

Pensions Board

22 January 2019

Report title	Data Improvement Strategy Monitoring Report	
Originating service	Pension Services	
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Recommendation for noting:

The Pensions Board is asked to note:

1. The work undertaken by the Fund to deliver its Data Improvement Strategy.

1.0 Purpose

- 1.1 To update the Board on the work of the Fund to deliver its Data Improvement Strategy.

2.0 Background

- 2.1 In May 2018, the Pensions Regulator (tPR) launched its Corporate Plan 2018 – 2021 and made data quality one of its main areas of focus for the forthcoming 3 years. In response, the Fund developed its Data Improvement Strategy, setting out its commitment to improve the quality of data held by the Fund, ensuring it is able to pay pension benefits when they fall due and to provide members with an Annual Benefit Statement to enable them to plan for their retirement.

3.0 Annual Benefit Statements 2018

- 3.1 This year, the Fund launched its monthly submissions programme which sought to improve the quality and timeliness of data provided by employers to the Fund. This programme was launched in April 2017 and by the end of the 2017/18 year, 97% of employers had on-boarded with the programme submitting monthly files of member and financial data.
- 3.2 While the monthly submissions programme aims to improve current member data (2018/19 onwards), the Fund acknowledged that its historic data (member data relating to previous years) needed to be an area of focus to ensure the delivery of accurate benefit statements and enhance processing efficiencies. To this end, the Fund has issued Data Improvement Plans to 30 of the Fund's largest employers noting the data queries outstanding for their members which may have prevented a benefit statement being produced.
- 3.3 In consideration of the work undertaken to launch the monthly submissions programme and the extended timeframe required to transition, the Fund launched a rolling production of benefit statements which saw the ongoing production of benefit statements beyond the 31 August 2018 deadline. This programme enabled the Fund and employers to continue cleansing data errors in order to maximise the number of statements produced. At its first run, the Fund issued 52% of benefit statements, the latest saw the figure increase to 78% with production continuing through early 2019.
- 3.4 Targeted data cleansing work has been undertaken following analysis of member records for which a statement could not be produced (NILABS members) with priority given to those members closest to retirement age.

4.0 Data Quality at a national level

- 4.1 Data Quality continues to be a national focus and this year the Scheme Advisory Board launched a national survey on the data held by Local Government Pension Funds with a view to creating a consistent approach to the data requested from employers and measured for reporting on conditional data records to the Pensions Regulator.

That work continues to be an objective for the Scheme Advisory Board and the Fund continues to feed into discussions on this topic.

5.0 Working with Employers

5.1 The Fund continues to engage with employers on data quality and is working with them on the data cleanse of this year's NILABS members. In line with the Pension Administration Strategy (PAS), the Fund is continuing to develop dashboard reporting for employers on their performance and delivery against the targets set out in the PAS. The Fund will present its template dashboards at the Employer Peer Group meeting in February which will include monitoring of Data Quality, timeliness of data and financial performance in the monitoring of contributions with the aim of developing these further through employer engagement as we move into the 2019/20 year.

6.0 Financial implications

6.1 Data Quality is a legislative requirement on Local Government Pension Funds and service development to support this work has been built into the Fund's budget for the 2018/19 year.

7.0 Legal implications

7.1 Data Quality is a legislative requirement for Local Government Pension Funds with the need to implement a Data Improvement Strategy set out in the tPR's Code of Practice. Failure to adhere to these requirements may result in enforcement action by the tPR which may include the issuance of a fine and/or improvement notice.

8.0 Equalities implications

8.1 The Fund's Data Improvement Strategy has been developed in line with the Equalities Impact Assessment criteria. No implications were identified.

9.0 Environmental implications

9.1 There are no implications

10.0 Human resources implications

10.1 There are no implications

11.0 Corporate landlord implications

11.1 There are no implications

12.0 Schedule of background papers

12.1 West Midlands Pension Fund Data Improvement Strategy

13.0 Schedule of Appendices

13.1 None