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## 'Hundreds of thousands of inaccurate records': savers told to check data ahead of pensions dashboard



Save 1



Savers have been warned to check their own pension records for "dirty" data CREDIT: GETTY IMAGES

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Millions of savers need to check the information their workplace pensions hold on them, and companies must “cleanse” their records for accuracy, ahead of the pensions dashboard target launch next year.

Around 10 million savers who have been auto-enrolled into a pension by their employer will be the first to benefit from a “basic” version of the dashboard. The online tool will show individuals their retirement savings and state pension all in one place.

Experts have warned, however, that pension records are rife with errors. If these are not fixed, the long-awaited project will leave savers building retirement plans based on wildly unreliable data.

Matt Dodds of ITM, a data consultancy that has worked with the largest pension schemes in the country, said: “Few pension providers will be completely confident that their data is ready for the dashboard. All would want to check and verify data before putting it up in lights.

“It’s safe to assume there are hundreds of thousands of inaccurate records of some description in British pensions.”

The onus is on pension providers to clean their data, but Mr Dodds said savers should act too.

“Inaccuracies can creep in all over the place, even when data has been cleansed,” he warned. “Contact all ex-employers and any scheme of which they may have been a part to ask for information about their pension entitlement.”

“Even this basic request could highlight inconsistencies. Take these up with the pension scheme or provider in question and ask for a comprehensive explanation of any perceived issue.”

*Telegraph Money* has previously revealed that one in eight pensions has the wrong address attached to it and tens of thousands have incorrect names, according to a database of millions of pension records seen by credit checking firm Experian. Many auto-enrolled staff are set up on the company pension using their work email

address, which is defunct once they leave.



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Baroness Ros Altmann, a former pension minister, said: “Before a reliable pensions dashboard project can succeed, it is essential the industry makes greater efforts to check the correctness of the contribution data they receive.”

Nest, the workplace pension set up by the government and among the country’s largest, is an outlier in asserting all data on its 7.4 million members is accurate.

A spokesman said: “It isn’t a problem. Key information on members that allows us to identify them and complete verification check comes directly from employers. We’re confident this is accurate. We’re not planning any additional reviews of our data.”

Yet half of Nest’s members – around 3.5 million pension savers – are no longer “active”, usually as a result of changing employer, which would then no longer have up-to-date information about the individual or a means of contacting them.

The Nest spokesman admitted relying on employers was a problem: “If there is an error on behalf of the employer it is their responsibility to get that right. And we don’t have access to change of details if people move jobs.”

Adrian Boulding of Now Pensions, the workplace pensions provider, said his company has just migrated all 1.75 million members onto a new system, cleaning the records and reconciling them with data from 32,000 employers, going back to when Now was set up in 2012.

He said: "We looked at each member's record and checked it against monthly contribution rates, which can often fluctuate, and sought out any missing pieces of data from employers."

"It was a big piece of work. The process took 12 months. You may find other providers do this on an employer by employer basis, so they add records onto the dashboard gradually rather than all in one go at launch next year."

## Facts and figures | Women and pensions

- ◆ Typical future pension gap between men and women 11pc
- ◆ 67pc of women believed property offered greater protection than other forms of investing
- ◆ Pension gap could be reduced with 1pc increase in monthly contributions
- ◆ 23pc of women said more spare cash was needed to help make further contributions
- ◆ 52 did not know where their pensions were invested
- ◆ 37pc did not know how much pension was worth

(According to Fidelity International's survey of over 2000 men and women)

Mr Boulding said savers should register with their pension provider's online portal to check personal details, contribution levels, and provide contact information not linked to their employer.

He said: "The work email issue is a problem across the board. When people change jobs they obviously lose that email, so if we contact them via that, they won't get the information. When we receive a bounce-back to that effect, we write to their home address, though we would much rather communicate via email."

Local Mistry, of pension consultancy Humans Robertson, said it is

Jesal Misra, of pension consultancy Hyman's Robertson, said it is likely more of the responsibility will be expected to sit with the individual to ensure their records are up to date as it becomes more common for people to move jobs regularly. "However the introduction of the dashboard should hopefully make this an easier task."

He said for most pension providers to dedicate time and resources on another initiative when many are still dealing with the introduction in 2015 of pensions freedoms "is a real challenge" that may see some close their doors, leaving some savers looking for a new home.

He asked: "Could this be another nail in the coffin of some of the smaller, less nimble master trusts?"

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