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Electronic disclosure of information

Traditionally, information that trustees are required to disclose to members (and others, including beneficiaries), was provided in hard copy (paper) form, by giving it to them by hand or sending it to them by post.

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Over the last decade, the use of electronic communications – email and websites (including both member portals and publicly available websites) - has become far more prevalent. There are specific requirements that trustees must comply with when disclosing information electronically (such as the ability for members to opt out and receive it in paper form).

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Introduction

The requirements about electronic methods of communication apply to information and documents that must be given to members (and others) automatically and information that must be given when it is requested (e.g. scheme documentation, summary funding statements and benefit statements, information on leaving, asking to transfer out, or on divorce, retirement or death).

The requirements do not apply to generic communications, such as newsletters, although it is worth considering these as a matter of good practice.

Providing information electronically

Except where specifically stated otherwise, and as an alternative to information being given via an employer or by hand, information and documents may be given by:

- sending it to the recipient's last known postal address; or
- sending it to their last known email address and / or making it available on a website.

Where a member (or beneficiary) makes a written request for some or all of the information to not be provided electronically, then it must be given by hand or sent by post instead.

Information may only be given electronically where the trustees are satisfied that the recipient will be able to access, store and print it. In considering this, trustees must take account of the requirements of disabled persons (e.g. members or beneficiaries who may be blind).

Specific requirements for members and beneficiaries as at 1 December 2010

There are specific requirements relating to any members (or beneficiaries) who were part of a pension scheme on 1 December 2010 – the day electronic disclosure of information was introduced.

Where an individual was a member (or beneficiary) of a scheme on 1 December 2010, and the trustees did not provide information by email or on a website before that date, information may not be given to those individuals electronically unless the trustees have given them a written notice, stating that:

- the trustees propose to provide information electronically; and
- the recipient can request in writing that information is not given in this way.

(The written notice must not be given by email or on a website.)

Otherwise, trustees may use electronic disclosure as their default method of providing information to members (except where members have opted out and ask for information to be given in paper form).

Providing information on a website

Trustees must notify the recipient(s) where a website is used for the first time to disclose information or a document. (An exception to this is where investment disclosures are signposted in money purchase annual benefit statements – see [Publishing investment information on a publicly available website](#).)

This initial notification must include:

- a statement that the information or document is available on the website;
- the website address and details of where on the website the information or document may be accessed; and
- an explanation of how the recipient may read the information or document on the website.

Except where the ‘three strikes’ provision applies (see below), each time a website is subsequently used to disclose information or documents, the recipient(s) must be notified of the availability of the information or document on the website.

Trustees cannot provide these notifications (either initially or on any subsequent occasions) on the website; members must be notified directly, although this can be by post or email.

A notification to a recipient about a website being used to disclose further information or documents does not have to be given where they have been asked three times (the ‘three strikes’ provision) by post for an email address and given the option of requesting the information by post, and they have not responded.

Giving information in paper form or for inspection

Where trustees receive a request for information to be provided in paper form, they must comply with this request, and if a charge is levied for providing the information in this way, it must not exceed the cost of producing and giving it.

Where information is not requested in paper form, it may be made available free of charge either for inspection at a place that is reasonable to whoever made the request, or on a website. If made available on a website, the notification requirements where information is first provided on a website apply (see [Providing information on a website](#)).

Publishing investment information on a publicly available website

Certain investment disclosures must be made publicly available free of charge on a website. This is different to much of the above where information is provided by website (where member portals are often used) which require credentials to be input to access information (i.e. not publicly available).

Publishing investment information on a publicly available website applies to occupational pension schemes that have to produce and maintain a statement of investment principles (SIP). The information to be disclosed on the website depends on whether or not the pension scheme is a 'relevant scheme' (i.e. largely schemes that provide money purchase benefits and have to prepare an annual chair's governance statement).

For a relevant scheme, the information is most of what is included in the most recent chair's governance statement, together with the latest SIP and annual implementation statement. The annual benefit statement must provide signposting (i.e. a link) to the information.

For a non-relevant scheme, the latest SIP and the annual engagement policy implementation statement must be disclosed on the publicly available website. Members must be notified about the information (see [Providing information on a website](#)), perhaps within the next summary funding statement or annual newsletter.

Where trustees are asked to provide any information in paper form, they must disclose it in this way - within two months of the request - only where they are satisfied that it would be unreasonable for someone to obtain it from the website on which it is published.

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