



Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	Pensions Board
Date:	13 July 2023
Subject:	Data Quality Report

Summary:

This report updates the Board on the data quality scores for Lincolnshire Pension Fund which is reported to The Pensions Regulator each year in November.

Actions Required:

That the Board discuss the report and consider whether they wish to take any further actions.

1. Background

1.1 Pension schemes are required by the TPR to report their common and scheme specific data scores in the annual scheme returns in November.

1.2 The current Data Scores for LPF are:

Common	96.17%
Scheme Specific	87.91%

2.0 Data Issues

2.1 Missing Addresses

There are 2381 address's missing for deferred members. This is a decrease of 39.

WYPF have a rolling programme of tracing "lost contact" members but it is inevitable that as we trace some members we lose track of others.

2.2 Missing Earnings

There are 373 records with missing earnings. This is a decrease of 420. The majority of cases are awaiting leaver/pensioner benefits to be calculated.

2.3 Missing CARE Benefits

There are 361 records with missing Career Average Revalued Earnings (CARE). This is an increase of 90. These are cases where leaver forms are outstanding from the Employers or where they have been received by WYPF but benefits not yet calculated.

2.4 Start Date Inconsistency

There are 4564 records where the start date on the record is inconsistent with start date held on other record types. This is a decrease of 132.

2.5 No National Insurance Contributions or GMP

There are 5327 records with missing National Insurance contributions or GMP. This is a decrease of 89.

2.6 Missing Benefit Crystallisation Details (LTA pension value missing – Lump sum element)

There are 77 records with missing benefit crystallisation details. This is a decrease of 659. The report previously included records for members who have not received a tax free lump sum. Under the 2014 scheme regulations there is no longer an automatic entitlement to a tax free lump sum, which increasingly means pensions are paid without a tax free lump sum.

Development work has been undertaken in the IT Team to amend the information the report is pulling and this has greatly reduced the number showing.

2.7 Missing Annual Allowance Calculation

There are 341 records with missing annual allowance calculation. This is a decrease of 533.

2.8 No Total Exit Guaranteed Minimum Pension (GMP) (Deferred)

There are 3945 records with missing National Insurance contributions or GMP. This is a decrease of 32.

2.9 No Post 88 GMP on record

There are 3469 records with missing National Insurance contributions or GMP. This is a decrease of 42.

Please Note (for points 2.5, 2.8 & 2.9)

These are deferred or pensioner records inherited from the previous administration. At the time there was not a requirement to input the GMP data into a separate field as there is today.

The GMP amount is held on the original paperwork that has been stored on the member's record as a scanned document. The GMP has never been populated in a separate field on the record and cannot be identified in the digital data scores.

The value of deferred pensions and the value of pensions already in payment are and have always been correct.

WYPF have reviewed the current internal options for improving data quality and these are not sufficient to produce the required results. We are working with Norfolk Pension Fund as one of the founder members of the National LGPS Framework to procure suppliers that can advance the current data quality. This is particularly in relation to postcodes which the Pension Dashboard will use as a matching criteria for members.

The Frameworks will be available towards the end of 2023 and the resource plan has been adjusted to make this happen once we have the appropriate supplier on board.

3.0 Data Improvement Plan

- 3.1 As a result of the data scores WYPF has devised a Data Improvement Plan (Appendix A) which identifies the issues with the data and the resolutions required to resolve those issues.
- 3.2 The reports to measure the data scores will be run on a half yearly basis to measure the improvements in data scores and identify any new issues.
- 3.3 It should be noted that TPR do not expect scores to be 100%, as long as there is a Data Improvement Plan to address the data issues. For example, as we trace members, others are identified as lost contact through returned mail. WYPF also takes every opportunity to remind members to tell us when they move house.
- 3.4 The scores continue to increase and as we make improvements to the reporting and engage with technology to find missing information on member's records, the scores will continue to improve:

November 2022

Common 95.97 %

Scheme Specific 86.04%

June 2023

Common 96.17%

Scheme Specific 87.91%

4. Conclusion

- 4.1 Data quality is important to the Fund as, as well as being a requirement of the Pensions Regulator. It may affect the employer contributions at the next valuation and can impact on the reputation of the Fund.
- 4.2 The Fund continually reviews the quality of data held throughout the year and strives to keep this as complete, accurate and up to date as possible. The Pensions Regulator requires Funds to undertake a review of data quality at least annually and this report consolidates the work undertaken in compliance with this requirement.
- 4.3 This report concludes that, whilst data quality is considered to be good within the Fund, there are improvements that can be made and as a result a data improvement plan has been developed.

5. Consultation

a) Risks and Impact Analysis

The Pension Fund has a risk register which can be obtained by contacting the Pensions Manager.

6. Appendices

These are listed below and attached at the back of the report	
Appendix A	Data Improvement Plan

7. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Matt Mott, who can be contacted at Matt.Mott@wypf.org.uk