



# DATA IMPROVEMENT POLICY

## 2018

## **1. Introduction**

The West Midlands Pension Fund is one of the largest Local Government Pension Schemes in the UK and manages the pension records of over 300,000 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 and Pensions Regulator.

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

## **2. Purpose**

The purpose of this plan is to define the Fund's responsibilities in relation to record keeping and data quality, providing assurance to our members that their data is managed in compliance with the statutory obligations placed upon the Fund.

The plan identifies areas for improvement in the Fund's record keeping based on complex analysis of the information the Fund holds and receives from its employers about its members.

## **3. Scope**

It applies to all employees, officers, Trustees, Pension Board Members, contractors and partner agencies (including employers) who have a responsibility under the legislation to maintain accurate member records.

It applies to all common and conditional data required by the Fund to administer pension benefits covering all types of member (active, deferred, pensioner (including beneficiary) ) across all membership records and aims to improve both current and historical data errors.

## **4. The Legal Basis**

Trustees and 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 and its officers at risk of failing to meet their legal obligations which could result in the Regulator taking enforcement action to remedy and rectify inaccurate data.

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

## **5. Plan Objectives**

In developing the Data Improvement Plan the following objectives must be borne in mind

- To improve members' experiences of the Fund providing accurate information at the right time to enable them to make informed decisions about their retirement income.
- To improve efficiency in the Fund's processes, including paying benefits, keeping costs manageable and meeting KPIs
- To increase automation in member processes and encourage self-service.
- To maintain employer relationships in the assessment of liabilities and the appropriateness of their contributions and recovery plans.

## **6. Outcomes**

In delivering the plan objectives the Fund will

- Improve member services, reduce complaints, increase self-service and reduce processing times
- Issue accurate and timely member communications
- Apply fewer assumptions in valuation data
- Improve benefit operation KPIs and reduce the likelihood of backlogs caused by poor data
- Reduce administration costs
- Improve the Fund's reporting on common and conditional data to the Regulator
- Issue 100% of Annual Benefit Statements

**7. Data improvement plan (under development)**

In determining the plan for improvement, the Fund has prioritised data which will have the greatest impact on member benefits as set out in the table below

<b>Data Type (5)</b>	<b>Impact on member (10)</b>	<b>Impact on Fund (10)</b>	<b>Ease of access to correct data (5)</b>	<b>Technical solutions (5)</b>	<b>Quick Wins (5)</b>	<b>Priority Score (/40)</b>
As set out in the TPR common and conditional report	Type of process/likelihood of detriment	Type of process/likelihood of detriment	Will it be rectified in monthly data submissions? Does it need a specific member or employer query?	Changes to UPM?	Data Team corrections?	

Improvement plan key

- Data Type – ranked 1 – 5 with 1 being the most detrimental data error
- Impact on Member – ranked 1- 5 on type of process and 1- 5 on likelihood of detriment (total out of 10)
- Impact on Fund – ranked 1-5 on type of process and 1-5 on likelihood of detriment (total out of 10)
- Ease of access to information ranked 1 – 5 with 1-2 being rectified in monthly submissions, 3 - 5 where a specific enquiry needs to be raised
- Technical solutions – ranked 1- 5 where 1-2 is a solution the Fund is able to action 3 – 5 where the solution is outside the control of the Fund
- Quick wins – ranked 1-5 depending on immediate or longer term

## 8. Breakdown of Activities

### Current Activity

- Monthly Returns  
The Fund has implemented a monthly submissions programme for employers requiring them to upload monthly data files on their employee membership of the Fund.
- Data analysis  
On receiving monthly files, the Fund's Data Quality team analyse the information provided and match it to records held by the Fund, where records do not match, a query file is sent back to the employer to rectify the data
- At the point of process, a data query may need to be raised by the benefit operations team with either the employer or the member, the officer allocated the process will be responsible for raising this query.
- The process is then pended until the information is received therefore delaying the process for the member.

### Improvement Activity

(Activity already identified which will lead to the improved understanding of where the issues are in the Fund's data quality)

- The Fund will run quarterly reports to identify the quality of its common and conditional data, this will be the responsibility of the Business Performance Manager.
- The Fund will produce employer dashboards on the quality of data received from employers in the monthly submissions, including error rate and active membership comparisons to be feedback to individual employers as a way of identifying and encouraging improvement. This will be the responsibility of the Data Managers and the Relationship Management Officer.
- The Fund will monitor the queries raised at the point of the process to determine common causes for pended actions. This will be the responsibility of the Benefit Operations and Payroll Managers.
- Analysis will be undertaken to determine the reasons for NILABS issuance to members and whether data and what data was the reason for the Fund's inability to produce a benefit statement to a member. This will be the responsibility of the Business Performance Manager.
- Bi-monthly meetings will be held of the Data Improvement Project Group to analyse the information produced and identify common themes of data quality across the Fund and prioritise areas of focus based on the priority score.

## Appendix 3

- The Fund will allocate a Data Cleansing and Projects Officer and Data Projects Assistants who will focus solely on the priority areas for data improvement, providing bi-monthly updates to the data improvement project group on the work undertaken.
- Monthly reports will be presented to the Fund's Senior Management Team on the progress of this work with quarterly updates reported to the Fund's Pension Committee and Local Pension Board.

### **9. Success Criteria**

The Fund will determine its success in 2 ways

- The error rate coming out of monthly returns which should show a continued reduction over the course of 12 months to April 2019
- The ability of the Fund to produce Annual Benefit Statements and the reduction in the number of NILABS needing to be issued each year.

### **10. Ongoing Improvement**

This plan is not intended to be a one-off exercise for improving the Fund's Data Quality and is 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 and Improvement activity will be reviewed and updated at each meeting of the Data Improvement Project Group to ensure they remain relevant to the work of the group.

### **11. Reporting and Escalation**

This policy will be kept under review by the Data Managers on a monthly basis with oversight from the Head of Governance and Corporate Services.

Developments on the Data Improvement Plan will be reported monthly to the fund's Senior Management Team providing updates on the work undertaken.

Priority Actions under paragraph 7 will be reported to SMT on a quarterly basis as they are determined by the Data Improvement Project Group. Quarterly updates will be provided to the Pension Committee and Pension Board on this work.

**Data Improvement Project Group**

<b>Position</b>	<b>Responsibility</b>
Head of Governance	Plan Owner
Head of Client and Funding Management	Plan Oversight
Business Performance Manager	Owner of common and conditional data reports and group Lead
Regulatory Compliance Manager	Compliance
Relationship Management Officer	Member (individual responsibility set out in plan and at each meeting)
Data Manager	Member (individual responsibility set out in plan and at each meeting)
Data Manager	Member (individual responsibility set out in plan and at each meeting)
Benefit Operations and Payroll Manager	Member (individual responsibility set out in plan and at each meeting)
Benefit Operations and Payroll Manager	Member (individual responsibility set out in plan and at each meeting)
Customer Services Manager	Member (individual responsibility set out in plan and at each meeting)

**Version Control**

<b>Date</b>	<b>Owner</b>	<b>Changes</b>
28/12/17	RH	First created