

West Yorkshire Pension Fund

Data Improvement Plan 2018/19

1. Introduction

- 1.1 This document defines the data improvement plan of the Pension Administration section of West Yorkshire Pension Fund (the Fund).
- 1.2 The Fund collects and holds large amounts of digital and paper based data and is heavily reliant on the timely receipt of quality data from employers, in order to effectively administer the Local Government Pension Scheme (LGPS).
- 1.3 Fundamentally, the purpose of the LGPS is to pay the correct pension benefits to its members when they become due. It is therefore imperative that the Fund achieves and maintains the highest possible data quality standards, to achieve with its core purpose and to ensure the cost effective use of resources.
- 1.4 The LGPS continues to face legislative change with oversight of administration and governance now falling under the remit of the Pension Regulator, with a responsibility on scheme managers to ensure data is readily available and fit for purpose at all times.
- 1.5 The legal requirements relating to scheme record keeping are set out in the Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014.
- 1.6 The Pension Regulators guidance requires that schemes should:
 - Continually review their data and carry out a data review exercise at least annually
 - Where a review of the scheme's data identifies poor or missing data, a data improvement plan should be put in place to address these issues

2. The Pension Regulator Annual Scheme Return

- 2.1 Annually the Pensions Regulator (tPR) issues a scheme return which should be completed and returned. From 2018 each Pension Fund is required to include in the return a Data Quality Score which has two types of data:
 - **Common data** – used to identify scheme members and includes name, address, national insurance number and date of birth.
 - **Scheme-specific data** – essential to calculate benefit entitlement such as pensionable pay and service history. It also encompasses data relating to events that occur during an individual's membership, for example transfers.
- 2.2 tPR has issued a quick guide on measuring scheme data which states that one piece of missing data, such as a current address on a deferred member's record should be reported to them as a failed record.

3. Key Objectives

The key objectives of this plan are to:

- Ensure member, pensioner, deferred and beneficiary records are maintained as accurately as possible to ensure benefits are paid correctly on time, members receive a high standard of service and the fund is able to meet legal obligations.
- Ensure Investment and Administration costs are reliable/correct.
- Ensure data supplied to the Fund's actuary for the valuation is as accurate as possible so the correct liabilities can be calculated.
- Ensure the Fund complies with tPR's Code of Practice.

4. Outcomes

Outcomes of an improvement in the data held by the Fund are:

- Improvement of tPR data score for Common and Scheme Specific data.
- Increase in the number of Annual Benefit Statements (ABS) issued by 31 August each year to ensure members are aware of the value of their benefits.
- Reduction in the number of Internal Dispute Resolutions (IDRPs) received for incorrect calculation of benefits, or delays in paying benefits.
- Reduction in the number of queries from the Fund's Actuary at valuation time.
- Reduction in the number of queries received when ABSs are sent out.
- Reduction in administration costs due to increased efficiency.
- Reduction in the likelihood of the Government Actuary Department rejecting data for the scheme valuation.
- Improvement in accuracy for IAS19 valuations.
- Reduction in delays for calculating and paying retirement benefits, death benefits, transfers out.
- Reduction in the queries between WYPF and Employers
- Reduction of breaches recorded on the Breaches Register (e.g. due to ABS being issued late).

5. Additional general responsibilities relating to Data Improvement as follows:

5.1 Fund Officers

- Fund officers continually review and ensure data collected is fit-for-purpose and processes are in place to monitor accuracy and timeliness. All processes have working instructions in place to assist with staff training, understanding and compliance.
- Team Managers are responsible for ensuring that staff have the appropriate level of UPM access to fulfil their duties and access is withdrawn upon the member of staff leaving WYPF. This minimises the risk of accidental loss, errors and unauthorised activity.

5.2 Scheme Employers

- The Fund is reliant upon the accuracy, completeness and timeliness of data submitted by scheme employers and any third party agencies that they may utilise e.g. outsourced payroll providers.
- The Fund will work with scheme employers throughout the year to support the collection of data to the required standard.
- Details of the information employers are required to provide, and the financial penalties should they fail to do so, are detailed in the Fund's Pensions Administration Strategy.

6 Data Cleansing

6.1 Monthly Returns data quality checks

WYPF embraced monthly contribution postings several years ago with the aim of simplification, systems integration, increased data accuracy and complete up to date member records. The benefits include ensuring that employee's contributions, member's personal details, and financial records are up to date, accurate and complete.

6.2 LGPS National Insurance Database

Administered by South Yorkshire Pension Fund Authority on behalf of the Local Government Association (LGA), the secure National Insurance Database was developed for Local Government Pension Scheme (LGPS) administering authorities to share data to prevent duplicate payment of death grants. This follows changes to Scheme Regulations in 2014 where payment of a death grant in respect of a member with entitlement across multiple membership categories is restricted to an aggregate payment value in relation to any active or pensioner/deferred membership. When processing the death of a scheme member, officers will check the LGPS National Insurance Database for the existence of membership at other LGPS Funds. (Please note not all LGPS administrators are part of this database).

6.3 'Tell Us Once' Service

The secure LGPS National Insurance Database also facilitates the integration of the Fund's membership into the Department of Work and Pensions (DWP) 'Tell Us Once' service (TUO). The service allows a person registering a death to request that the DWP pass on the deceased's information to other government services and council services. If the deceased is a member of the Fund, as determined by the LGPS National Insurance Database, an email notification is received informing the designated officers that a copy of the death certificate is accessible on the secure government gateway.

6.4 National Fraud Initiative

The National Fraud Initiative (NFI) matches electronic data within and between public and private sector bodies to prevent and detect fraud. These bodies include police authorities, local probation boards, fire and rescue authorities as well as local councils and a number of private sector bodies. WYPF submit data to National Fraud Initiative on a regular basis to identify deceased members and members who are no longer entitled to receive a pension.

6.5 Mortality screening and tracing service

WYPF employs a Tracing Bureau for both monthly mortality screening and for members without a current address on record. For deferred members, where a current address for a lost contact cannot be found by the Tracing Bureau, a more detailed check is carried out 3 months before payment of pension is due.

6.6 Annual Benefits Statement (ABS) checks

Before producing an ABS each year certain checks are applied to active records to ensure accurate data is used in the production of the ABS. These checks include:

- Ensuring contributions are received for every month during the year,
- Checks to make sure there are no spikes in care pensionable pay,
- Checks to ensure the final pay has not increased by 20% or decrease by 10%,
- Checks to ensure there aren't any outstanding processes,
- Address check to compare the address held on the record and that supplied on the monthly return,
- Identifying casual workers.

If these checks identify further information is required from an employer the ABS production for this case will be blocked and a query will be referred back to the employer. Upon receipt of the appropriate information the record will be updated and the ABS will be released for production.

6.7 Deferred pensions increase

As part of the annual deferred pensions increase process certain data errors are identified and pensions increase is blocked until they are resolved. These errors include:

- Incorrect amounts present,
- Spouse's amounts that don't match the member's amounts,
- Incorrect dates on the member's record

Data errors are corrected to allow deferred pensions increase to run on to individual deferred folders.

6.8 Annual deferred benefit statements

Before producing the annual deferred benefit statements data errors that would result in potentially incorrect statements being produced are identified. These include:

- Deferred pensions increase not updated
- Multiple 'normal payment' dates being held on the deferred folder
- Multiple entries for the same date shown on the pension history screen
- Initial entries on the pension history missing
- Service start date mismatches

Once these errors are resolved and the record is updated the deferred ABS will be released for production.

7 Data errors

When tackling data errors the following considerations will be used when making the decision on the priority of errors to be resolved:

- Priority identified on the error report
- Data improvement plans objectives

8. Frequency

Data Quality reports will be run on a quarterly basis to measure the data quality scores and identify any further action that may be required.

9 Appendices

- Appendix A details the Data Quality scores and errors
- Appendix B details to work planned to deal with the data errors identified.

Appendix A

WYPF results

	Nov 18	Feb 19	June 19	
TPR Score – Common	95.83%	96.19%	96.15%	
TPR score - Conditional	97.86%	98.38%	93.61%	

Breakdown of activities	Nov 18	Feb 19	June 19	
Count of Missing, Bad or Temp NI Number	457	440	444	
Count of Surname Missing	3	3	3	
Count of Forename(s) Missing	4	4	4	
Count of Sex Missing	113	98	89	
Count of Bad Date of Birth	6	6	5	
Count of Address Missing	9887	8982	8793	
Count of Postcode Missing	151	147	147	
Count of No Date Joined Scheme	27	26	26	
Count of No Folder Status History	6	7	7	
Count of Folder Status/ Status History Mismatch	123	146	251	
Count of Multi FolderStatHist Entries on Same Day	174	184	223	
Count of Missing or Bad Expected Retirement Date	1342	1319	1288	
Count of No Folder Scheme History	26	25	26	
Count of Missing Date Joined Employer	33	28	27	
Count of Missing Earnings	3516	1478	858	
Count of Invalid Part Time Service Present	5	1	1	
Count of Missing CARE Benefit	4048	2098	1464	
Count of Missing CARE Revaluation Rate	3311	1446	871	
Count of Invalid PSO or Sharing Order	228	227	228	
Count of Invalid Contracted Out Date	26	24	30	
Count of Missing Initial Pension (Def)	97	104	109	
Count of Invalid Deferred Payment Date	63	100	15	
Count of Missing Initial Care Pension (Def)	216	228	221	
Count of Missing SPA Date (Def)	8	2	2	
Count of Missing CARE Initial Pension	30	32	31	
Count of Beneficiary Link to Pensioner Missing	2619	2545	2496	
Count of Beneficiary Type Missing	2619	2545	2496	
Count of start data inconsistency		3477	2859	
Count of missing final salary (Def)			6923	

Appendix B

November 18

<u>Data Category</u>	<u>Category</u>	<u>Issue at November 2018</u>	<u>Priority</u>	<u>Resolution required</u>	<u>Responsibility</u>	<u>Progress/ Notes</u>	<u>Deadline</u>
NI Number	Common	454 cases where Temp NI	Low				
		43 actives		Obtain correct Ni number from employer	Comms		Nov19
		43 beneficiaries		Report to be expanded to identify if beneficiary lives overseas	IT	Spot checked and cases are overseas beneficiaries who may not have ever been to UK therefore will not have a NINO	Nov19
		46 deferred members		Write to member to obtain NI	Comms		Nov 21
		2 deferred ex-spouse		Write to ex-spouse to obtain NI	Comms		Nov 21
		7 leaver options pending		Write to member to obtain NI once leaver form received	Service Centre		Nov 21
		1 pensioner			SC5	This is a pensioner from the Isle of man and HMRC have informed us to not use the Nino of file	completed
		312 preserved refunds			Service Centre	All file notes have been reviewed and not been able to identify NINO from the records.	Nov 21
Surname	Common	7 Cases	Low		Development		

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and Forename		3 deferred (forenames)		Interrogate records	Team		Nov 21
		1 leaver options pending (forenames)		Interrogate records			Nov 21
		2 deferred (Surnames)		Interrogate records			Nov 21
		1 Leaver options pending (surname)		Interrogate records			Nov 21
Sex	Common	113 cases	Low		Development Team		
		93 active		To interrogate records manually and update as required			Nov 21
		2 deferred		To interrogate records manually and update as required			Nov 21
		18 leaver options pending		To interrogate records manually and update as required			Nov 21
Date of Birth	Common	6 cases	Medium		Comms IT Service Centre		
		1 active		Interrogate record or obtain info from employer			Nov 20
		3 beneficiary pensioner		Report to exclude cases where DOB is with 12 months of data of death		3 records are for children's pensions so are correct.	Nov 20
		2 deferred		Interrogate record			Nov 20
Address and postcode	Common	9887 addresses missing and 151 post codes missing	Low				

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		421 Actives		Contact Employer for addresses	Comms		Nov 21
		15 beneficiaries		Interrogate record	SC5		Nov 21
		6890 deferred		Tracing service on a rolling program	Service Centre		Rolling program
		4 deferred ex-spouse		Tracing service on a rolling program	SC5		Rolling program
		1 full commutation			SC5		
		104 leaver option decisions		Obtain info from former employer	Employers		Nov 19
		114 pensioners		Interrogate record	SC5		Nov 21
		1 pensioner deferred		Interrogate record	SC5		Nov 21
		2334 preserved refunds		Accurate Data Service engaged to carry out address tracing for deferred and preserved refunds members	Service Centre		Nov 21
		1 pensioner (post code)		Postcode checker	Service Centre		Nov 21
		150 preserved refunds (postcode)		Accurate Data Service engaged to carry out address tracing for deferred and preserved refunds members	Service Centre		Nov 21
		3 serious ill health		Postcode checker	Service Centre		Nov 21
No Date joined scheme	Common	27 cases:	Medium				
		1 active		Interrogate record	Service Centre		Nov 20

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		1 preserved refund		Interrogate record	Service Centre		Nov 20
		25 pensioner ex-spouse		Interrogate records	Sc5		Nov 20
No folder Status	Common	6 cases:	High				
		1 Active		Interrogate records	Service Centre		Nov 19
		5 beneficiary pensioner		Interrogate records	Sc5		Nov 19
Folder Status/ Status History mismatch	Common	123 cases:-	Medium				
		22 active		Review cases as it appears they might be changes to folder status from monthly postings	Finance		Nov 19
		3 deferred		Review cases as it appears they might be changes to folder status from monthly postings	Finance		Nov 19
		1 deferred ex-spouse		Review cases as it appears they might be changes to folder status from monthly postings	Finance		Nov 19
		68 leaver options decision		Review cases as it appears they might be changes to folder status from monthly postings	Finance		Nov 19
		5 pensioner		Review cases as it appears they might be changes to folder status from monthly	Finance		Nov 19

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				postings			
		18 preserved refunds		Review cases as it appears they might be changes to folder status from monthly postings	Finance		Nov 19
		6 serious ill health		Review cases as it appears they might be changes to folder status from monthly postings	Finance		Nov 19
Multi folder Status 2 entries on Same day	Common	174 cases :-	Low				
		8 deferred		Need to look at each case as it appears they might have moved onto 2 status on the same day	Service Centre		Nov 21
		18 leaver options decision		Need to look at each case as it appears they might have moved onto 2 status on the same day	Service Centre		Nov 21
		133 pensioner		Need to look at each case as it appears they might have moved onto 2 status on the same day	Sc5		Nov 21
		1 pensioner ex-spouse		Need to look at each case as it appears they might have moved onto 2 status on the same day	Sc5		Nov 21
		14 preserved refund		Need to look at each case as it appears they might have moved onto 2 status on the same day	Service Centre		Nov 21
Missing or	Common	1342 active cases	Low	Spot check a number of	IT		Nov 21

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Bad expected retirement date				records and identify if bulk update is required			
No folder scheme history	Common	26 cases:-	Medium				
		1 active		Interrogate record	Service Centre		Nov 20
		25 pensioner ex-spouse		Interrogate record	Sc5		Nov 20
Missing Date joined employer	Scheme specific	33 active cases	Low	To interrogate records possible intra-funds transfer	Service centre		Nov 21
Missing earnings	Scheme specific	3516 active cases	High	Majority Awaiting leaver/pensioner benefits to be calculated in Service Centre	Service Centre		Deal with in accordance with KPI targets
Invalid part time service present	Scheme specific	5 cases:-	Low				
		1 deferred		Interrogate records PT indicator but no PT hours recorded –	Service Centre		Nov 21
		4 actives		Interrogate records PT indicator but no PT hours recorded –	Service centre		Nov 21
Missing CARE benefits	Scheme specific	4048 active cases	High	Either outstanding leaver form to be received – To be chased up monthly by Comms or outstanding work in service centre.	Service Centre/ Comms		Deal with in accordance with KPI targets

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Missing CARE revaluation rate	Scheme specific	3311 active cases	High	Either outstanding leaver form to be received – To be chased up monthly by Comms or outstanding work in service centre.	Service Centre Comms	Working with the employers is resulting in outstanding leaver forms being sent in Work in the service centre is reducing backlogs.	Deal with in accordance with KPI targets
Invalid PSO or Sharing Order	Scheme specific	228 cases:	Low	IT to alter the report so it does not pick up ex spouse surname	IT		
		59 actives					Nov 21
		36 deferreds					Nov 21
		133 Pensioners					Nov 21
Invalid contracted Out date	Scheme specific	26 cases:-	Low				
		11 actives		Interrogate records	Service Centre		Nov 21
		1 deferred		Interrogate records	Service Centre		Nov 21
		8 pensioners		Interrogate records	SC5		Nov 21
Missing initial pension (DEF)	Scheme specific	97 deferred cases	Low	Possible bare EPB cases. To interrogate and sample records	IT		Nov 19
Invalid deferred Payment	Scheme specific	63 deferred cases	Low	KN -Historic cases which are updated an annual basis via a report.	MSM (KN)		Annual rolling program

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date							
Missing SPA date (DEF)	Scheme specific	8 deferred cases	Low	Team to investigate	Service centre(TEL)		Nov 21
Missing CARE initial Pension	Scheme specific	30 pensioner cases	Low	Email sent to IT 18/12/18 asking for the report to be expanded as the majority of cases appear to be correct	IT		Nov 19
Missing initial CARE pension (DEF)	Scheme specific	216 deferred cases	Low	Team to investigate Spot check a number of cases as it might be where member joined right at the end of the year and no care benefits	Service Centre		Nov 21
Beneficiary link to Pensioners missing	Scheme specific	2619 beneficiary pensioner cases	Low	Speak to MSM - Pensioner Services	SC5		Nov 21
Beneficiary type missing	Scheme specific	2619 beneficiary pensioner cases	Low	Speak to MSM – Pensioner Services	SC5		Nov 21

This improvement plan primarily aims to address the key issues identified from the Funds Data Quality review and data quality score and details the plans in place to improve the data we hold.

	Common data
	Scheme Specific Data