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Baroness Ros Altmann

The Government's Pensions Dashboard plans unveiled this week have many hurdles to overcome and poor pension records could torpedo them, an ex Pensions Minister has warned.

Baroness Ros Altmann says legacy schemes will take years and cost huge sums to convert to electronic format.

While welcoming progress on the dashboard, she believes trying to get all old pensions included on a Pensions Dashboard in day one is "doomed to failure" and a more realistic approach is to start with auto-enrolment and the State Pension first but regulators must ensure all pension records are correct.

She said even recent auto-enrolment data was full of errors and there were no official requirements to report on accuracy or

for corrections.

Baroness Altmann said: "I welcome the news that the Prime Minister has given official endorsement of the development of Pensions Dashboards. Having a proper picture of how much your pension savings are worth and what you might receive in retirement, can be an invaluable tool in planning for later life.

But there are many hurdles to overcome before the ideal of a fully-functioning dashboard can be realised."



These include, she said:

Legacy pensions are not held in electronic format so will take years and cost huge sums to add all old pensions to a dashboard

Legacy pensions could be better handled initially by mandating a standard format for written statements

For any Pensions Dashboard to be meaningful, it needs to have accurate data but current data is often riddled with errors

she said: "Rather than waiting for all legacy schemes to be ready for a Dashboard, it would be more practical and sensible, in my view, to begin with just the pension records of auto-enrolment.

These records, which only started since 2012, relate to much more modern pensions which are more readily transferred into a common electronic database. Together with the new digital State Pension forecasts, putting auto-enrolment pensions and the State Pension on a Dashboard could be achieved much more quickly."

By focussing first on auto-enrolment, the pensions industry could provide a proper dashboard for younger workers, who will be able to see all multiple pots in one place. For those with much older pensions, the legacy records could be added over time," she said.

In another reaction, commentators are divided on whether the current proposals will work effectively and on the risks to consumers.

May Ingram, director of public policy at wealth manager and pensions adviser LEBC, told Financial Planning Today that she was concerned that allowing multiple pensions dashboards could mean data security was compromised, opening a path for pension scammers to use dashboards to scam more people.

This view was echoed by wealth manager and Financial Planner Quilter.

Simon Greer, head of retirement policy at Quilter, said: "Dashboards may be a hotbed for scams and fraud as they will have streams of pension wealth information all in one place and it is sensible that commercial organisations' use of dashboard information will be a regulated activity to ensure high conduct of standards."

Adrian Boulding, director of policy at NOW: Pensions, said: "Pension dashboards have the potential to revolutionise the way people think, feel and access information about their pension savings.

Research NOW: Pensions conducted with pension savers revealed that over three quarters (77%) are likely to use an online secure site that allows them to view all their pension pots, including the State Pension, in one place. Nearly two thirds (64%)

aid that being able to view all their pension savings in one place would help them to manage their retirement savings better."