



Data Management Strategy

2020

INTRODUCTION

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 330,000 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 and Data Controller.

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 in paying pension benefits when they fall due, ensuring members are informed about their retirement benefits enabling them to take action to ensure a comfortable retirement.

This strategy is reviewed and adopted by the Fund's Pension Committee on an annual basis, its implementation and progress for improving data quality across the Fund is monitored quarterly.

2. Purpose

The purpose of this strategy is to provide a framework for ensuring data accuracy, effectively identifying areas for data improvement and to develop and monitor data action plans where further steps are needed to improve member data. 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.

3. Scope

Good data management applies to all Officers, Pension Committee Members, Local 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 where assessed as necessary, put an improvement plan in place to address them. The improvement plan should clearly set out the steps to be taken to improve the quality of 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 in line with the Pensions Acts.

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.

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 complies with its duty 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.

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

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

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	As the decision-making body for the Fund the Pension Committee has ultimate responsibility for adhering to the

	<p>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 and receive regular updates on the Fund's compliance with good data management.</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> <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>
Partner Agencies (including employers)	<p>Are required to adhere to the Fund's Pension Administration Strategy which sets out data quality requirements and</p>

	performance expectation in the delivery of member data to the Fund.
Contractors	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.

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.

7. Risk Management

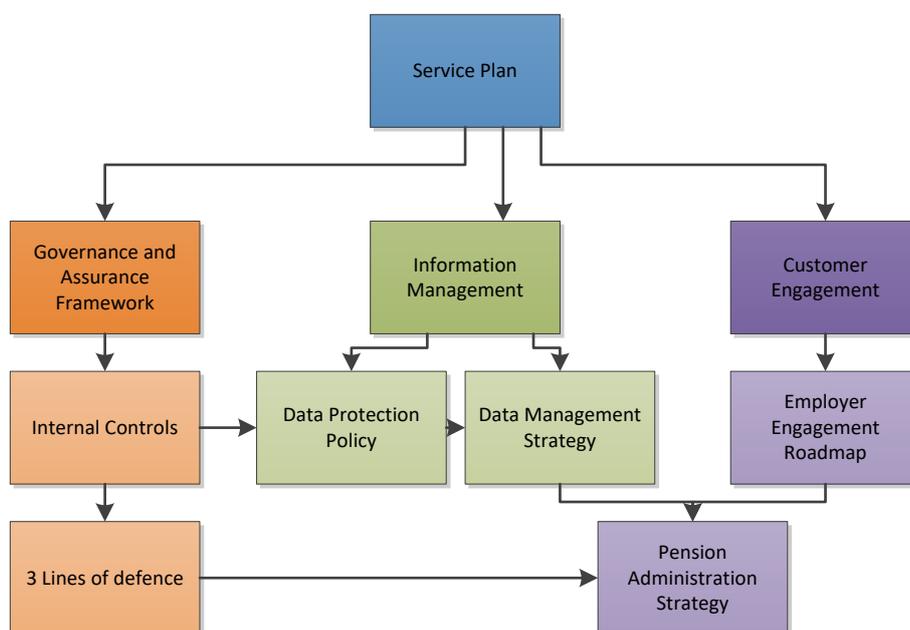
In setting the strategy objectives, the Fund has identified potential risks to its ability to achieve them, identifying and effecting controls which reduce the possible impact of those risks occurring thereby supporting the overall objective of ensuring good data management.

Risk	Controls	Rating
Growing complexity in LGPS scheme rules which change the requirements on the pension data required to pay benefits	The Fund's senior manager team participate in national groups sitting on a number of leading LGPS Bodies helping to shape the future direction of the LGPS. Together with the Fund's specialist technical team who engage with national groups to interpret and understand changes in legislation placing it on the front foot to understand those changes, developing training and tools to colleagues as part of the people development framework.	
Growing diversity in employers and frequency in change of employers, leading to membership transfers creating potential gaps and data inconsistencies together with the ability of employers to comply with their statutory duties to provide accurate data and their failure to comply with the Pension Administration Strategy	The Fund has an employer services team who regularly engage with employers through the employer engagement roadmap facilitating learning and coaching sessions to develop their understanding of their roles as scheme employers, including their duty to provide accurate and timely data.	
Enabling member self service and automation of reporting.	The Fund has a focussed digital transformation program with the aim of digitising more processes and making more information accessible online to members. In conjunction with the member services team developing online videos and webinars to support members in their understanding of pension information and data. All of which provide more visibility to members of the information we hold about them and therefore opportunity to rectify where necessary	

As well as effective risk management, the Fund has a number of mechanisms which provide assurance as to its management of risk and which enable the Fund to be confident that the responses applied in the mitigation of risks are operating effectively.

The implementation and application of the assurance framework assists the Pension Committee, Local Pensions Board and the Regulator’s confidence of the Fund’s management of risks and the promotion of good governance and accountability in its management of data.

Assurance Framework



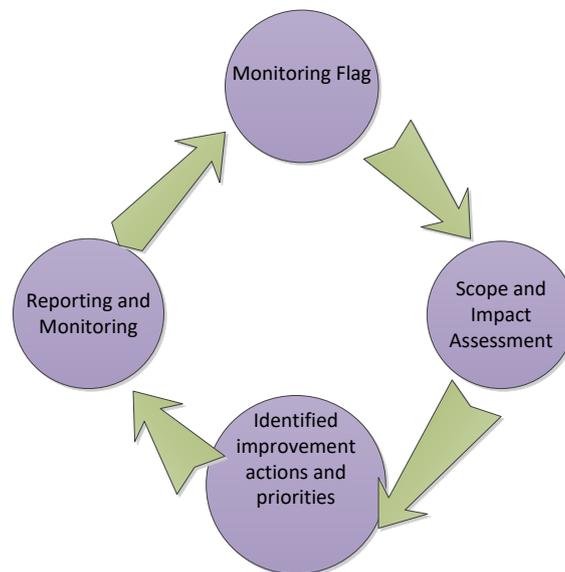
Further information can be found in the Fund’s <Governance and Assurance Framework>

8. Strategy Implementation

The Fund is able to report on and measure its data quality using the common and scheme specific data reports developed by the Pensions Regulator and national bodies, working in conjunction with software providers. In addition, through regular reporting supported by the Fund’s valuation data template, the monthly feedback to employers through the Fund’s monthly submission program and the monitoring of its ability to produce annual benefit statements (and the reasons for non-production), the Fund has a number of output measures which accurately depict our overall data quality.

Through those measures the Fund is able to effect its [Pension Administration Strategy](#) and use its employer engagement roadmap to support good data management.

Through the tools available, the Fund can effectively **review** and **monitor** its data quality, taking **action** where necessary to **engage** with its customers about data.



9. 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
- 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 and the collaboration with employers enabling them to monitor their own performance

- **Compliance** - Respond within statutory timescales to data protection queries and deliver on disclosure requirements to members
- **Operational** - Reduce processing times and improve benefit operation KPIs through efficient processing of data.

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 program reported on a monthly/quarterly basis.

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.

Approved by

Pension Committee	June 2020
Local Pensions Board	July 2020
Pension Committee	

Version Control

Version 1.2020	RH.15.5.2020

Next Review Date

December 2020
