

# **Dorset County Pension Fund**

Administered by Dorset County Council

## **DATA IMPROVEMENT PLAN**

## 1. Introduction

The Pension Regulator acknowledges that complete, accurate records are a vital part of the administration function.

This document primarily aims to address key issues identified in the Dorset Pension Fund Annual Data Quality review.

The continuing diversification of the employer base, the increasing number of payroll providers and ICT systems used to transfer information present the Fund with significant operational challenges in meeting the statutory record keeping requirements.

## 2. Purpose

To record and plan the appropriate steps the Fund needs to take to tackle the errors raised in the review, and how to improve the data held.

To demonstrate how data issues during the Contracted-Out reconciliation exercise being undertaken with the HMRC, as a result of the introduction of the Single state pension are being corrected and how these will impact on the Fund's scores.

To ensure continued development of the appropriate technology to improve data quality standards, and the stream lining of operational processing.

To ensure the Fund and employers have a clear understanding of their respective roles and responsibilities, ensuring all parties are committed to continuing engagement to improve data quality and guarantee accurate record keeping

## 3. Key Objectives

- To ensure member records are maintained as accurately as possible resulting in benefits being paid correctly and on time
- To improve compliance with The Pensions Regulator (TPR) Code of Practice 14
- To increase number of up to date and accurate addresses held for Scheme members
- To decrease the number of records with no 'CARE' pay recorded
- To ensure data provided by employers is accurate
- To ensure errors flagged during the End of Year processes and annual Data Quality review are resolved
- To improve the data supplied to the Actuary at the 2019 Triennial Valuation ensuring accurate results and improving employer confidence in the assessment of assets and liabilities to ensure appropriate employers contributions rates are set

## 4. Expected Outcomes

Objective	How will this will be measured?	How long it will take to achieve?
1. To ensure member records are maintained as accurately as possible to ensure benefits are paid correctly and on time	<ul style="list-style-type: none"> <li>• Improvement in our TPR data score for Common and Scheme Specific Data</li> <li>• Audit outcome</li> <li>• Data knowledge sharing with the Technical Teams on how the records should be maintained</li> </ul>	<p>Aug 2018</p> <p>Ongoing</p>
2. To improve compliance with The Pensions Regulators Code of Practice 14.	<ul style="list-style-type: none"> <li>• Reduction in the number of amber rated priorities in the TPR Compliance Monitoring Document</li> <li>• Run Bulk consistency checks monthly</li> <li>• Ensure all Data Quality errors are cleared</li> </ul>	<p>October TPR return 2018</p> <p>December 2019</p> <p>March 2019</p>
3. To decrease the number of 'gone away' addresses held for Scheme Members	<ul style="list-style-type: none"> <li>• Member tracing analysis undertaken – TARGET</li> <li>• Number of Annual Benefit Illustrations (ABIs) issued each year to deferred members.</li> </ul>	<p>October 2018</p>
4. To decrease the number of records with no 'CARE' pay recorded	<ul style="list-style-type: none"> <li>• EoY Errors are addressed along with CMS errors</li> <li>• Improve the Academy and TUPE process, agree a consistent approach</li> <li>• Use SQL reporting tool to ensure all records have been captured in previous measures</li> </ul>	<p>By 2018 Data Quality Extract</p> <p>June 2019</p>
5. To ensure information provided by employers is accurate	<ul style="list-style-type: none"> <li>• EoY Errors are addressed by the employer</li> <li>• Closer working relationship with Employer payroll providers to ensure the required data is submitted</li> <li>• Consideration as to whether to charge fines to failing employers</li> </ul>	<p>Monthly</p> <p>June 2019</p> <p>Ongoing</p> <p>June 2019</p>
6. To ensure errors flagged during the EoY process and Data Quality are resolved	<ul style="list-style-type: none"> <li>• On-line Data Checker</li> <li>• EoY Errors are addressed along with CMS</li> <li>• Improve the Academy and TUPE process, agree a consistent approach</li> <li>• Data Quality errors are cleared</li> </ul>	<p>Monthly</p> <p>June 2019</p> <p>September 2018</p> <p>March 2019</p>
7. To improve the data supplied to the Actuary at the 2019 Triennial Valuation ensuring accurate results and improving employer confidence in the assessment of assets and liabilities to ensure appropriate employers contribution rates are set.	<ul style="list-style-type: none"> <li>• A reduction in number of queries from the Actuary during the Triennial Valuation.</li> <li>• On-line Data Checker</li> </ul>	<p>April 2019</p> <p>Monthly</p> <p>Ongoing</p>

## 5. Scope and Prioritising

The data quality review in August 2017 split the review of data held into two categories;

- Common Data
- Scheme Specific Data

The review was carried out on the data held by the Fund on its scheme members in line with the guidance notes set by the TPR to identify whether data is present and accurate.

The Common Data items are specific in the Pension Regulators guidance however, the Scheme Specific data items are not prescriptive but its data is key to running the specific Scheme and meeting legal obligations. The Pension Regulator does not set the data items for the Scheme Specific data as it is deemed to be identifiable and relevant to each individual Pension Scheme. However, illustration examples of the data required to run a Pension Scheme has been published by the Pension Regulator and these were taken into consideration by the Fund when agreeing Scheme Specific data to be checked.

The LGPS Scheme Advisory Board are now looking to assist administering authorities in meeting the Pension Regulators requirements for monitoring and improving data. This project will include the identification of scheme specific conditional data and the production of guidance for authorities and employers. Once the guidance has been received the Fund will update the Scheme Specific data tests previously run.

The data items tested for Common and Scheme Specific Data can be found below:

Common Data item	Membership type tested
NI number	All members
Name	All members
Sex and Date of Birth	All members
Date Commenced and NRD	All members
Status	All members
Status and invalid data view	All members
Address	All members
Status and valid data view	All members

Scheme Specific data category	Scheme Specific Data item	Membership type tested
Member Benefits Data	Divorce Details	Status 1, 2, 4, 5 & T
	Transfer In Details 1	Status 1, 2, 4, 5 & T
	Transfer In Details 2	Status 1, 2, 4, 5 & T
	AVC Details	Status 1, 2, 4, 5 & T
	Total Original Deferred Benefit	Status 4
	Tranches Of Original Deferred Benefit	Status 4
	Total Gross Pension	Status 5 & T
	Tranches Of Pension	Status 5 & T
	Total Gross Dependant Pension	Status 6
	Tranches of Dependant	Status 6
Other Member Data	Date Of Leaving	Status 1, 2, 4, 5, 9 & T
	Date Joined Scheme	Status 1, 2, 4, 5, 9 & T
	Employer Details	Status 1, 2, 4, 5, 9 & T
	Salary (Final Salary members)	Status 1, 2, 4, 5, 9 & T
	Contributions	Status 1, 2, 4, 5, 9 & T
	Leavers	Status 4, 5, 9 & T

	Service	Status 1, 2, 4, 5, 9 & T
CARE Benefits	Care Data CARE Revaluation	Status 1, 2, 4, 5, 9 & T N/A
HMRC	BCE* 2 BCE* 5 BCE* 6 BCE* 7 BCE* 8 LTA* Charge Paid AA* Charge	Status 5 & T Status 4 & T Status 5 & T Status 7 Status 3 Status 5 & T Status 1
Contracted Out	Date Contracted Out NI Contributions / Earnings History Pre 88 GMP Post 88 GMP	Status 1, 2, 4, 5 & T Status 1, 2, 4, 5 & T Status 4, 5, & T Status 4, 5, & T

\*BCE = Benefit Crystallisation Event

Data area	August 2017 data score	Aim
Common data	98.8%	100%
Scheme specific data	92.7%	100%

When tackling the data errors identified the following considerations will be used when making the decision on the errors to be worked on first:

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

Data which has the greatest impact on member benefits will be looked at as a priority therefore any data errors highlighted on pensioner member records will be looked at first, followed by deferred and active members.

## 6. Results from 2018 Data Quality

The measures that were put in place prior to the Data Quality Review in August 2018 have shown a significant increase in our scores.

Data area	August 2018 data score	Aim
Common data	99.2%	100%
Scheme specific data	97.7%	100%

There are additional Key Objectives for the coming year;

- Contracted-Out test will be reviewed to gain a true reflection of errors due to the project currently taking place
- Missing CARE pay is due to the End of Year processes not loading CARE for Status 2s into Altair, this will be addressed with our third-party provider for End of Year 2019
- 421 records with 'Exclude from Benefit Calculations' ticked will be reviewed to check this is still valid

The Fund will continue with the measures in place to increase the data score for 2019.