PENSIONS DATA -

CIPFA PENSIONS NETWORK

5 & 6 JULY 2016

GARY KILBOURN

Making complex things simple

Public Sector – Scheme record keeping

Legal requirement for Scheme Managers to keep records:

- Member information

- Transactions

- Pension board meetings and decisions

The Pensions Regulator Code of Practice 14

EQUINITI

Public Sector – Scheme record keeping

Responsibilities

- Employer Role
  - Scheme Procedures
  - Understanding of Requirements

- Reconciliation with the Employer
  - Movements
  - Addresses

EQUINITI

Public Sector – Scheme record keeping

Data Requirements

- Member Information
  - Prescriptive List of Data Items
  - Divorce Pension Debits/Credits
  - GMPs not mentioned directly but covered under LGPC bulletin 140

- Transactions
  - Pension Payments
  - Transfers
  - Leaver Payments
  - Written Off Amounts

EQUINITI

Public Sector – Scheme record keeping

Scheme Activities

- Ongoing monitoring of data

- Data Review Exercise

- Data improvement plan

- Reconciliation of member records

Public Sector – Scheme record keeping

TPR Activities

"Educate, Enable, Enforce"

- Carried out a Public Sector Survey in summer 2015 to assess compliance.

- Generally, disappointed with the limited actions

- Committed to carrying out another survey in Spring 2016.

- Results expected in summer

EQUINITI

Impact of Poor Data

- Incorrect benefit calculations

- Unexpected behaviour from workflow processes

- Real time errors being reported when a user attempts to edit an existing record

- Delays to bulk activities such as mandatory annual benefit statement production

- Member Self Service queries

EQUINITI

# Real World Experiences

- Deferred member data typically has most problems

- Common data problems:

  - Gaps in history tables e.g. Salary

  - Temporary or missing NI numbers

  - Missing service dates

  - Missing elements splits

  - Missing or 'unknown' address

  - Incomplete pension increase histories

- Often find 'placeholders' instead of real data

EQUINITI

Frequency of data analysis?

- Big gaps between data analyses could allow errors to build up

- This creates demand peaks for resource to fix data errors

- Could cause delays to annual activities such as benefit statements or year end processing

EQUINITI

Frequency of data analysis?
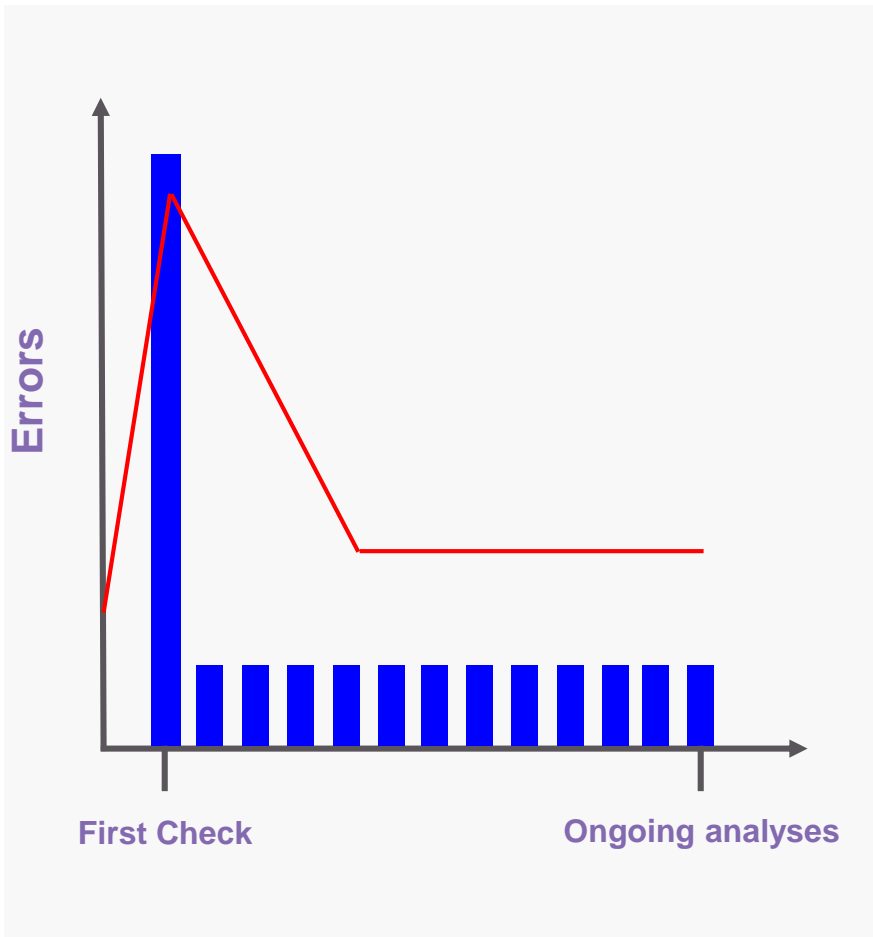
- Carry out checks frequently on a regular basis

- After the initial peak created by the first check, the effort required to fix data remains level

- This ensures data quality is kept high

- Automation is key

EQUINITI

Root Causes of Poor Data

- Manual data entry

- No uniform standards for content and formats

- Duplicate data entry

- Approximations, unknown and default values being entered

- Software constraints

- Automation errors

EQUINITI

Fixing the Problem

- Data Improvement Plan – Priorities, Timescales, Resources

- Manual v Automated Updates

- Training Requirements

- System or Process Changes

- Audit Trails

- Third Party Tools and Services

EQUINITI

Annual Activities

- Measure your data at least annually

- More often is preferable

- Have a time-tabled plan and show progress

- Produce internal management summaries
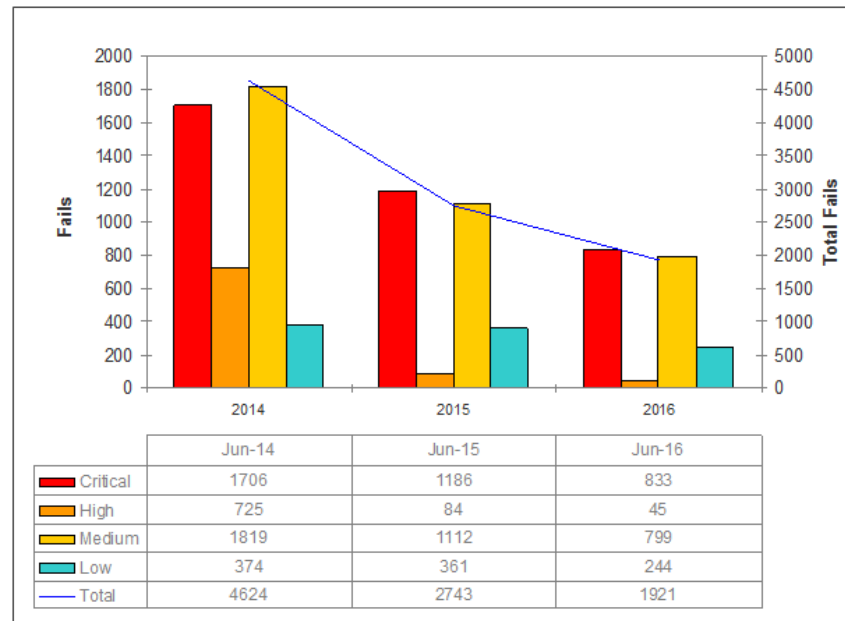
Management Reporting

Data Quality Improvement

With DataSure we can monitor the improvement in data quality over time. The results from this particular exercise will be saved for comparison against future data quality audits. Subsequent assessments using the same data checks will demonstrate the effect that a period of data cleansing has on the overall data quality of the scheme.

This chart will demonstrate this change in data quality over subsequent assessments.
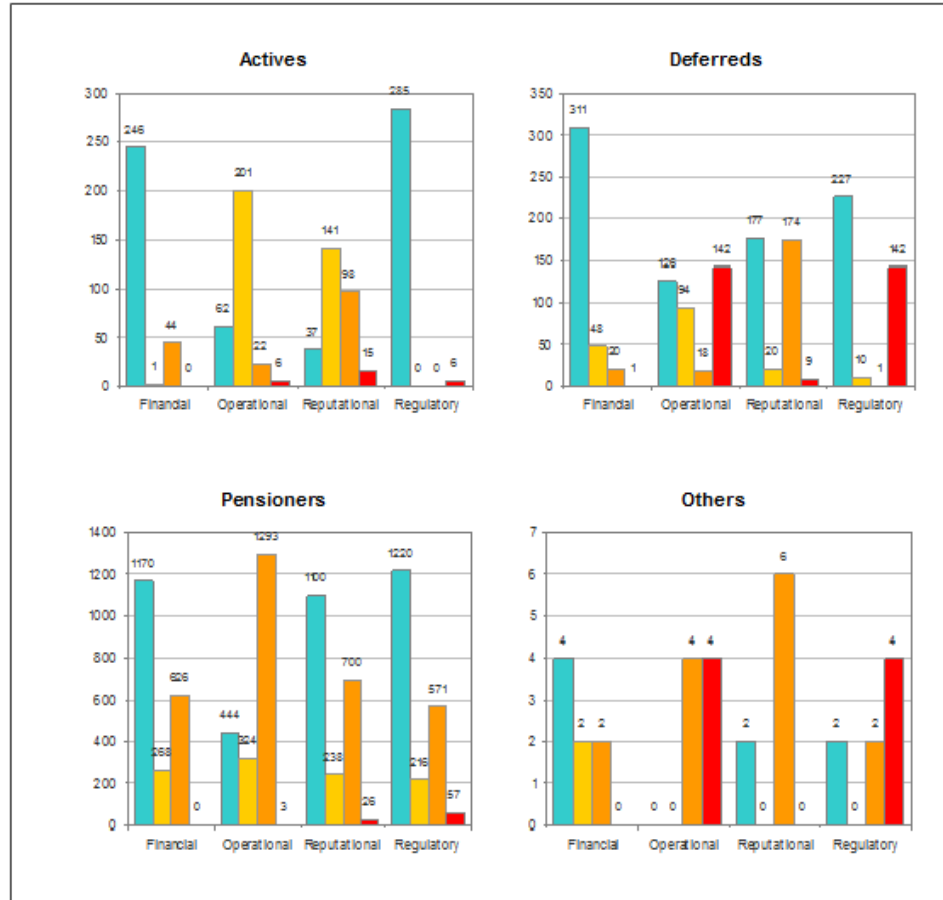
|| Figure 2.1 | Improvements in data quality over time

	Jun-14	Jun-15	Jun-16
Critical	1706	1186	833
High	725	84	45
Medium	1819	1112	799
Low	374	361	244
Total	4624	2743	1921

EQUINITI

Management Reporting

GMP reconciliation

- HM Treasury guidance issued

- Phase 1 – compare scheme and HMRC records

- Phase 2 – reconcile membership and GMP amounts

- Phase 3 – rectification

- Act now – time is running out!

EQUINITI

Thank you

EQUINITI