



Aquila Heywood

# Local Government Pension Scheme Common Data Quality Report Dorset Pension Fund



September 2018

# Table of Contents

<b>1</b>	<b>Executive Summary</b>	<b>3</b>
1.1	Introduction	3
1.2	Data Quality Service	3
1.3	Benchmark	3
1.4	Summary of Common Data Results	4
<b>2</b>	<b>Analysis of Common Data Results</b>	<b>5</b>
<b>3</b>	<b>Data Correction Plan</b>	<b>10</b>
<b>4</b>	<b>Appendices</b>	<b>11</b>
4.1	Appendix A – TPR Guidance	11
4.2	Appendix B – Common Data and Fail Criteria	13

# 1 Executive Summary

## 1.1 Introduction

In 2015, the Pensions Regulator (TPR) assumed responsibility for Public Sector Pension Schemes. Prior to this, in June 2010, TPR issued guidance on the approach that they consider to be good practice for measuring the presence of member data. Specific targets were set for data TPR deemed as 'common' and Aquila Heywood has assisted customers in the collection and qualification of this data.

To assist customers in undertaking a practical assessment of their common data, Aquila Heywood offers a Data Quality service.

## 1.2 Data Quality Service

Working with Dorset Pension Fund (Dorset), Aquila Heywood has completed a review of Dorset's common pension data in line with the guidance notes set down by TPR. Aquila Heywood's understanding of the Local Government Pension Scheme data, benefit calculations, interfaces and processes, has assisted in the agreement of which items to test. The tests to satisfy each condition have been run and the results quantified to provide guidance on any corrective action required.

The service incorporates data items tested against the data conditions agreed with Dorset. To provide focus on the key areas of common data to be addressed, each data category is measured against an agreed benchmark.

## 1.3 Benchmark

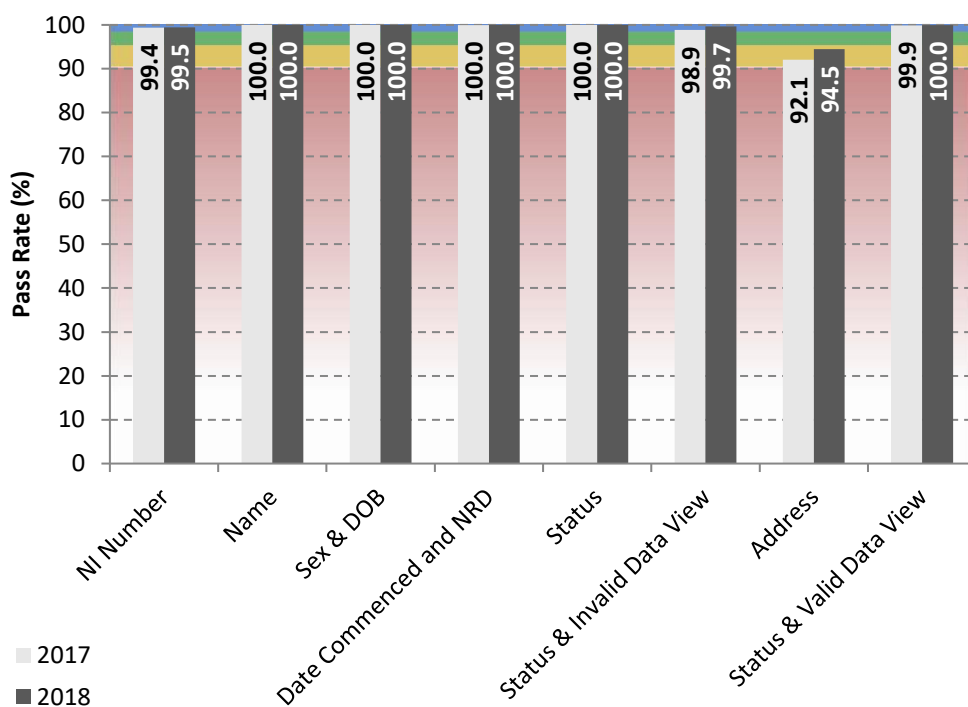
The benchmarks applied to the results presented in this report were agreed between Dorset and Aquila Heywood. The categories and thresholds are as follows:

Category	Pass Threshold
Blue	Pass rate $\geq$ 98%
Green	95% $\leq$ Pass rate $<$ 98%
Amber	90% $\leq$ Pass rate $<$ 95%
Red	Pass rate $<$ 90%

These benchmarks are illustrated in the background of the results graph. TPR have set targets of 100% accuracy for data created after June 2010 and 95% accuracy for data created beforehand. The Aquila Heywood data quality service measures data as a whole as updates for many members are continuous and alter the last updated date on the system.

## 1.4 Summary of Common Data Results

The graph below indicates Dorset’s performance for each data category against the agreed scheme benchmarks together with the results from the 2017 tests. The results presented herein are generated from data extracted from Dorset’s Live Altair service on 24 August 2018 for all tests. The 2017 tests were generated from data extracted on 21 August 2017. The overall percentage of tests passed for Dorset’s common data is **99.2%** an improvement over the 2017 rate of **98.8%**.



Seven of the eight categories met the highest benchmark of greater than 98% with three categories not recording a single failure. The sole category that did not meet the highest benchmark concerned **member addresses** at **94.5%**. The general quality of the common data tested at Dorset is of a high standard. The percentage of member records without a single common data failure is **97.8%** and this is the figure that TPR will be requesting on the scheme return.

The 2018 tests were executed across 114,501 member records, an increase of 5,303 records from the number tested in 2017.



Condition	Qualifying Members			Areas for Review	Comments
	Tested (change)	Passed (change)	Pass Rate (change)		
<b>Name</b> <u>Eligible for Testing:</u> All members	114501  (+5303)	114501  (+5303)	100%  (+0%)	Fail A: 0 Fail B: 0 Fail C: 0	All member records have valid name fields recorded for the second consecutive year.
<b>Sex and Date of Birth</b> <u>Eligible for Testing:</u> All members (Leavers and deaths excluded from test D)	114501  (+5303)	114501  (+5303)	100%  (+0%)	Fail A: 0 Fail B: 0 Fail C: 0 Fail D: 0	All member records have a valid sex and date of birth recorded for the second consecutive year.
<b>Date commenced and NRD</b> <u>Eligible for Testing:</u> All members	114501  (+5303)	114495  (+5320)	100%  (+0.02%)	Fail A: 1 Fail B: 5	<p>There has been a small improvement in the pass rate since 2017.</p> <p>1 leaver has a blank date joined fund.</p> <p>5 members have an invalid date joined fund. The 1 active member should be addressed as soon as possible before the 2 leavers and 2 deceased members are investigated.</p>
<b>Status</b> <u>Eligible for Testing:</u> All members	114501  (+5303)	114501  (+5303)	100%  (+0%)	Fail A: 0 Fail B: 0 Fail C: 0	All member records have a valid and consistent status recorded for the second consecutive year.

Condition	Qualifying Members			Areas for Review	Comments
	Tested (change)	Passed (change)	Pass Rate (change)		
<b>Status and invalid data view</b>  <u>Eligible for Testing:</u> All members	114501  (+5303)	114120  (+6144)	99.7%  (+0.79%)	Fail A: 47 Fail B: 205 Fail C: 31 Fail D: 104	<p>There has been a 0.79% improvement in the percentage of members to pass all tests in this category.</p> <p>47 members have an Exit Details data view that is not in line with their status history. Similarly, 205 members have an unexpected Deferred Details data view without appearing to have been deferred at any point and 31 members have a Pension Details data view unexplained by their status history. 104 members have an explained dependent details data view. 6 deceased members have unexpected deferred and dependent data views.</p> <p>In total, 381 members have data views that are not expected for their status history. 54 of these cases are for leavers and 154 are deceased so need not be prioritised for correction. The 84 active members, 22 deferred members and 35 pensioners should be investigated at the highest priority to ensure correct benefits are calculated. The 16 cases awaiting processing and 17 frozen refund cases should be addressed soon afterwards.</p>

Condition	Qualifying Members			Areas for Review	Comments
	Tested (change)	Passed (change)	Pass Rate (change)		
<b>Address</b> <u>Eligible for Testing:</u> All members except leavers and deaths (status 3 and 7)	114501  <b>(+5303)</b>	108162  <b>(+7633)</b>	94.5%  <b>(+2.40%)</b>	Fail A: 564 Fail B: 58 Fail C: 5520 Fail D: 4047 Fail E: 133	<p>Good progress has been made in correcting member addresses with an increase of 2.40% in the pass rate. There has also been an increase of 3300 in the number of members recorded as “gone away” and further work will be required to trace these members.</p> <p>564 members have no address recorded and 58 members have an address record but the 1st line is blank.</p> <p>5520 members are recorded as “gone away”. 4047 members have no Postcode recorded and a further 133 are in an incorrect format. Of the 4180 members either missing or holding an invalid postcode, 3983 are also recorded as “gone away”.</p> <p>Some of the remaining members may be overseas without having the overseas indicator set.</p>



Condition	Qualifying Members			Areas for Review	Comments
	Tested (change)	Passed (change)	Pass Rate (change)		
<p><b>Status and valid data view</b></p> <p><u>Eligible for Testing:</u> Members with deferred benefits or benefits in payment (Status 4, 5, 6, 7, 9 and T)</p>	114501  <b>(+5303)</b>	114462  <b>(+5380)</b>	100%  <b>(+0.07%)</b>	Fail A: 2 Fail B: 3 Fail C: 1 Fail D: 17 Fail E: 16 Fail F: 0	<p>There has been a small increase in the percentage of members passing the tests in this category although 1 test (F) now records no failures where tests were previously failed. Another test (A) now has 2 failures where none were recorded previously.</p> <p>23 members do not have data views that are expected for their status. As these data views reflect the member's benefit entitlement, these cases should be investigated as a priority.</p> <p>Most cases in this category are 17 deceased cases from active or deferred status that are missing exit details where death grant details are recorded. 6 of these were active members and 11 were deferred pensioners.</p> <p>There are 2 deferred members without a deferred details data view and 3 pensioners missing pension details that should be investigated as soon as possible. 1 dependent is also missing a dependent details data view.</p> <p>16 deceased members who were pensioners do not have a date recorded for when the pension ceased.</p>

### 3 Data Correction Plan

The table below provides Dorset with suggestions for resolving the issues identified. This table is deliberately high-level as the detail and dates should be agreed once the results have been thoroughly reviewed. This table represents a summary of the recommended actions outlined in Section 2.

Data Category	Recommendation	Suggested Priority
<b>NI Number</b>	<ul style="list-style-type: none"> <li>Obtain correct NI numbers for the members with temporary numbers or those in the incorrect format</li> </ul>	<ul style="list-style-type: none"> <li>Low</li> </ul>
<b>Name</b>	<ul style="list-style-type: none"> <li>No issues found</li> </ul>	
<b>Sex and Date of Birth</b>	<ul style="list-style-type: none"> <li>No issues found</li> </ul>	
<b>Date commenced and NRD</b>	<ul style="list-style-type: none"> <li>Investigate the 1 leaver case with a blank date joined fund as this could affect benefits</li> <li>Correct the date joined fund for the 5 members affected starting with the 1 active member</li> </ul>	<ul style="list-style-type: none"> <li>Low</li> <li>High</li> </ul>
<b>Status</b>	<ul style="list-style-type: none"> <li>No issues found</li> </ul>	
<b>Status and invalid data view</b>	<ul style="list-style-type: none"> <li>Invalid data should be removed where necessary or the member status history corrected where appropriate. These cases should be treated as a high priority as the presence of the data may affect benefits</li> </ul>	<ul style="list-style-type: none"> <li>High</li> </ul>
<b>Address</b>	<ul style="list-style-type: none"> <li>Current addresses should be sought and uploaded for the members that failed this category</li> </ul>	<ul style="list-style-type: none"> <li>Medium</li> </ul>
<b>Status and valid data view</b>	<ul style="list-style-type: none"> <li>The 17 deaths from active and deferred status may be missing death grant data and should be investigated</li> <li>The 16 pensioner deaths with missing cease dates should be investigated and corrected</li> <li>The 6 members missing key data views for their status should be investigated as the highest priority</li> </ul>	<ul style="list-style-type: none"> <li>Low</li> <li>Low</li> <li>High</li> </ul>

## 4 Appendices

### 4.1 Appendix A – TPR Guidance

Data Field	TPR Comment
National Insurance Number	'TN' formats should be regarded as missing data. The final character of NI numbers is not essential.
Surname	Check that surname is present.
Forename(s) or initials	Forenames are preferable but initials are an acceptable alternative.
Sex	Check that sex is present.
Date of birth	Check that date of birth is present and consistent (earlier than date joined scheme, retirement, date of leaving). False dates should be classed as missing data.
Date pensionable service started/policy start date/first contribution date	For trust-based schemes this will be date pensionable service started. For contract-based schemes this will effective start date of the policy or the first contribution date, depending on the provider's requirements.
Expected retirement/maturity date (target retirement age)	This field may be derived or explicit; for most DB schemes it will probably be derived as the scheme's normal retirement date. Need to check that it is populated if that is a scheme/system requirement, that it is consistent with scheme rules and statutory requirements, and is later than date of birth and pensionable service date/first contribution date.
Membership status	Check that a current valid status is recorded for each member. This may be a dual status, eg active or deferred member with partial retirement. For contract-based schemes this may be 'active' or 'inactive'.
Last status event	Check that benefits taken are consistent with status, and, if status history is recorded, that the latest status is the same as the explicitly recorded current status.

Data Field	TPR Comment
Address	An address should be present for all members of all schemes. Because of DPA requirements an exception is permissible for active members of those trust-based schemes in which communication with members is normally sent via the employer. 'Gone away', 'unknown' or similar should be treated as missing data.
Postcode	Check that a postcode is present if address is not identifiable as being overseas. Will assist with valuations for actives, for whom storing full address may breach DPA principles.

## 4.2 Appendix B – Common Data and Fail Criteria

### Common Data

Condition	Fail A	Fail B	Fail C	Fail D	Fail E	Fail F
<p><b>NI Number</b></p> <p><u>Eligible for Testing:</u> All members</p>	NI Number (NI-NUMBER) is blank	NI number is temporary (commences TN) and is not a child pension (DEPND-TYPE = 'C')	NI number does not adhere to standard (Neither of the first two letters can be D, F, I, Q, U or V. The second letter cannot be O. Prefixes BG, GB, KN, NK, NT, TN (checked in fail B) and ZZ are not used. Suffix must be A,B, C or D. Characters 3-8 must be numbers)			
Tested: 114501	Failed: 0	Failed: 603	Failed: 23			
<p><b>Name</b></p> <p><u>Eligible for Testing:</u> All members</p>	Surname (SURNAME) is blank	Forenames (FORENAMES) is blank	Initials (INITIALS) is blank			
Tested: 114501	Failed: 0	Failed: 0	Failed: 0			

Condition	Fail A	Fail B	Fail C	Fail D	Fail E	Fail F
<b>Sex and Date of Birth</b>  <u>Eligible for Testing:</u>  All members *	Sex (SEX) is blank	Sex is not Male or Female	Date of Birth (DOB) is blank	Date of Birth is earlier than or equal to 01/01/1900 (* Leavers and deaths excluded from this test) (Status 3 and 7)		
Tested: 114501	Failed: 0	Failed: 0	Failed: 0	Failed: 0		
<b>Date commenced and NRD</b>  <u>Eligible for Testing:</u>  All members	Date Joined fund (DJF) is blank	Date Joined Fund is earlier than Date of Birth plus 15 years	NRD checks are not required as these are always calculated			
Tested: 114501	Failed: 1	Failed: 5				
<b>Status</b>  <u>Eligible for Testing:</u>  All members	Status (STATUSKEYF) is blank	Status is not 1-9, T or O	Status on member summary (STATUSKEYF) does not match that on basic details (STATUS[1])			
Tested: 114501	Failed: 0	Failed: 0	Failed: 0			

Condition	Fail A	Fail B	Fail C	Fail D	Fail E	Fail F
<b>Status and invalid data view</b>  <u>Eligible for Testing:</u>  All members	Exit details should not be present unless status is 3, 7 or 9 or a previous status is 9 and the current status is 1, 2, 4, 5 or T	Deferred details should not be present unless status is 4 or a previous status is 4 and the current status is 1, 2, 3, 5, 7 or T	Pension details should not be present unless status is 5 or T or a previous status is 5 or T and the current status is 1, 2, 3, 4 or 7	Dependant details should not be present unless status is 6 or a previous status is 6 and the current status is 3 or 7		
Tested: 114501	Failed: 47	Failed: 205	Failed: 31	Failed: 104		
<b>Address</b>  <u>Eligible for Testing:</u>  All members except leavers and deaths (status 3 and 7)	Address record does not exist	Address record exists, but line 1 (ADD-LINE-1) is blank	Gone Away (ADD-GONAWY) indicator is set	If the address is not overseas, the Postcode (POSTCODE) is blank	If the address is not overseas, the Postcode is not the correct format (1 <sup>st</sup> letter =Q, V or X, 2 <sup>nd</sup> letter is I, J or Z, 3 <sup>rd</sup> , 4 <sup>th</sup> or 5 <sup>th</sup> character is not a space)	
Tested: 114501	Failed: 564	Failed: 58	Failed: 5520	Failed: 4047	Failed: 133	
<b>Status and valid data view</b>  <u>Eligible for Testing:</u>  Members with deferred benefits or benefits in payment (Status 4, 5, 6, 7, 9 and T )	Status 4 does not have deferred details	Status 5 or T do not have pension details	Status 6 does not have dependant details	Status 7 or 9, with a previous status of 1 or 4 do not have exit details	Status 7 with a previous status of 5 should have a relevant date pension ceased	Status 7 with a previous status of 6 should have a relevant date pension ceased
Tested: 114501	Failed: 2	Failed: 3	Failed: 1	Failed: 17	Failed: 16	Failed: 0

