (2) the *post-view services* offered and the dates when they were available;
- (3) the purpose of the *post-view services* offered; and
- (4) details of changes to any *post-view services* included where *post-view services* are added or removed.

16.11.2 R A *firm* must make an adequate record of the user testing which it has conducted to comply with *PDCOB* 13.3.1(4)R, including a record of what, if anything, was changed as a result of the testing.

## 16.12 Specific record-keeping requirements: prudential requirements

16.12.1 R A *firm* must make a written record of the assessments required under *PDCOB* 13.8.4R. In particular, it must make a written record of:

- (1) the major sources of risk identified in accordance with *PDCOB* 13.8.4R; and
- (2) how it intends to deal with those risks.

16.12.2 R A *firm* must retain the records of its assessments referred to in *PDCOB* 16.12.1R for at least 3 years.

## 17 Application of other parts of the Handbook

### 17.1 Application of other parts of the Handbook

17.1.1 G This chapter applies to *firms* carrying out *regulated pensions dashboard activity*. It is intended to draw a *firm's* attention to the application of other key parts of the *FCA Handbook*, as set out in the table at *PDCOB* 17.1.2G.

17.1.2 G Application of other parts of the Handbook and of Regulatory Guides:

Module	Relevance to firms carrying on regulated pensions dashboard activity
Principles for Businesses sourcebook ( <i>PRIN</i> )	<i>PRIN</i> sets out high-level requirements imposed by the <i>FCA</i> . It provides a general statement of regulatory requirements. The <i>Principles</i> apply to all <i>firms</i> .
Senior Management Arrangements, Systems and Controls sourcebook ( <i>SYSC</i> )	<i>SYSC</i> 1, <i>SYSC</i> 4 to <i>SYSC</i> 10, <i>SYSC</i> 18, <i>SYSC</i> 21 to <i>SYSC</i> 24 and <i>SYSC</i> 27 apply to <i>firms</i> carrying out <i>regulated pensions dashboard activity</i> . <i>Insurers</i> carrying out <i>regulated pensions dashboard activity</i> will be subject to the provisions of <i>SYSC</i> applicable to <i>insurers</i> when carrying out that activity.

Code of Conduct sourcebook (COCON)	This contains <i>rules</i> and <i>guidance</i> that are directly applicable to a <i>firm's SMF managers, certification employees</i> and other <i>conduct rules staff</i> . It also contains <i>guidance</i> for <i>firms</i> on giving their staff training about <i>COCON</i> and general factors to which the <i>FCA</i> will have regard when assessing compliance with the <i>COCON rules</i> .
Threshold Conditions sourcebook (COND)	In order to become <i>authorised</i> under the <i>Act</i> , all <i>firms</i> must meet the <i>threshold conditions</i> . The <i>threshold conditions</i> must be met on a continuing basis by <i>firms</i> . Failure to meet one of the conditions is sufficient grounds for the exercise by the <i>FCA</i> of its powers.
Fit and Proper test for Employees and Senior Personnel sourcebook (FIT)	The purpose of <i>FIT</i> is to set out and describe the criteria that a <i>firm</i> should consider when assessing the fitness and propriety of a <i>person</i> :
	(1) in respect of whom an application is being made for approval to undertake a <i>controlled function</i> under the senior managers regime;
	(2) who has already been approved;
	(3) who is a <i>certification employee</i> ; or
	(4) whom a <i>firm</i> is considering appointing to be a <i>certification employee</i> .
<p><i>FIT</i> also sets out and describes criteria that the <i>FCA</i> will consider when assessing the fitness and propriety of a <i>candidate</i> for a <i>controlled function</i> position and that it may consider when assessing the continuing fitness and propriety of <i>approved persons</i>.</p>	
Training and Competence sourcebook (TC)	<i>TC</i> sets out rules and guidance regarding the competence of a <i>firm's</i> employees, continuing professional development and associated record-keeping requirements.
General Provisions sourcebook (GEN)	<i>GEN</i> contains <i>rules</i> and <i>guidance</i> on general matters, including interpreting the <i>FCA Handbook</i> , statutory status disclosure, the <i>FCA's</i> logo and insurance against financial penalties.
Fees manual (FEES)	<i>FEES</i> sets out the fees applying to <i>firms</i> .

Conduct of Business sourcebook ( <i>COBS</i> )	<i>COBS</i> sets out <i>rules</i> and <i>guidance</i> regarding conduct of business in relation to investment services, such as <i>investment advice</i> .			
Supervision manual ( <i>SUP</i> )	<i>SUP</i> sets out the relationship between the <i>FCA</i> and <i>firms</i> . As a general rule, <i>SUP</i> contains material that is of continuing relevance after authorisation.			
Decision, Procedure and Penalties manual ( <i>DEPP</i> )	<i>DEPP</i> sets out:			
	<table border="1"> <tr> <td>(1)</td> <td>the <i>FCA</i>'s decision-making procedure for giving <i>statutory notices</i>. These are <i>warning notices</i>, <i>decision notices</i> and <i>supervisory notices</i> (<i>DEPP</i> 1.2 to <i>DEPP</i> 5); and</td> </tr> <tr> <td>(2)</td> <td>the <i>FCA</i>'s policy with respect to the imposition and amount of penalties under the <i>Act</i> (see <i>DEPP</i> 6).</td> </tr> </table>	(1)	the <i>FCA</i> 's decision-making procedure for giving <i>statutory notices</i> . These are <i>warning notices</i> , <i>decision notices</i> and <i>supervisory notices</i> ( <i>DEPP</i> 1.2 to <i>DEPP</i> 5); and	(2)
(1)	the <i>FCA</i> 's decision-making procedure for giving <i>statutory notices</i> . These are <i>warning notices</i> , <i>decision notices</i> and <i>supervisory notices</i> ( <i>DEPP</i> 1.2 to <i>DEPP</i> 5); and			
(2)	the <i>FCA</i> 's policy with respect to the imposition and amount of penalties under the <i>Act</i> (see <i>DEPP</i> 6).			
Dispute Resolution: Complaints sourcebook ( <i>DISP</i> )	<i>DISP</i> sets out <i>rules</i> and <i>guidance</i> in relation to treating complainants fairly and the <i>Financial Ombudsman Service</i> .			
The Enforcement Guide ( <i>EG</i> )	<i>EG</i> describes the <i>FCA</i> 's approach to exercising the main enforcement powers given to it by the <i>Act</i> and by other legislation.			
Financial Crime Guide ( <i>FCG</i> ): A firm's guide to countering financial crime risks and Financial Crime Thematic Reviews ( <i>FCTR</i> )	<i>FCG</i> and <i>FCTR</i> provide <i>guidance</i> on steps that a <i>firm</i> can take to reduce the risk that it might be used to further <i>financial crime</i> .			
The Perimeter Guidance manual ( <i>PERG</i> )	<i>PERG</i> gives <i>guidance</i> about the circumstances in which <i>authorisation</i> is required, or <i>exempt person</i> status is available, including <i>guidance</i> on the activities which are regulated under the <i>Act</i> and the exclusions which are available.			
The Unfair Contract Terms and Consumer Notices Regulatory Guide ( <i>UNFCOG</i> )	<i>UNFCOG</i> explains the <i>FCA</i> 's policy on how it will use its powers under the Consumer Rights Act 2015 in relation to unfair terms and consumer notices.			

The Wind-Down Planning Guide ( <i>WDPG</i> )	<i>WDPG</i> gives guidance about how to develop an effective wind-down plan.
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<b>Sch 1</b>	<b>Right of action for damages</b>	
Sch 1.1	G	The table below sets out the <i>rules</i> in <i>PDCOB</i> the contravention of which by an <i>authorised person</i> may be actionable under section 138D of the <i>Act</i> (Actions for damages) by a <i>person</i> who suffers loss as a result of the contravention.
Sch 1.2	G	If a ‘Yes’ appears in the column headed ‘For private person?’ the <i>rule</i> may be actionable by a <i>private person</i> under section 138D of the <i>Act</i> (or, in certain circumstances, that <i>person’s</i> fiduciary or representative; see article 6(2) and (3)(c) of the Financial Services and Markets Act 2000 (Rights of Action) Regulations 2001 (SI 2001/2256)). A ‘Yes’ in the column headed ‘Removed’ indicates that the <i>FCA</i> has removed the right of action under section 138D(2) of the <i>Act</i> . Where this is the case, a reference to the <i>rule</i> in which it is removed is also given.
Sch 1.3	G	The column headed ‘For other person?’ indicates whether the <i>rule</i> may be actionable by a <i>person</i> other than a <i>private person</i> (or their fiduciary or representative) under article 6(2) and (3) of the Financial Services and Markets Act 2000 (Rights of Action) Regulations 2001 (SI 2001/2256). Where this is the case, an indication of the type of <i>person</i> by whom the <i>rule</i> may be actionable is given.

<b>Rights of action under section 138D</b>					
<b>Chapter</b>	<b>Section / Annex</b>	<b>Paragraph</b>	<b>For private person?</b>	<b>Removed?</b>	<b>For other person?</b>
		The <i>fair, clear and not misleading rule</i> in <i>PDCOB</i> 4.2.1R	Yes	In part (Note)	No
		Any <i>rule</i> in <i>PDCOB</i> which prohibits an <i>authorised person</i> from seeking to make provisions excluding or restricting any duty or liability	Yes	No	Yes
		The prudential <i>rules</i> for <i>firms</i> carrying on regulated pensions dashboard activity in <i>PDCOB</i> 13	No	Yes (see <i>PDCOB</i> 13.9.1R)	No
		All other <i>rules</i> in <i>PDCOB</i>	Yes	No	No

**Note:** *PDCOB* 4.6.1R provides that if, in relation to a particular communication, a *firm* takes reasonable steps to ensure it complies with the *fair, clear and not misleading rule*, a contravention of that *rule* does not give rise to a right of action under section 138D of the *Act*.

Annex F

Amendments to the Supervision manual (SUP)

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

**10C FCA senior managers regime for approved persons in SMCR firms**

...

**10C What functions apply to what type of firm**

**Annex 1**

...

Part Seven: Functions applying to limited scope firms

7.1 R *Limited scope SMCR firms* are divided into the following categories for the purposes of SUP 10C Annex 1:

...

(9) a *firm* that comes within SYSC 23 Annex 1 6.11R (claims management) that is not a Class 1 firm as defined in CMC OB 7.2.5R(1);

(10) a firm falling within SYSC 23 Annex 1 6.28R (Pensions dashboard service).

...

7.3 R (1) The table in SUP 10C Annex 1 7.4R sets out which *FCA controlled functions* apply to a *limited scope SMRC firm* covered by SUP 10C Annex 1 7.1R(1), (2), (2A), (3), (4), (4A), (8), ~~or (9)~~, or (10).

...

7.4 R Table: Controlled functions applying to limited scope SMCR firms except sole traders and authorised professional firms

...

**Part 2 (Claims management, ~~and funeral plan,~~ and pensions dashboard firms)**

(1)	(2)	(3)	(4)	(5)	<u>(6)</u>
<b>Brief description of functions</b>	<b>Function number</b>	<b>Class 1 claims management firms</b>	<b>Other claims management firms</b>	<b>Funeral plan firms</b>	<b><u>Pensions dashboard firms</u></b>

Required functions

<i>Compliance oversight function</i>	SMF 16	√	x	x	<u>x</u>
<i>Limited scope function</i>	SMF 29	√	√	√	<u>√</u>

**Notes to the table**

Note (1): The categories of *firm* in the column headings of this table are to be interpreted in accordance with the classification of *firms* at SUP 10C Annex 1 7.1R. Therefore:

...

(7) column four of Part 2 of the table (Other Claims management firms) refers to SUP 10C Annex 1 7.1R(9); ~~and~~

(8) column five of Part 2 of the table (Funeral plan firms) refers to SUP 10C Annex 1 7.1R(2A); and

(9) column six of Part 2 of the table (Pensions dashboard firms) refers to SUP 10C Annex 1 7.1R(10).

...

**16 Reporting requirements**

...

**16.12 Integrated Regulatory Reporting**

...

Purpose

16.12.2 G (1) *Principle 4* requires *firms* to maintain adequate financial resources. The prudential sourcebooks, which are contained in the Prudential Standards block in the *Handbook*, for firms engaged in regulated funeral plan activity (FPCOB), and for firms engaged in regulated pensions dashboard activity (PDCOB), set out the *FCA*'s detailed capital adequacy requirements. By submitting regular data, *firms* enable the *FCA* to monitor their compliance with *Principle 4* and their prudential requirements.

...

Reporting requirement

16.12.3 R (1) Any *firm* permitted to carry on any of the activities within each of the *RAGs* set out in column (1) of the table in *SUP* 16.12.4R must:

(a) (i) ...

(ii) unless (iii) applies, where a *firm* is required to submit completed *data items* for more than one *RAG*, that *firm* must only submit the *data item* of the same name and purpose in respect of the lowest numbered *RAG* applicable to it, *RAG* 1 being the lowest and *RAG* ~~12~~ 13 the highest;

...

...

...

...

16.12.4 R Table of applicable *rules* containing *data items*, frequency and submission periods

(1)		(2)	(3)	(4)
RAG number	Regulated Activities	Provisions containing:		
		applicable <i>data items</i>	reporting frequency/period	due date
...				
RAG 12	...			
<u>RAG 13</u>	<u>regulated pensions dashboard activity</u>	<u>SUP 16.12.29E</u>	<u>SUP 16.12.29E</u>	<u>SUP 16.12.29E</u>

...

16.12.29C R ...

Regulated Activity Group 13

16.12.29D R SUP 16.12.29ER does not apply to a local authority.

16.12.29E R The applicable *data items*, reporting frequencies and submission deadlines referred to in SUP 16.12.4R are set out in the table below. Reporting frequencies are calculated from a *firm's accounting reference date*, unless indicated otherwise. The due dates are the last day of the

periods given in the table below following the relevant reporting frequency period.

<u>Description of data item</u>	<u>Data item (Note)</u>	<u>Frequency</u>	<u>Submission deadline</u>
<u>Balance sheet</u>	<u>Section A</u> <u>FIN075</u>	<u>Half yearly</u>	<u>30 business days after the half year end</u>
<u>Profit and loss account</u>	<u>Section B</u> <u>FIN075</u>	<u>Half yearly</u>	<u>30 business days after the half year end</u>
<u>Audited accounts</u>	<u>Section C</u> <u>FIN075</u>	<u>Half yearly</u>	<u>30 business days after the half year end</u>
<u>Core capital resources requirement</u>	<u>Section D</u> <u>FIN075</u>	<u>Half yearly</u>	<u>30 business days after the half year end</u>
<u>Capital resources</u>	<u>Section E</u> <u>FIN075</u>	<u>Half yearly</u>	<u>30 business days after the half year end</u>
<u>Capital adequacy position</u>	<u>Section F</u> <u>FIN075</u>	<u>Half yearly</u>	<u>30 business days after the half year end</u>
<b>Note:</b> When submitting the completed <i>data item</i> required, a <i>firm</i> must use the format of the <i>data item</i> set out in SUP 16 Annex 53A. Guidance notes for the completion of the <i>data items</i> are set out in SUP 16 Annex 53B.			

After SUP 16 Annex 52G (Guidance notes for the MIF008), insert the following new annexes: SUP 16 Annex 53AR (Pensions Dashboard Service Firms - Half-Yearly Prudential Return) and SUP 16 Annex 53BG (Guidance notes for the Pensions Dashboard Service Firms – Half-Yearly Prudential Return). The text is all new and is not underlined.

**16 Annex 53AR Pensions Dashboard Service Firms – Half-Yearly Prudential Return**

This annex consists only of one or more forms. The forms can be found below:

Pensions Dashboard Service Firms – Half-Yearly Prudential Return (FIN075)

**Draft regulatory return for PDS firms (SUP 16.12 Annex 51A)**

**PENSIONS DASHBOARD SERVICES (PDS) FIR–S - PRUDENTI–L - HALF-YEARLY RETURN**

**Completion Guidance**  
 Part One, Part Two and Part Three must be completed.  
 Memos (1) and (2) to be completed, where applicable, by all pensions dashboard service firms subject to [PDBOB sourcebook].  
 Monetary answers must completed in Sterling.

Row	Item	Column		
		A	B	C

**PART ONE: FINANCIAL STATEMENT INFORMATION**

**SECTION A: BALANCE SHEET**

(as at end date of Reporting Period)

**FIXED ASSETS**

**1** Intangible assets

<b>2</b>	Tangible assets	<input type="text"/>
<b>3</b>	Investments	<input type="text"/>
<b>4</b>	TOTAL FIXED ASSETS	<input type="text"/>
<b>CURRENT ASSETS</b>		
<b>5</b>	Stocks	<input type="text"/>
<b>6</b>	Debtors (see Memo (1))	<input type="text"/>
<b>7</b>	Investments held as current assets (see Memo (2))	<input type="text"/>
<b>8</b>	Cash at bank and in hand	<input type="text"/>
<b>9</b>	Other assets	<input type="text"/>
<b>10</b>	TOTAL CURRENT ASSETS	<input type="text"/>
<b>CURRENT LIABILITIES</b> (amounts falling due within one year)		
<b>11</b>	Bank loans and overdrafts	<input type="text"/>
<b>12</b>	Other liabilities falling due within one year	<input type="text"/>
<b>13</b>	TOTAL CURRENT LIABILITIES	<input type="text"/>

<b>14</b>	<b>Net current assets</b>	<input type="text"/>
<b>15</b>	<b>Total assets less current liabilities</b>	<input type="text"/>
<b>16</b>	<b>Other liabilities falling due after more than one year</b>	<input type="text"/>
<b>17</b>	<b>Provisions for liabilities and charges</b>	<input type="text"/>
<b>18</b>	<b>Net assets</b>	<input type="text"/>
<b>19</b>	<b>Guarantees provided by firm</b>	<input type="text"/>

**CAPITAL AND RESERVES**

Capital account (incorporated businesses excluding Limited Liability Partnerships)

<b>20</b>	Ordinary share capital	<input type="text"/>
<b>21</b>	Preference share capital	<input type="text"/>
<b>22</b>	Share premium account	<input type="text"/>
<b>23</b>	Profit and Loss account (retained earnings)	<input type="text"/>
<b>24</b>	Other reserves	<input type="text"/>
<b>25</b>	<b>TOTAL CAPITAL AND RESERVES</b>	<input type="text"/>

Capital account (unincorporated businesses and Limited Liability Partnerships)

<b>26</b>	Sole trader / Partn'rs' capital account / Memb'rs' capital	<input type="text"/>
<b>27</b>	Other reserves	<input type="text"/>
<b>28</b>	TOTAL CAPITAL AND RESERVES	<input type="text"/>

**Memo (1)**

<b>29</b>	Total amount falling due within one year from directors, fellow group undertakings or undertaking in which the firm has a participating interest where included in Debtors.	<input type="text"/>
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**Memo (2)**

<b>30</b>	Value of shares in group undertakings where such investments are held as current assets.	<input type="text"/>
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**SECTION B: PROFIT AND LOSS ACCOUNT**

(for the period corresponding to the Reporting Period)

**REVENUE**

(Income accrued during the reporting period)

<b>31</b>	Revenue from all regulated qualifying pensions dashboard services activities	<input type="text"/>
<b>32</b>	Revenue from all FCA regulated activities (including regulated qualifying pensions dashboard services activities)	<input type="text"/>
<b>33</b>	Revenue from all non-FCA regulated activities	<input type="text"/>
<b>34</b>	TOTAL REVENUE	<input type="text"/>
	<b>EXPENDITURE</b> (Expenditure incurred during the reporting period)	
<b>35</b>	TOTAL EXPENDITURE	<input type="text"/>
<b>36</b>	Profit/(Loss) on ordinary activities before taxation	<input type="text"/>
<b>37</b>	Profit/(Loss) on extraordinary activities before taxation	<input type="text"/>
<b>38</b>	Taxation	<input type="text"/>
<b>39</b>	Profit/(Loss) for the period before dividends and appropriations	<input type="text"/>
<b>40</b>	Dividends and other appropriations	<input type="text"/>
<b>41</b>	Retained Profit	<input type="text"/>
<b>42</b>	Annual Report and accounts Date of most recent annual report and accounts	<input type="text" value="dd/mm/yyyy"/>

43 Please provide an attachment or the link to the publication of your most recent annual report and accounts

https://

**PART TWO: SUPPLEMENTARY INFORMATION**

Row	Item	Column		
		A	B	C

**SECTION C: AUDITED ACCOUNTS**

44 If your firm is incorporated, does your firm qualify for the Companies House small firms exemption from having its accounts audited?

Yes / No

45 If the firm is required to submit audited accounts, please report the date on which your accounts were last audited

dd/mm/yyyy

Row	Item	Column		
		A	B	C

**PART THREE: REGULATORY CAPITAL**

**SECTION D: CORE CAPITAL RESOURCES REQUIREMENT**

(as at the firm's most recent accounting reference date)

46 Base requirement

40000

47 **CORE CAPITAL RESOURCES REQUIREMENT**  
(as at the firm's most recent accounting reference date)

**SECTION E: CAPITAL RESOURCES**

(as at the firm's end date of the Reporting Period)

	Incorporated businesses excluding Limited Liability Partnerships	
<b>48</b>	Share capital	<input type="text"/>
<b>49</b>	Reserves	<input type="text"/>
<b>50</b>	Interim net profits	<input type="text"/>
<b>51</b>	Revaluation reserves	<input type="text"/>
<b>52</b>	Eligible subordinated loans	<input type="text"/>
<b>53</b>	<b>less</b> investments in own shares	<input type="text"/>
<b>54</b>	<b>less</b> intangible assets	<input type="text"/>
<b>55</b>	<b>less</b> interim net losses	<input type="text"/>
<b>56</b>	<b>TOTAL CAPITAL RESOURCES</b>	<input type="text"/>
	(as at the firm's end date of the Reporting Period)	
	Unincorporated businesses and Limited Liability Partnerships	
<b>57</b>	Capital of a sole trader or partnership	<input type="text"/>

58	Eligible subordinated loans	<input type="text"/>
59	Personal assets not needed to meet non-business liabilities	<input type="text"/>
60	<b>less</b> intangible assets	<input type="text"/>
61	<b>less</b> interim net losses	<input type="text"/>
62	<b>less</b> excess of drawings over profits for a sole trader or partnership	<input type="text"/>
63	<b>TOTAL CAPITAL RESOURCES</b> (as at the firm's end date of the Reporting Period)	<input type="text"/>

**SECTION F: CAPITAL ADEQUACY POSITION**

(as at the firm's end date of the Reporting Period)

64	<b>CAPITAL RESOURCES SURPLUS/(DEFICIT)</b> (as at the firm's end date of the Reporting Period)	<input type="text"/>
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**16**            **Guidance notes for the Pensions Dashboard Service Firms – Half-Yearly**  
**Annex**       **Prudential Return**  
**53BG**

This annex consists only of one or more forms. The forms can be found below:

Guidance notes for completion of the Pensions Dashboard Service Firms – Half-Yearly Prudential Return (FIN075)

**SUP 16 Annex 53B**

**Guidance Notes for the completion of the data items as set out in FIN075 – Pensions Dashboard Services (PDS) Prudential Return**

**Introduction**

This data provides the FCA with information on the solvency of the pensions dashboard service firms. The data item is intended to reflect the underlying adequate financial resources requirements contained in PDCOB 13 and allows monitoring against the requirements set out there, and also against those individual requirements placed on firms. We have included references to the underlying rules to assist in its completion.

The data assists the FCA in the ongoing supervision of firms engaged in regulated pensions dashboard activity. This data item applies to all pensions dashboard service firms. In the text below, we have identified where elements do not apply to all firms.

This guidance note does not constitute individual or general FCA guidance. The purpose of this guidance note is to help firms complete the prudential return (FIN075). This summary is not a substitute for reading the actual text of the FCA Handbook. It is important to note that this guidance may be subject to periodic review.

**Currency**

All figures should be reported in Sterling (unless otherwise stated). Figures should be reported in single currency units (unless otherwise stated).

**Defined terms**

The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology, including, where appropriate, the pensions dashboard service firm's accounting framework, without departing from their full meaning or effect. The defined terms are not meant to replace, redefine, or reinterpret relevant accounting standards or corresponding accounting terms.

**Data elements or items**

These are referred to by row first, then column.

## **Basis of completion**

### **PART ONE: FINANCIAL STATEMENT INFORMATION**

#### **SECTION A: BALANCE SHEET**

##### **FIXED ASSETS**

###### **1B – Intangible assets**

Pensions dashboard service firms should enter the amount of intangible assets that they hold. Intangible assets are identifiable non-monetary assets that are without physical substance. For example, goodwill, copyrights, patents and intellectual property.

###### **2B – Tangible assets**

Pensions dashboard service firms should enter the amount of tangible assets that they hold. Tangible assets are assets that have physical substance and for which a measurable value can be attached. Examples include property, real estate, plant and equipment beneficially owned by the firm.

###### **3B – Investments**

Pensions dashboard service firms should enter the amount of assets held for long-term investment purposes. This represents the firm's long-term investments, including shares, bonds, real estate, exchange-traded funds, money market funds, cash or cash equivalents that are held for long-term investment purposes.

###### **4B – Total fixed assets**

This amount should be the sum of items 1B (intangible assets), 2B (tangible assets) and 3B (investments).

##### **CURRENT ASSETS**

###### **5A – Stocks (or inventories)**

Pensions dashboard service firms should enter the monetary equivalent amount of their inventory held. These are assets held for sale in the ordinary course of business (finished goods), assets in the production process for sale in the ordinary course of business (work in progress), and materials or supplies that are consumed during production (raw materials).

###### **6A – Debtors**

Pensions dashboard service firms should enter the amount of debtors. This includes loans and securities, and both trade and non-trade debtors. It also includes the total amount falling due within one year from directors, fellow group undertakings or undertakings in which the firm has a participating interest where included as debtors.

###### **7A – Investments held as current assets**

Pensions dashboard service firms should enter the amount of assets held for short-term investment purposes. These are short-term investments that a firm holds for resale or pending their sale with a maturity date of less than one year and are generally, easily converted to cash. These can include short-term investments in, for example, equities,

debt securities and exchange-traded funds. It also includes the value of shares in group undertakings where such investments are held as current assets.

#### **8A – Cash at bank and in hand**

Pensions dashboard service firms should enter the amount of cash held by a business in the form of notes and coins (e.g. petty cash) or which are held at a bank in the form of on demand deposits.

#### **9A – Other assets**

Pensions dashboard service firms should enter the amount of other current assets held by the firm where they are not reported in items 5A (stocks or inventories), 6A (debtors), 7A (investments held as current assets) and 8A (cash at bank and in hand).

#### **10A – Total current assets**

This amount should be the sum of items 5A (stocks or inventories), 6A (debtors), 7A (investments held as current assets), 8A (cash at bank and in hand) and 9A (other assets).

### **CURRENT LIABILITIES**

#### **11A – Banks loans and overdrafts**

Pensions dashboard service firms should enter the amount of any borrowings sourced from banks or building societies.

#### **12A – Other liabilities falling due within one year**

Pensions dashboard service firms should enter the amount of any borrowings that are not sourced from banks or building societies. These are short-term financial obligations that are not reported in item 11A (banks loans and overdrafts) to be settled within one year or within a normal operating cycle.

#### **13A – Total current liabilities**

This amount should be the sum of items 11A (bank loans and overdrafts) and 12A (other liabilities falling due within one year).

#### **14B – Net current assets**

This should equal item 10A (total current assets) minus item 13A (total current liabilities).

#### **15B – Total assets less current liabilities**

This should equal the sum of item 4B (total fixed assets) and item 10A (total current assets), less item 13A (total current liabilities).

#### **16B – Other liabilities falling due after more than one year**

Pensions dashboard service firms should enter the amount of any long-term borrowings, including loans (e.g. mortgage, bank loans or debt securities issued) that are due to be repaid after more than one year and debt securities with maturities greater than one year.

### **17B – Provisions for liabilities and charges**

Pensions dashboard service firms should enter the amount of any provisions for liabilities and charges. These represent liabilities of uncertain timing or amount. They come about because of a present obligation (legal or constructive) that has arisen as a result of a past event(s) (i.e. an event that creates a legal or constructive obligation and their no realistic alternative but to settle the obligation). The payment is probable in that it is more likely than not to occur, and the amount can be estimated reliably.

### **18B – Net assets**

Net assets represent the residual interest that owners (or shareholders) have in the firm once the assets of the firm are used to settle all outstanding liabilities. This should equal item 15B (total assets less current liabilities) minus item 16B (other liabilities falling due after more than one year) and minus item 17B (provisions for liabilities and charges). Please note that this figure must be the same figure as item 25A (total capital and reserves); otherwise, the balance sheet (or statement of financial position) will not balance.

### **19B – Guarantees provided by firm**

Pensions dashboard service firms should enter the total value of guarantees provided by the firm to cover the indebtedness of other persons or entities.

## **CAPITAL AND RESERVES**

### **Capital account (incorporated businesses excluding Limited Liability Partnerships)**

#### **20A – Ordinary share capital**

Pensions dashboard service firms should enter the face value of shares that have been issued and for which cash has been received.

#### **21A – Preference share capital**

Pensions dashboard service firms should enter: (1) the face value of shares that have been issued and for which cash has been received, and (2) where the holders of these shares have preferential rights over the holders of ordinary shares.

#### **22A – Share premium account**

Pensions dashboard service firms should enter the difference between the cash received in exchange for ordinary share capital and the face value of the shares issued.

#### **23A – Profit and loss account (retained earnings)**

Pensions dashboard service firms should enter the retained earnings of the firm. This represents the accumulation of all profits previously retained by the firm (after the deduction of tax and dividends) since the birth of the firm. It would also include the profit retained by the firm in the financial year that is brought across from the firm's profit and loss account statement (i.e. it would include item 41B).

#### **24A – Other reserves**

Pensions dashboard service firms should enter the amount of any other reserves that they hold and that are not reported in item 23A (retained earnings). This may include

reserves created by appropriations of share premiums and similar realised appropriations, gifts of capital (such as those from a parent undertaking), and revaluation reserves (e.g. reserves arising from the revaluation of land and buildings).

### **25A – Total capital and reserves**

Pensions dashboard service firms should enter the sum of item 20A (ordinary share capital), item 21A (preference share capital), item 22A (share premium account), item 23 (profit and loss account (retained earnings)), and item 24A (other reserves). Please note that this figure must be the same figure as item 18A (net assets); otherwise, the balance sheet (or statement of financial position) will not balance.

### **Capital account (unincorporated businesses and Limited Liability Partnerships)**

#### **26A – Sole trader / Partners' capital account / Members' capital**

For a pensions dashboard service firm that is a sole trader, the firm should enter the net balance on the firm's capital account and current account. For a pensions dashboard service firm that is a partnership, the firm should enter the capital of the partnership (i.e. capital made up from the partners).

#### **27A – Other reserves**

Pensions dashboard service firms should enter the amount of any other reserves that they hold.

#### **28A – Total capital and reserves**

Pensions dashboard service firms should enter the sum of item 26A (Sole trader / Partn'rs' capital account / Memb'rs' capital) and item 27A (other reserves). Please note that this figure must be the same figure as item 18A (net assets); otherwise, the balance sheet (or statement of financial position) will not balance.

#### **29A – Memo (1)**

Pensions dashboard service firms should enter the total amount of debtors falling due within one year from directors, fellow group undertakings or undertakings in which the firm has a participating interest where included as debtors.

#### **30A – Memo (2)**

Pensions dashboard service firms should enter the total value of shares in group undertakings where such investments are held as current assets.

## **SECTION B: PROFIT AND LOSS ACCOUNT**

### **REVENUE**

#### **31B – Revenue from all regulated pensions dashboard activities**

Pensions dashboard service firms should enter the total income accrued during the reporting period from regulated pensions dashboard activities.

#### **32B – Revenue from all FCA regulated activities**

Pensions dashboard service firms should enter the total income accrued during the reporting period from all FCA regulated activities. This includes the income accrued during the reporting period from regulated pensions dashboard activities.

### **33B – Revenue from all non-FCA regulated activities**

Pensions dashboard service firms should enter the total income accrued during the reporting period from all non-FCA regulated activities.

### **34B – Total revenue**

Pensions dashboard service firms should enter the sum of item 32B (revenue from all FCA regulated activities) and item 33B (revenue from all non-FCA regulated activities).

## **EXPENDITURE**

### **35B – Total expenditure**

Pensions dashboard service firms should enter the total expenditure incurred during the reporting period both in relation to its regulated and non-regulated activities. It should exclude taxation payable on the firm's profits during the reporting period.

### **36B – Profit/(Loss) on ordinary activities before taxation**

This figure is produced by deducting the total expenditure from ordinary activities (both regulated and non-regulated) incurred during the reporting period from the total revenue (both regulated and non-regulated) accrued during the reporting period. If the firm has not undertaken any extraordinary activities, this should be equal to item 34B (total revenue) minus item 35B (total expenditure).

### **37B – Profit/(Loss) on extraordinary activities before taxation**

Pensions dashboard service firms should enter any profits/losses on extraordinary activities before taxation during the reporting period. This should consider the proportion of total revenue obtained because of extraordinary activities, less the total expenditure incurred as a result of these extraordinary activities. An extraordinary event is a one-off (or non-recurring) event that has either generated a material profit or loss. Examples of an extraordinary activity may be the sale of a building, or the purchase of new premises.

### **38B – Taxation**

Pensions dashboard service firms should estimate the tax that will be payable on its profits and insert that figure in this field.

### **39B – Profit/(Loss) for the period before dividends and appropriations**

This figure should be calculated by taking item 34B (total revenue), less item 35B (total expenditure) and less item 38B (taxation).

### **40B – Dividends and other appropriations**

Pensions dashboard service firms should enter any dividends and other appropriations, which include dividends paid to shareholders, staff bonuses and wages paid to self (sole trader) etc.

### **41B – Retained profit**

Pensions dashboard service firms should calculate this by taking item 39B (profit/(loss) for the period before dividends and appropriations) less item 40B (dividends and other appropriations).

### **Annual Report and accounts**

#### **42B – Date of most recent annual report and accounts**

Pensions dashboard service firms should enter the date (in the format of dd/mm/yyyy) at which the firm's most recent annual report and accounts were prepared.

**43B** – Please provide an attachment or the link to the publication of your most recent annual report and accounts

Pensions dashboard service firms should provide either an attachment or the link to the firm's most recent annual report and accounts.

### **PART TWO: SUPPLEMENTARY INFORMATION**

#### **SECTION C: AUDITED ACCOUNTS**

**44B** – If your firm is incorporated, does your firm qualify for the Companies House small firms' exemption from having its accounts audited?

Answer 'Yes' or 'No'. Pensions dashboard service firms should indicate in the affirmative ('Yes') if the firm is incorporated and has prepared their accounts under this exemption because the firm has qualified to apply the Companies House small firms' exemption from having their accounts audited. Otherwise, the firm should indicate 'No' if this is not the case.

**45B** – If the firm is required to submit audited accounts, please report the date on which your accounts were last audited.

If a pensions dashboard service firm is required to submit audited accounts, the firm should enter the date (in the format of dd/mm/yyyy) on which the firm's accounts were last audited.

### **PART THREE: REGULATORY CAPITAL**

#### **SECTION D: CORE CAPITAL RESOURCES REQUIREMENT**

##### **46B – Base requirement**

Guidance not required. With reference to PDCOB 13.5.1R, for a firm with a Part 4A permission to carry on regulated pensions dashboard activities, the base requirement is equal to £40,000.

##### **47B – Core capital resources requirement**

The core capital resources requirement should be calculated in accordance with PDCOB 13.5.1R. Pensions dashboard service firms should enter the firm's core capital resources requirement.

#### **SECTION E: CAPITAL RESOURCES**

##### **Incorporated businesses excluding Limited Liability Partnerships**

#### **48A – Share capital**

In accordance with PDCOB 13.7.3R, pensions dashboard service firms should enter the firm's ordinary share capital and preference share capital (excluding preference shares redeemable by shareholders within 2 years) at the end of reporting period.

#### **49A – Reserves**

In accordance with PDCOB 13.7.3R, pensions dashboard service firms should enter the firm's accumulated total of all retained profit, and other reserves created by appropriations of share premiums and similar realised appropriations at the end of reporting period. Reserves would also include gifts of capital, for example, from a parent undertaking. Refer to PDCOB 13.7.3R, to take into account the necessary adjustments that firms must make to its reserves, where appropriate.

#### **50A – Interim net profits**

In accordance with PDCOB 13.7.3R, pensions dashboard service firms should enter the firm's total interim profits net of tax, anticipated dividends or proprietor's' drawings and other appropriations.

#### **51A – Revaluation reserves**

In accordance with PDCOB 13.7.3R, pensions dashboard service firms should enter the firm's revaluation reserves such as reserves arising from the revaluation of land and buildings, including any net unrealised gains for the fair valuation of equities held in the available-for-sale financial assets category.

#### **52A – Eligible subordinated loans**

In accordance with PDCOB 13.7.3R and PDCOB 13.7.8R, pensions dashboard service firms should enter the firm's eligible subordinated loans. A subordinated loan/debt cannot be included as part of the firm's capital resources to meet the firm's core capital resources requirement unless it meets the conditions set out in PDCOB 13.7.8R.

#### **53A – Less investments in own shares**

In accordance with PDCOB 13.7.3R and PDCOB 13.7.5R, pensions dashboard service firms should enter any of the firm's 'investments' in the balance sheet which are invested in the firm's own shares must be inserted in this field for deduction.

#### **54A – Less intangible assets**

In accordance with PDCOB 13.7.3R and PDCOB 13.7.5R, pensions dashboard service firms should enter the firm's intangible assets for deduction.

#### **55A – Less interim net losses**

In accordance with PDCOB 13.7.3R and PDCOB 13.7.5R, pensions dashboard service firms should enter the firm's interim losses, where they have not already been incorporated into the firm's 'reserves, for deduction.

#### **56A – Total capital resources**

In accordance with PDCOB 13.7, pensions dashboard service firms should calculate their total capital resources as at the firm's end date of the reporting period by using the following formula: item 48A (share capital) + item 49A (reserves) + item 50A (interim

net profits) + item 51A (revaluation reserves) + item 52A (eligible subordinated loan-) - item 53A (investments in own share-) - item 54A (intangible asset-) - item 55A (interim net losses).

## **Unincorporated businesses and Limited Liability Partnerships**

### **57A – Capital of a sole trader or partnership**

In accordance with PDCOB 13.7.3R, pensions dashboard service firms should enter the firm's total net balance on the firm's capital accounts and current account at the end of reporting period.

### **58A – Eligible subordinated loans**

In accordance with PDCOB 13.7.3R and PDCOB 13.7.8R, pensions dashboard service firms should enter the firm's eligible subordinated loans. A subordinated loan/debt cannot be included as part of the firm's capital resources to meet the firm's core capital resources requirement unless it meets the conditions set out in PDCOB 13.7.8R.

### **59A – Personal assets not needed to meet non-business liabilities**

In accordance with PDCOB 13.7.3R and PDCOB 13.7.6R, pensions dashboard service firms that are either sole traders or partnerships may use personal assets as eligible capital unless: i) these assets are being used to meet liabilities relating to other non-FCA activities (including personal and other business activities); or ii) the firm holds client money or other client assets in relation to regulated activities other than regulated pensions dashboard activity. Refer to PDCOB 13.7.6R.

### **60A – Less intangible assets**

In accordance with PDCOB 13.7.3R and PDCOB 13.7.5R, pensions dashboard service firms should enter the firm's intangible assets for deduction.

### **61A – Less interim net losses**

In accordance with PDCOB 13.7.3R and PDCOB 13.7.5R, pensions dashboard service firms should enter the firm's interim losses, where they have not already been incorporated into the firm's capital or current accounts, for deduction.

### **62A – less excess of drawings over profits for a sole trader or partnership**

In accordance with PDCOB 13.7.3R and PDCOB 13.7.5R, pensions dashboard service firms should enter any excess capital removed from the firm over and above any profit made by the firm for deduction.

### **63A – Total capital resources**

In accordance with PDCOB 13.7, pensions dashboard service firms should calculate their total capital resources as at the firm's end date of the reporting period by using the following formula: item 57A (capital of a sole trader or partnership) + item 58A (eligible subordinated loans) + item 59A (personal assets not needed to meet non-business liabilities-) - item 60A (intangible asset-) - item 61A (interim net losses) - item 62A (excess of drawings over profits for a sole trader or partnership).

## **SECTION F: CAPITAL ADEQUACY POSITION**

### **64A – Capital resources surplus/(deficit)**

In accordance with PDCOB 13.3.1R, pensions dashboard services firms must at all times maintain capital resources equal to or in excess of their core capital resources requirement. Pensions dashboard service firms that are incorporated businesses, excluding Limited Liability Partnerships, should calculate this by taking item 56A (total capital resources) less item 47B (core capital resources requirement). Pensions dashboard service firms that are unincorporated businesses and Limited Liability Partnerships should calculate this by taking item 63A (total capital resources) less item 47B (core capital resources requirement).

## Annex G

### Amendments to the Dispute Resolution: Complaints sourcebook (DISP)

In this Annex, underlining indicates new text and striking through indicates deleted text.

#### **1** **Treating complainants fairly**

...

#### **1 Annex** **Complaints return form** **1R**

This annex consists only of one or more forms. Forms are to be found through the following address:

*[Editor's note: insert link to form]*

...

**Part A-1, DISP 1 Annex 1R**

**For firms receiving less than 500 complaints in the reporting period**

**Table 1 – Complaints opened when fewer than 500 total opened**

...

		Decumulation & pensions					
		Total	Advising, selling and arranging	Information, sums/charges or product performance	General admin/customer service	Arrears related	Other
		A	D	H	L	M	N
...							
<b>78</b>	Workplace personal pensions (e.g. SIPPs, SHPs, PPPs)						
<b>79</b>	Non-workplace personal pensions (e.g. SIPPs, SHPs, PPPs)						
<b>80</b>	Trust based pensions (e.g. Occupational and DB)						
<b>81</b>	Pensions packaged multi products						
<b><u>224</u></b>	<u>Pensions dashboard services</u>						
<b>82</b>	Other pensions - Please provide details below						
<b>82x</b>							
...							

...

**Table 3 – Contextualisation metrics when fewer than 500 total opened complaints**

...

Product/service grouping:	Provision (at reporting period end date)	Intermediation (within the reporting period)
	A	B
<b>164</b> Banking and credit cards		Number of accounts
<b>173</b> Home finance		Number of balances outstanding
<b>190</b> Insurance & pure protection		Number of policies in force
<b>203</b> Decumulation & pensions		Number of policies in force/service users
<b>218</b> Investments		Number of client accounts
		Number of sales
		Number of policies sold
		Number of policies sold
		Number of sales or equivalent transactions

**Part A-2, DISP 1 Annex 1R**  
**For firms receiving more than 500 complaints in the reporting period**

**Table 4 – Complaints opened when greater than or equal to 500 opened complaints**

**Decumulation & pensions**

Product/service grouping	Total	Advising, selling and arranging		Information, sums/charges or product performance			General admin/customer service			Arrears related	Other	Claims Number of complaints in columns B to N which are claims related
		Unsuitable advice	Unclear guidance/arrangement	Disputes over sums/charges	Product performance/features	Product disclosure information	Errors/not following instructions	Delays/time scales	Other general admin/customer service			
	A	B	C	E	F	G	I	J	K	M	N	O
78 Workplace personal pensions (e.g. SIPPs, SHPs, PPPs)												
79 Non-workplace personal pensions (e.g. SIPPs, SHPs, PPPs)												
80 Trust based pensions (e.g. Occupational and DB)												
81 Pensions packaged multi products												
<u>224 Pensions dashboard services</u>												

**Table 5 – Complaints closed, upheld and redress when greater than or equal to 500 opened complaints**

Redress paid reported in single units...

		Decumulation & pensions					Total redress paid for upheld complaints (single units)	Total redress paid for complaints not upheld (single units)	Total redress paid (single units)
Product/service grouping		Complaints closed within 3 days	Complaints closed > 3 days but within 8 weeks	Complaints closed > 8 weeks	Total complaints closed	Total complaints upheld			
		A	B	C	D	E	F	G	H
...									
133	Workplace personal pensions (e.g. SIPPs, SHPs, PPPs)								
134	Non-workplace personal pensions (e.g. SIPPs, SHPs, PPPs)								
135	Trust based pensions (e.g. Occupational and DB)								
136	Pensions packaged multi products								
<u>225</u>	<u>Pensions dashboard services</u>								
...									

**Table 6 – Contextualisation metrics greater than or equal to 500 opened complaints**

...  
Reported in single units

**Decumulation & Pensions**

Product / service grouping	Provision (At Reporting Period End Date)	Intermediation (Within the Reporting Period)
	Number of Policies in Force/ <u>Service Users</u>	Number of Policies Sold/ <u>Service Users</u>
	A	B
193 Workplace personal pensions (e.g. SIPPs, SHPs, PPPs)		
194 Non-workplace personal pensions (e.g. SIPPs, SHPs, PPPs)		
195 Trust based pensions (e.g. Occupational and DB)		
196 Pensions packaged multi products		
<u>226 Pensions dashboard services</u>		
197 Other pensions		
...		

**Decumulation & Pensions Contextualised**

	Provision (At Reporting Period End Date)	Intermediation (Within the Reporting Period)
	Number of Policies in Force/ <u>Service Users</u>	Number of Policies Sold/ <u>Service Users</u>
	A	B
204 Number of complaints opened per 1000 policies in force/ <u>service users</u>		
205 Number of complaints opened per 1000 policies sold/ <u>service users</u>		
...		

...

**2 Jurisdiction of the Financial Ombudsman Service**

...

**2.5 To which activities does the Voluntary Jurisdiction apply?**

2.5.1 R The *Ombudsman* can consider a complaint under the *Voluntary Jurisdiction* if:

...

(2) it relates to an act or omission by a *VJ participant* in carrying on one or more of the following activities:

(a) an activity (other than *auction regulation bidding*, ~~and administering a benchmark, meeting of repayment claims, and managing dormant asset funds (including the investment of such funds)~~ and regulated pensions dashboard activity) carried on after 28 April 1988 which:

...

...

(c) activities, other than *regulated claims management activities*, activities ancillary to *regulated claims management activities*, *meeting of repayment claims*, ~~and managing dormant asset funds (including the investment of such funds)~~ and regulated pensions dashboard activity, which (at ~~1 August 2022~~ [date TBC]) would be covered by the *Compulsory Jurisdiction*, if they were carried on from an establishment in the *United Kingdom* (these activities are listed in *DISP 2 Annex 1G*);

...

...

...

**2.7 Is the complainant eligible?**

...

Eligible complainants

...

2.7.6

R ...

(17) ...

(18) the complainant is a customer of the respondent in relation to regulated pensions dashboard activity.

...

2 Annex 1G

**Regulated Activities for the Voluntary Jurisdiction at ~~1 August 2022~~  
[date TBC]**

...

The activities which were covered by the *Compulsory Jurisdiction* (~~1 August 2022~~ [date TBC]) were:

...

The activities which (at ~~1 August 2022~~ [date TBC]) were *regulated activities* were, in accordance with section 22 of the *Act* (Regulated Activities), any of the following activities specified in Part II and Parts 3A and 3B of the *Regulated Activities Order* (with the addition of *auction regulation bidding* and *administering a benchmark*):

...

(47) ...

(48) regulated pensions dashboard activity (article 89BA)

...

...

**4 Standard terms**

...

**4.2 Standard terms**

...

Application of DISP 1 to DISP 3

4.2.3

R The following rules and guidance apply to *VJ participants* as part of the *standard terms*, except where the context requires otherwise:

...

(2) ...

...

(d) *DISP 2.7.6(14B)*; and

(e) *DISP 2.7.6(18)*; and

...

...

## Annex H

### Amendments to the Perimeter Guidance manual (PERG)

In this Annex, all of the text is new and is not underlined.

After PERG 12, insert the following new section, PERG 12A (Guidance on operating a pensions dashboard).

#### **12A Guidance on operating a pensions dashboard**

##### **12A.1 Application**

This *guidance* applies to any *person* who needs to know whether their activities in relation to a particular pensions dashboard service amount to *regulated pensions dashboard activity*.

##### **12A.2 Purpose**

###### **Q1. What is the purpose of these questions and answers ('Q&As') and who should be reading them?**

The purpose of these Q&As is to help *persons* to consider whether they are carrying out *regulated pensions dashboard activity* and therefore whether they need *authorisation* or a variation of their *Part 4A permission*.

###### **Q2. To what extent can we rely on these Q&As?**

The answers given in these Q&As represent the *FCA's* views but the interpretation of financial services legislation is ultimately a matter for the courts. If you have doubts about your position after reading these Q&As, you may wish to seek legal advice. The Q&As do not purport to be exhaustive and are not a substitute for reading the relevant legislation.

##### **12A.3 Operating a pensions dashboard service**

###### **Q3. What is the regulated activity in relation to pensions dashboard services?**

The *regulated activity* in relation to pensions dashboard services is found in article 89BA of the *Regulated Activities Order* which provides: 'operating a pensions dashboard service which connects to the Money and Pensions Service dashboards digital architecture is a specified kind of activity'. This *regulated activity* is referred to in the *glossary* as *regulated pensions dashboard activity*.

###### **Q4. What is a pensions dashboard service?**

A pensions dashboard service is a secure digital interface that will allow *consumers* to find their pensions that are not yet in payment and view basic information about them in one place. For the purposes of the *regulated activity*, pensions dashboard service has the same meaning as in section 238A(1) of the

Pensions Act 2004 where it is defined as ‘an electronic communications service by means of which information about pensions may be requested by, and provided to, an individual or a person authorised by the individual’.

**Q5. What does ‘which connects to the Money and Pensions Service dashboards digital architecture’ mean?**

The *MaPS dashboards digital architecture* means the information technology systems delivered by or on behalf of the *Money and Pensions Service* which enable the *MaPS Pensions Dashboard ecosystem* to work. The *MaPS Pensions Dashboards Ecosystem* is the interconnected system which enables *pensions dashboard services* to work and is made up of the *MaPS dashboards digital architecture*, the *pensions dashboard services* and the interfaces of the *relevant pensions schemes* which connect to the *MaPS dashboards digital architecture*, the interfaces of the *relevant pension schemes* that connect to the *pensions dashboard services* and any other party or service that needs to be connected in order for the system to work. Each individual *pensions dashboard service* will have a separate connection to the *MaPS dashboards digital ecosystem*.

**Q6. Who needs to be authorised?**

*Persons* who operate a pensions dashboard service will need to be (or to become) *FCA* authorised or vary their permission to undertake *regulated pensions dashboard activity*.

**Q7. What is involved in operating a pensions dashboard service?**

The *regulated activity* in article 89BA of the *Regulated Activities Order* refers to ‘operating’ a pensions dashboard service which connects to the *MaPS dashboards digital architecture*.

The *Regulated Activities Order* does not attempt to define the word ‘operating’ for the purposes of the *regulated activity* in article 89BA. The explanatory memorandum to the Financial Services and Markets Act 2000 (Regulated Activities)(Amendment) Order 2024 says that “operating a dashboard may include taking regulatory responsibility for any third parties involved in connecting to the MaPS digital architecture on their behalf”. Ultimately, it will be for the Courts to determine its meaning. In the *FCA*’s view, the term ‘operating’ should be given its ordinary meaning. It is the *FCA*’s view therefore that operating means to control the pensions dashboard service. There are other references in the *Regulated Activities Order* to ‘operating’. The *FCA* has provided *guidance* on some of those references, for example in *PERG 12, Q4*, which is consistent with the view the *FCA* has taken on the meaning of operating for the purposes of article 89BA of the *Regulated Activities Order*.

In determining whether a *person* is in control of a particular pensions dashboard service, it is the *FCA*’s view that the *person* who accepts responsibility for it will be in control of that particular pensions dashboard service. Therefore, the operator will be the *person* accepting responsibility for compliance with our *rules*, will be the *person* taking responsibility for compliance with the *pensions dashboard standards* and the *Dashboard Regulations*, will be the person who takes responsibility to individual *customers*, and will be the *person* who takes

responsibility for the connection to the *MaPS dashboards digital architecture*, including where a third party connects to the *MaPS digital architecture* on their behalf. This is consistent with the explanatory memorandum to the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2024.

It follows therefore that an operator of a pensions dashboard service may or may not be the *person* that actually connects their particular pensions dashboard service to the *MaPS dashboards digital architecture*; the connection may be made by another *person* on their behalf. Instead, it is the *person* that remains responsible for the connection, and not the *person* actually connecting, that will be considered the operator, and because of that would be registered with the *Money and Pensions Service* as the operator of that particular pensions dashboard service.

It is also the *FCA's* view that a fundamental element of control is that a *person* has the authority to decide and direct how the pensions dashboard service is managed or run, with the ability to direct any third party carrying out activities or services to support the pensions dashboard service with whom they have an arrangement. So where the *person* with authority to decide and direct how the dashboard is managed and run outsources activities or services to a third party, or purchases a product from a third party that meets their requirements and is a part of the running of the service, that third party will not become the operator of the pensions dashboard service as they won't decide and direct how the pensions dashboard service is managed or run (see further guidance in Q8).

**Q8. Who is operating the pensions dashboard service if activities/services that may involve ensuring the pensions dashboard service continues to run on a day-to-day basis are provided by third parties?**

As explained in Q7, the *person* who takes responsibility for a particular pensions dashboard service and/or has the authority to decide and direct how it is managed or run, will be the *person* in control of and operating it. In some circumstances, however, there may be outsourcing arrangements in place with third parties, or the *person* responsible may purchase a product from a third party that meets their requirements. This could include, for example, the provision of technical services to ensure that the pensions dashboard service can function and remain connected to the *MaPS dashboards digital architecture*. In such circumstances, the *person* who retains responsibility for the particular pensions dashboard service, and/or with the authority to decide and direct how the pensions dashboard service is managed or run, with the ability to direct the third party providing the technical services, and will remain the operator and the *person* who is carrying on *regulated pensions dashboard activity*. The third party will not be operating the pensions dashboard service so long as they do not take any responsibility for it and because they act under the direction and decision making of the operator. In such arrangements, the apportionment of responsibility, and clarity around who has the authority to make decisions and direct, could be achieved by contractual terms and conditions ensuring that responsibility and high-level decision making/direction is assumed by one *person* such that they are the only *person* considered to be carrying on *regulated pensions dashboard activity* in relation to the particular pensions dashboard

service. This will still be the case even if the third party takes decisions around technical details needed to achieve the high-level objectives set by the person engaging the third party or purchasing their product.

**Q9. Where there is more than one person involved, which person is required to be authorised?**

As explained in Q8, there may be several parties involved in the development, production or functioning of a particular pensions dashboard service. The *person*, or *persons*, who are operating the particular pensions dashboard service, as explained in Q7, will need *Part 4A permission for regulated pensions dashboard activity*. In some cases, only one *person* will be operating the pensions dashboard service and therefore only that *person* will need *Part 4A permission* (see Example 1 below). In some cases, there may be more than one *person* operating the pensions dashboard service, for example, if there is more than one *person* who is responsible for the particular pensions dashboard service and/or has authority to decide and direct how it is managed or run.

**Q10. Are there other activities that relate to the pensions dashboard service that do not amount to operating that pensions dashboard service?**

In our view, providing the following services in and of themselves, are unlikely to amount to *regulated pensions dashboard activity* because it is unlikely these activities amount to operating the particular pensions dashboard service:

- (1) Consultation services, for example, where a consultant advises their clients on how to undertake consumer research to inform design, how to develop their business case and how to prepare an application for *FCA* authorisation.
- (2) Providing a publicly available link (for example on a website) to a *qualifying pensions dashboard service* that is clearly operated by another *person* (who will therefore need to be a *firm* authorised to operate it).
- (3) Providing a link to the publicly available *MaPS pensions dashboard service*.

**Q11. Can you give some examples of what is and what is not operating a pensions dashboard service?**

Yes, the following are examples of the *FCA*'s view of what is and what is not operating a pensions dashboard service below.

**Example 1**

A *person* (Person A), develops and produces a pensions dashboard service. Person A connects that particular pensions dashboard service to the *MaPS dashboards digital architecture*, and takes responsibility for compliance with the *Dashboard Regulations*, the *pensions dashboard standards* and our *rules*. In this example, Person A is operating the pensions dashboard service and will need *Part 4A Permission* to undertake *regulated pensions dashboard activity*.

## Example 2

Consultancy service: Person A (in Example 1) engages a third party, Person B, when developing and designing its pensions dashboard service to provide advice in relation to, for example: how to use consumer research to inform design, how best to develop their business case, and how to ensure compliance with the *Dashboard Regulations* and the *pensions dashboard standards*. Person B does not make decisions in relation to how the pensions dashboard service is managed or run, nor does it have direct involvement or interaction with the pensions dashboard service. The service provided by Person B is advisory only. It is therefore unlikely that Person B will need *Part 4A permission* for *regulated pensions dashboard activity* as they are unlikely to be operating a pensions dashboard service for the purposes of the *regulated activity*. As per Example 1, Person A will be operating the pensions dashboard service.

## Example 3

Licensed technical service or product: Person C develops and builds the software which is necessary for a pensions dashboard service to function and which will enable the connection to the *MaPS dashboards digital architecture*. Person C allows Person D to use or purchase the use of that software, for example by way of a licence agreement.

Under the agreement, Person D has the authority to direct Person C to make changes to software that supports the pensions dashboard service, including to resolve issues arising which need correcting or improving in order to continue to meet relevant requirements that Person D has accepted responsibility for, and Person C must follow those instructions. Person C may facilitate the connection of that particular pensions dashboard service to the *MaPS pensions dashboard digital architecture* on behalf of Person D, but Person D takes responsibility for the connection and the pensions dashboard service. Person D will also be registered with the *Money and Pensions Service* as being responsible for that particular connection.

In this scenario, Person D is operating the pensions dashboard service because it has the authority to decide and direct how the pensions dashboard service is managed or run, which includes the ability to direct Person C. Person D takes responsibility for the connection to the *MaPS dashboards digital architecture* and is registered with the *MaPS dashboards digital architecture* in relation to that particular pensions dashboard service. Person D will need *Part 4A permission* to undertake *regulated pensions dashboard activity*. Person C is unlikely to be operating the pensions dashboard service and so is unlikely to need *Part 4A permission* to carry out *regulated pensions dashboard activity*. This will still be the case even if Person C takes decisions around technical details needed to achieve the high-level directions given and decisions taken by Person D in relation to the management and running of the pension dashboard service.

Where Person D does not have the ability to instruct Person C to make relevant changes necessary to allow Person D to completely fulfil the responsibilities Person D has accepted in relation to the pension dashboard service and its

connection, then Person C may also be considered the operator and need to apply for *Part 4A permission*.

#### **Example 4**

Third party dashboard arrangement: In this scenario, Person E develops and produces a pensions dashboard service and connects to the *MaPS dashboards digital architecture*. Person E is operating the pensions dashboard service and obtains *Part 4A permission* for *regulated pensions dashboard activity*.

Person E enters into an arrangement with Person F to provide access to a *qualifying pensions dashboard service* for Person F's members/customers/consumers.

For example, an employer, or trustee of a pension scheme, arranges access to a *qualifying pensions dashboard service* for its employees or members. It is made clear to Person F's members/customers/consumers that the *qualifying pensions dashboard service* is provided by Person E and Person E is responsible for it, in line with the *rules* in *PDCOB 9* that apply to *third party dashboard arrangements*. Person F does not control any aspect of the *qualifying pensions dashboard service*, apart from how the access to it may be presented or appear, for example on Person F's website, and so is not likely to be operating it. Person E is operating the pensions dashboard service and is likely to be the only party who needs *Part 4A permission* for *regulated pensions dashboard activity*.

