



DATA MANAGEMENT STRATEGY

2019/20

Appendix A

1. Introduction

The West Midlands Pension Fund is one of the largest Local Government Pension Funds in the UK and manages the pension records of over 320,000 members. The Fund is not a legal entity in its own right, it sits as a function of the City of Wolverhampton Council who hold the capacity of Administering Authority.

The Council, and therefore the Fund, are bound by the obligations set out in the Public Service Pensions Act 2013 and associated legislation, including statutory guidance issued by the Scheme Advisory Board (SAB) and the Pensions Regulator (tPR).

In compliance with those obligations, the Fund is required to keep accurate records of member data that is necessary to perform its function as a Local Government Pension Scheme provider.

This strategy has been approved by the Fund's Pension Committee, its implementation and progress for improving data quality across the Fund is monitored by the Fund's Local Pensions Board.

2. Purpose

The purpose of this strategy is to provide a framework for identifying areas for data improvement and to develop and monitor data improvement plans where a data quality issue is identified. It defines the Fund's responsibilities in relation to record keeping and data quality, providing assurance to our stakeholders that their data is managed in compliance with the statutory obligations placed upon the Fund.

The strategy provides the parameters for assessing areas for improvement based on risk analysis and impact assessment. Through effective risk management the Fund is able to mitigate the impact of poor data quality, put plans in place to reduce future impact and improve process efficiencies.

The overriding purpose of this strategy is to set out the Fund's commitment to improving the service it provides to Fund Members thus ensuring:

- Members get the right benefits at the right time and;
- Actuarial valuations accurately reflect pension benefit obligations and funding requirements for the Fund's employers when reviewing contribution rates.

Appendix A

3. Scope

It applies to all Officers, Pension Committee Members, Pension Board Members, contractors and partner agencies (including employers) who have a responsibility under the legislation to maintain or assist in the maintenance of accurate pension member records.

It applies to all data required by the Fund to administer the scheme and meet the tPR requirements for record keeping covering all types of member (active, deferred, pensioner (including beneficiary)) across all membership records and aims to improve both the current and historical data held by the Fund.

The Fund may hold information about deceased members or members who have transferred out of the West Midlands Pension Fund, this Data Management Strategy applies to their data also where the Fund has a statutory duty to pay beneficiary/spousal benefits and to provide statutory reconciliation of data such as GMP reconciliation.

4. The Legal Basis

In line with the Pension Regulator's Code of Practice 14, Scheme Managers should review their data at least once a year and if there are any issues, put an improvement plan in place to address them. The improvement plan should clearly set out the steps to be taken to improve the data held.

Failure to maintain accurate records can put the Fund, Administering Authority and its employers at risk of failing to meet their legal obligations to members which could result in the Pensions Regulator taking enforcement action to remedy and rectify inaccurate data. It could have a further financial impact if the Fund is unable to accurately assess its liabilities and set appropriate contribution rates.

There is therefore both a legal and reputational risk to holding inaccurate or incomplete data.

In conjunction with the legal requirement to hold accurate data, the Fund also has a legal duty under the Data Protection Act 2018 and General Data Protection Regulations (EU) to ensure it manages personal information in an appropriate way enabling individuals to access their information while providing assurance as to its security and appropriate use.

For more information on the Fund's compliance with Data Protection, please visit www.wmpfonline.com/informationgovernance

Appendix A

5. Responsibilities

In delivering this strategy, the Fund has identified key owners for certain aspects of its delivery, these are set out as follows:

Role	Responsibility
Pension Committee	<p>As the decision-making body for the Fund the Pension Committee has ultimate responsibility for adhering to the legislation on managing and protecting data. This includes the responsibility for ensuring effective management processes are in place to ensure compliance.</p> <p>All members of the Pensions Committee are required to undergo data protection training.</p>
Local Pensions Board	<p>To monitor the delivery of this strategy and the activity taken to improve data quality where issues are identified. On a bi-annual basis the local pensions board will receive updates on the progress of the Fund's Data Management project with responsibility for ensuring focussed resource and delivery of improvements.</p> <p>All members of the Local Pensions Board are required to undergo data protection training.</p>
Officers	<p>As users of the Fund's data (in the processing of member benefits), officers have the responsibility to ensure the information they access is relevant, secure and used only for the purpose of providing pension benefits. Each individual officer is responsible for highlighting discrepancies in data, for raising queries where discrepancies are highlighted and for rectifying incorrect information on a member's record.</p>

Appendix A

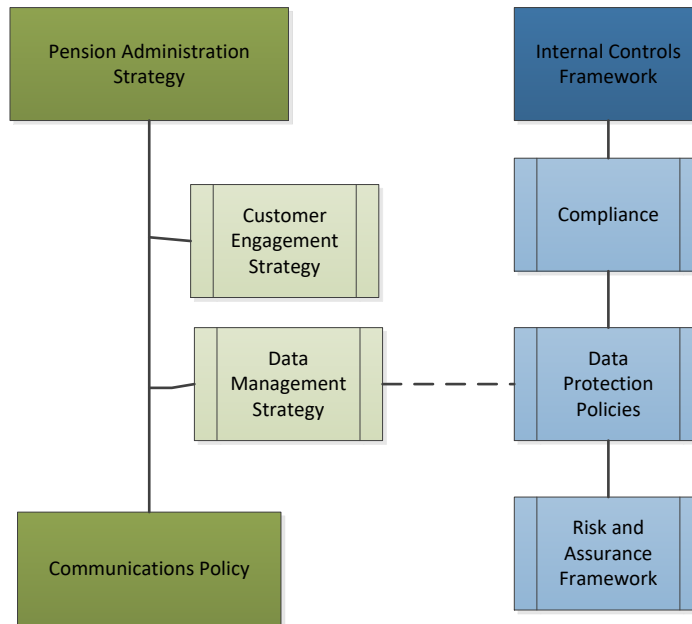
	<p>All officers of the Pension Fund are required to undergo bespoke data protection training with the Fund's governance officer tailored to the level of access to data required by their individual role.</p> <p>The Head of Governance and Corporate Services holds the role of Data Protection Officer for the Fund and is responsible for the ongoing compliance with the Data Protection legislation.</p>
Partner Agencies (including employers)	<p>Are required to adhere to the Fund's Pension Administration Strategy which sets out data quality requirements and performance expectation in the delivery of member data to the Fund.</p> <p>In addition, contractors also have an obligation to adhere to the Data Protection Act when processing Fund data, the Fund requires all such contractors to enter into data sharing agreements providing assurance of their protection and use of the data provided.</p>
Contractors	<p>Are required to adhere to the Fund's Data Protection Policy, including providing assurance of their own data management arrangements. Each contractor or third party is required to enter into a data sharing agreement with the Fund confirming the need for the sharing of data, the restrictions of use and confirmation by them of the safe and secure storage of data where it is passed for the performance of a service.</p>

6. Strategy Objectives

The Fund has identified the following objectives which are supported through the delivery of our corporate strategies and policy framework.

- To improve member **experience** of the Fund providing accurate information at the right time to enable them to make informed decisions about their retirement options.
- To improve **efficiency** in the Fund's processes, including provision of benefit information and payments, keeping administrative costs manageable and meeting KPIs
- To increase **automation** in Fund processes and enable greater self-service in the context of increasing demand.
- To maintain employer **confidence** in the assessment of liabilities and the appropriateness of their contribution and recovery plans set for funding purposes.
- To enable the Fund to meet regulatory record keeping **standards**
- To ensure the Fund effectively **protects** personal data in line with legislative requirements, including GDPR
- To ensure **compliance** with code of practice including the recording and reporting breaches of law.

Policy Framework



7. Key Outcome Indicators

In monitoring the delivery of this strategy and the ongoing analysis of the Fund's data quality the Fund has identified key outcomes to be achieved from the effective implementation of data management projects.

These include;

- A greater understanding of the Fund's data, its use across all service areas and its impact on service delivery
- Identified service development opportunities which lead to efficiencies in service delivery for key stakeholders
- Shared focus on data management across the Fund with identified ownership across individual service areas

Appendix A

- Effective oversight of the Fund's compliance with statutory requirements on data
- A risk-based approach to assessing impact against action in the improvement of data quality

We will measure the success of these outcomes through

- **Regulatory** - Continual improvement of the Fund's attainment to meet regulatory standards on data quality
- **Reputational** - The timely and accurate issuance of benefit information to members within set KPIs
- **Compliance** - Respond within statutory timescales to data protection queries
- **Operational** - Reduce processing times and improve benefit operation KPIs

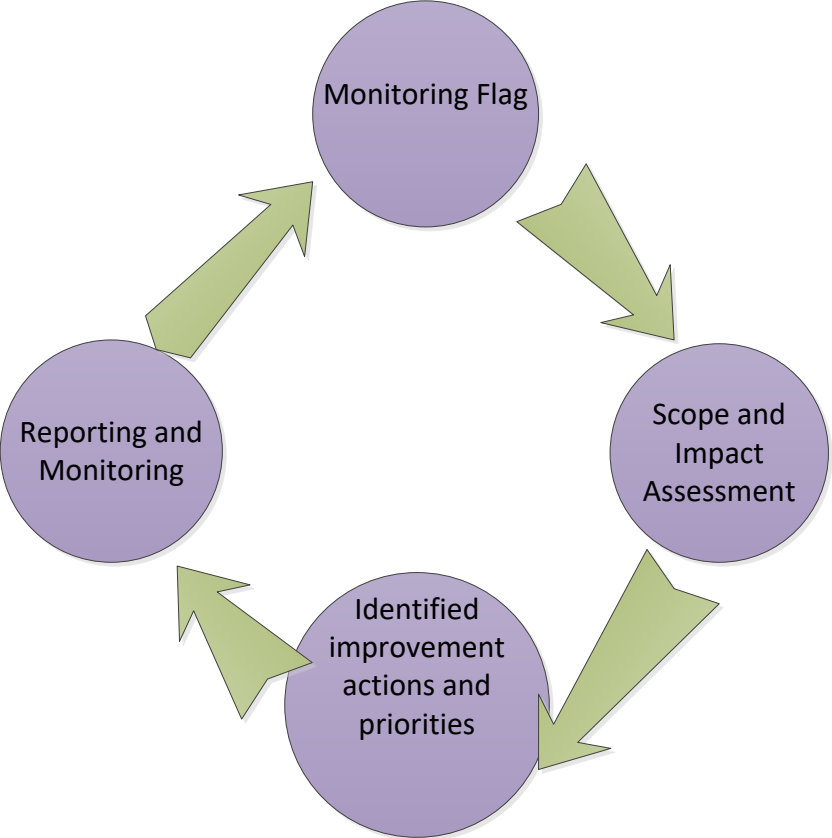
These outcomes are monitored on a regular basis by the Fund's Senior Management Team, Pensions Committee and Local Pensions Board through the monitoring of Key Performance Indicators and the Fund's compliance monitoring programme reported on a monthly/quarterly basis.

8. Data Strategy Impact Assessment

Poor quality data can have a detrimental impact on the Fund's relationship with stakeholders due to unnecessarily long processing times, constant queries, and an inability to report and manage performance against the Fund's and Regulator's expectations as outlined in the Pension Administration Strategy.

The Data Strategy Impact Assessment is the process by which the impact of data (actual or potential) is assessed and prioritised at an operational level through discussion with all service areas. Identified trends are then taken forward to establish data improvement priority actions, those with the biggest **impact** and **value**.

Those priority actions are transcribed into operational data improvement plans to enable a focussed delivery on improvement with identified action including long term service development.



Appendix A

Monitoring outcomes which may result in improvement action being taken	Monitoring Tool
Inability to load monthly file or loading with significant errors	Dashboard reporting on monthly submissions
Analysis of employer information against scheme records which raises a number of queries (e.g. missing earnings)	Common and conditional data reports from the pension administration system
Falling performance relative to KPIs	Operational Key Performance Indicators
Increased number of operational data improvement plans	Data Improvement projects tracker reported quarterly to Senior Management Team
Delay in responses to queries (from member or employer)	Operational Key Performance Indicators
Charges issued in line with the Pension Administration Strategy	Employer Performance Dashboards
Changes in statutory requirements	Internal Controls Framework
Increased demand from stakeholders which require service development	Statistical analysis of member contact through pensions services

Appendix A

Identifying priorities Through the effective monitoring of the Fund's performance and its service delivery, it is able to identify areas for improvement and service development to ensure it is able to meet the ongoing demands of its customers.

Where a drop in performance, or an improvement to service delivery is identified, the Fund, through its Data Management Sub Committee, will assess the impact of that change. The impact is assessed twofold, first its impact on the Fund's ability to meet its statutory duty and second in its impact to the Fund's customers, their ability to plan their future income in retirement and the effect any change in service may have on their access to and understanding of their pension benefits.

Through effective impact analysis, the Fund can determine the priority actions for the improvement of service delivery led by the focussed improvement on the Fund's data.

Delivery against those priority actions is reported to and monitored by the Pension Committee and Local Pensions Board.

9. GDPR

Underpinning the work that the Fund is doing to improve its data quality is the need to adhere to the Data Protection Act 2018 (to be read alongside the General Data Protection Regulation as directed by the European Union). The changes to data protection legislation provide more robust rights to the data subject (the member) in the way in which organisations collect, process and share their personal information.

The Fund recognises that certain changes are required to ensure that the principles of data protection and the individual rights of the member are not breached, especially considering the significant reputational and financial consequences should a serious data breach occur.

The Fund has acted to amend the required processes, such as the sharing of personal information to third-parties to maintain confidence in the Fund's ability to manage our members' data appropriately and in line with statutory guidance.

Further information on the work of the Fund to adhere to Data Protection Law can be found on our website www.wmpfonline.com/dataprotection.

Appendix A

The following aspects are worth highlighting in the relationship between improving data quality and adhering to GDPR

- The introduction of Monthly Data Submissions and the work that is being undertaken to cleanse historical data discrepancies ensures that the Fund meets the requirement that individuals' personal information should be kept accurate and up-to-date. The frequency of the monthly files received from employers and subsequently the feedback provided on outstanding current and historical data queries enables the Fund to continue to build confidence in its data quality.
- By ensuring high levels of data quality the Fund is prepared to react to requests for information from its members (Subject Access Requests). It is able to provide back to the member information that is relevant, accurate and complete
- The Fund is required to publish a privacy notice to outline how the Fund manages its members' data, including who it shares personal information with and for what purposes it may be used. This transparency places a responsibility on the Fund to ensure that its data is of high quality while giving assurance to the members that the third parties we engage with maintain the same standard of care of our members' data

10. Ongoing Improvement

This strategy and associated plans are intended to provide a continuous cycle of data analysis ensuring the Fund remains committed to ensuring complete data accuracy in the information it holds about its members.

The Current Data Management activity will be reviewed and updated at each meeting of the Data Management Sub-Committee to ensure they achieve the desired outcomes of this strategy and deliver a high-quality service to our members.

Approved by

Pension Committee (Version 1)	March 2018
Local Pensions Board (Version 2)	July 2018
Pension Committee (Version 3)	June 2019