

<b>REPORT TO:</b>	<b>Local Pension Board</b> <b>14 October 2021</b>
<b>SUBJECT:</b>	<b>Data Quality Assessment</b>
<b>LEAD OFFICER:</b>	<b>Vicki Richardson</b> <b>Head of HR &amp; Finance Service Centre</b>
<p><b>1. RECOMMENDATIONS</b></p> <p>The Board is asked to:</p> <p>1.1 Note the quality assessment of common data set out in Appendix A and scheme-specific data set out in Appendix B to this report.</p>	

## **2. EXECUTIVE SUMMARY**

- 2.1 This report sets out the results of the quality assessment of common and scheme-specific data undertaken in August 2021.

## **3. DETAIL**

- 3.1 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'. TPR also outlined 'scheme-specific' data but did not set prescriptive targets as the data is deemed to be scheme-specific. The guidance did target Pension Scheme Trustees to ensure that 'reasonable endeavours' were undertaken to provide evidence of assessment and measurement, together with an action plan to meet the scheme specific targets.

### **Commentary**

- 3.1 Aquila Heywood Ltd, the provider for the fund's Pension Administration Software System were engaged to assist in undertaking a practical assessment of the fund's common and specific data in August 2021.
- 3.2 In relation to common data TPR have set targets of 100% accuracy for data created after June 2010 and 95% accuracy for data created beforehand. The data quality assessment undertaken measures data as a whole as updates for many members are continuous and alter the last updated date on the system. The overall percentage of tests passed for Croydon's common data is 98.8% which is the same score that was achieved in 2020. The 2021 tests were conducted on 53,503 member records, an increase of 2,337 on 2020. The full common data report is shown as Appendix A.

- 3.2 A review of the funds scheme specific data pension data has been undertaken in line with the guidance notes set down by TPR. The overall percentage of tests passed for Croydon's scheme-specific data is 97.2%, an increase of 5.3% on the 2020 score of 91.9%. The percentage of member records without a single scheme-specific data failure is 87.6%. This represents a significant increase of 25.7% over the 2020 score of 61.9%. The full scheme specific data report is shown as Appendix B.
- 3.3 The Common Data scores are broadly comparable to 2020 and many of the issues highlighted have been investigated in previous years. The Fund will contact scheme employers for status 1 (Active) members for any missing Common Data. We will use existing processes to trace and contact status 4 (Deferred), status 5 (Pensioner), status 6 (Dependant) and status 9 (Frozen Refunds) members in order to update their Common Data. The Fund will not be resourcing efforts to update member records that are in status 3 and status 7 (Exit – No Liability and Death respectively).
- 3.4 National Insurance Number (NI) errors have been investigated following previous Data Quality reports. The majority of errors relate to children's pensions, overseas dependants or test records created by the Fund for testing purposes. There are existing processes in place to contact children as they approach their 16<sup>th</sup> birthday to obtain their NI number.
- 3.5 Many of the Common Data issues regarding invalid Data Views will be resolved by completion of the Backlog of Deferred Benefits Project being undertaken by Hyman Robertson Llp.
- 3.6 The Scheme-specific Data views have seen a marked improvements from 2020. This is largely due to the timing of the data quality report. The report was run before Pension Increase for Deferred members was applied in 2020. This caused a large volume of failed members in the Total Original Deferred Benefits test. The Fund was able to work with the software provider to ensure the 2021 report was run after Pension Increase was applied.
- 3.7 The results of the Scheme-specific data are being analysed and an improvement plan is in development. The basis of the plan will be the suggested Data Correction Plan provided by Aquila Heywood in their report. Errors that will be resolved as part of the Backlog Project will be excluded from the plan to allow the Fund to focus on clearing the remaining errors. Special attention will be given to errors included in the TPR scoring and errors that have not been previously investigated by the Fund.

#### **4. DATA PROTECTION IMPLICATIONS**

##### **4.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

NO

**Approved by:** Nigel Cook on behalf of Richard Ennis, Interim Corporate Director of Resources and Section 151 Officer.

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**BACKGROUND DOCUMENTS:**

None

**APPENDICES:**

Appendix A: Local Government Pension Scheme Common Data Quality Report -  
Croydon Pension Fund

Appendix B: Local Government Pension Scheme Scheme-specific Data Quality  
Report Croydon Pension Fund