

West Yorkshire Pension Fund

Data Improvement Plan

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 comply with its core functions and to ensure the cost effective use of resources.
- 1.4 The LGPS continues to face on-going legislative change with oversight of administration and governance now falling under the remit of the Pension Regulator, with a heightened responsibility on scheme managers and local pension boards 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 etc.
- 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.

2.3 In summer 2019 the Local Government Association issued a revised list of Scheme-specific data that LGPS Funds should use to check their data against. Changes to WYPF data reconciliation reports were implemented in November 2019 and as result the data quality scores shown on the 2018/19 Data Improvement Plan and the score shown on the 2019/20 Data Improvement Plan are not comparable.

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 (also known as conditional) data.
- Increase in the number of Annual Benefit Statements (ABS) issued by 31 August each year/members 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 ABS are sent out.
- Reduction in administration costs due to increased efficiency.
- Reduces the likelihood of the Government Actuary Department rejecting data for the scheme valuation.
- Improves 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 provision 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 Ongoing 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 profile 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 engage with a Tracing Bureau for both monthly mortality screening and for members we don't have a current address for. 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 decreased 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 elements present,
- Spouse elements that don't match member elements,
- Incorrect dates for the first entry after the member is deferred,
- 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 records 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

	Dec 21	Apr 22	Aug 22	Aug 23
TPR Score – Common	95.87	96.00	96.01	96.04
TPR score - Conditional	88.88	92.17	91.97	92.37

Breakdown of activities	Dec 21	Apr 22	Aug 22	Aug 23
Count of Missing, Bad or Temp NI Number	436	433	451	412
Count of Forename(s) Missing	1	1	1	1
Count of Gender Missing	5	3	5	
Count of Bad Date of Birth	4	4	4	4
Count of Address Missing	10726	10550	10637	10818
Count of Postcode Missing	136	136	135	109
Count of no date joined scheme				2
Count of Folder Status/ Status History Mismatch	32	38	57	79
Count of Multi FolderStatHist Entries on Same Day	180	178	200	205
Count of Missing or Bad Expected Retirement Date	1260	1233	1231	1260
Count of No Folder Scheme History	25	25	29	3
Count of Missing Date Joined Employer	1	1	1	1
Count of Missing Earnings	592	1308	1037	2139
Count of Invalid Part Time Service Present	3	3	4	6
Count of Missing CARE Benefit	271	320	520	633
Count of Missing CARE Revaluation Rate	33	75	273	349
Count of Invalid Contracted Out Date	29	29	29	29
Count of Missing Initial Pension (Def)	51	50	201	55
Count of Invalid Deferred Payment Date	64	108	189	6
Count of Missing Initial Care Pension (Def)	171	171	216	166
Count of missing initial pension				
Count of Missing CARE Initial Pension	45	48	83	57
Count of start data inconsistency	2482	2481	2425	2344
Count of invalid transfer in present	533	512	507	471
Count of no NI Contributions or GMP	7433	6540	6476	6223
Count of No Date of Leaving	5	5	5	6
Count of Missing Benefit Crystallisation	4	4	81	4
Count of Missing Benefit Crystallisation details	7255	7329	7446	5374
Count of Invalid AVC Data for Member	4	4	2	2
Count of Missing Current Pension	3944	762	1167	765
Count of Missing Annual Allowance Calculation	2482	182	1321	1515
Count of Deferred – No Total Exit GMP	17871	11634	11644	11358
Count of No Post 88 Exit GMP	8706	6056	6093	6086
Count of missing marital status	14	14	13	12
Count of No retirement details				

Appendix B at August 18th 2023

The plan now shows specific areas of focus for the next 6 months plus specific items that need external policy decisions. These are:

GMP

The systematic GMP reconciliation for both WY LG and WY Fire has been completed. The results from this will be moved into the data quality programming during the Autumn/Winter. This will change data quality scores for those categories affected. There will remain circa 1.200 records that could not be systematically reconciled. Discussions with Administration are underway to establish how these can be moved through the work queues.

Employer Relations Reporting Pack

Ammie McHugh (Employer Relations) and I have worked on a pack for the employer relations team that will be able to target employer hotspots. This is a longer-term development but will allow the Employer Relations team help individual employers/outsourced providers with areas that they may need some support with.

Members with Multiple Records

A programme has already been deployed to identify where a member has two separate records in order to bring these records together into one. This helps with e.g. name and address updates as well as simplified and more efficient administration. These are going into Administration at a rate of 17 to 25 per month.

Addresses

Currently, WYPF has a large number of missing addresses but has significant numbers of postcodes. The original hypothesis was that once gone away mail had been received the address was removed but postcode retained. After statistically significant sampling this is not the case. LG does, however, have to accept the member details that employers provide as correct. It is currently unclear how this works with GDPR. Where an employee has moved this may be overwritten with the old address if the employee has not informed the employer. This has been a long-standing issue.

I have raised this with TPR and is now with TPR's policy team for a resolution. It is expected that this will take a little time to clarify. Once this clarification is with WYPF we will undertake an address revalidation with external suppliers to bulk update addresses and postcodes.

Data Category	Category	Priority	Resolution required	Responsibility	Progress/ Notes	Deadline
Missing Ni Number	Common	Low	Ni number to be identified where possible	Service centre	Ongoing	Ongoing
Bad Date of birth	Common	Medium	Interrogate records	Service Centre		Completed
Missing Address	Common	Medium	Actives – Contact employer Deferred and preserved refunds use tracing service	Service Centre	Ongoing	With TPR for Policy Decision
Missing postcode	Common		Actives – Contact employer Deferred and preserved refunds use tracing service	Service Centre	Ongoing	As above
Missing or bad expected retirement date	Common	Medium	Part of Employer pack development	Employer Relations		Nov 24
Multifolder status history on the same day	Common	low	Review each record as they may have 2 entries on the same day in error	Service Centre and Pensioners Services	Systematic identification has been undertaken and 17 to 25 per week developed into the Administration area	Completed

Folder status/ Status history mismatch	Common	Medium,	Review each case as it may be as a result of an change due to monthly postings	Finance		Nov 23
No folder scheme history	Scheme Specific	Medium	Interrogate records	Service centre/Pensioner services		Nov 23
No NI contribution or GMP	Scheme Specific	Medium	GMP reconciliation has now been run and results will be moved into the data quality scores during Autumn and Winter	ICT		Winter 23
Missing Benefit Crystallisation record	Scheme Specific	Low	Interrogate records - All Pensioner records	SC5		Nov 23
Missing Benefit crystallisation details	Scheme specific	Medium	ICT to consider bulk update	Ict		Nov 22
Missing date joined employer	Scheme Specific	Low	Majority of cases awaiting leaver / pensioner benefits calculating in the service Centre	Service Centre	Completed	Work dealt with in accordance with KPIs
Missing earnings	Scheme Specific	Low	Interrogate records			Nov 23
Missing marital status	Scheme specific	Low	Interrogate record or default to married	Service Centre		Nov 23

Invalid transfer in present	Scheme Specific	Low	Interrogate records	Service Centre		Nov 23
Invalid AVC Data for member	Scheme Specific	Low	Interrogate records	Service Centre		Nov 23
Invalid part time service present	Scheme Specific	Low	Interrogate record	Service Centre		Nov 23
Missing CARE benefits	Scheme Specific	High	Majority of cases awaiting leaver/ pensioner benefits calculating in the Service Centre	Service Centre		Work to be dealt with in accordance with KPI
Missing CARE revaluation rate	Scheme Specific	Low	Majority of cases awaiting leaver/ pensioner benefits calculating in the Service Centre	Service Centre		Work to be dealt with in accordance with KPI
Invalid Contracted out date	Scheme Specific	Low	Interrogate records	Service Centre		Nov 23
Missing Current Pension	Scheme Specific	medium	ICT to refine report	ICT		Nov 22
Missing Initial Pension (def)	Scheme Specific	High	As per KN – Historic cases which are updated on an annual basis via a report. KN to review	Service Centre		Nov 22

Invalid deferred payment date	Scheme Specific	Low	Team early leaver to investigate	Service Centre		Nov 23
Missing Initial CARE pension (def)	Scheme specific	Low	Team early leavers to investigate ICT may need to amend report to not include cases where member joined right at the end of the year and no care benefits	Service Centre ICT		Nov 23
No date of leaving	Scheme specific	Low	Interrogate record	Pensioner services		Nov 23
Missing CARE Initial Pension	Scheme Specific	Low	Interrogate records	Pensioner services		Nov 23
Missing SPA date (def)	Scheme Specific	Low	Interrogate record	Service Centre	Completed	Nov 23
Missing Annual Allowance Calculation	Scheme Specific	Low	ICT to consider if bulk update can be done	ICT		Nov 23
Start date inconsistent	Scheme Specific	Low	ICT to consider if bulk update can be done	ICT		Nov 23
Deferred – No total Exit GMP	Scheme Specific	Low	GMP reconciliation has now been run and results will be moved into the data quality scores during Autumn and Winter	ICT		Winter 23
No post 88 Exit GMP	Scheme Specific	Low	GMP reconciliation has now been run and results will be moved into the data quality scores during Autumn and Winter	ICT		Winter 23