



DATA IMPROVEMENT PLAN

2018

Version 2.1

4 June 2018

This is a live document, reviewed and updated on a quarterly basis to record developments in the Fund's data improvement programme and current priorities

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 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.

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 incomplete or inaccurate data.

The Fund complies with all applicable Data Protection Laws (including General Data Protection Regulations). All policies and actions have been assessed under a formal Privacy Impact Assessment available to view on request. Where data is shared with third parties (e.g. tracing agents, third party administrators), a data sharing agreement has been entered into by all parties confirming their compliance with the Data Protection Laws. For more information on the Fund's compliance with Data Protection, please visit www.wmpfonline.com/informationgovernance

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 enable self-service by reducing manual intervention and its associated risk.
- To maintain employer relationships in the exchange of member and financial information and in the assessment of liabilities and the appropriateness of their contributions and recovery plans.
- To enable the Fund to meet regulatory record keeping standards

6. Outcomes

In delivering the plan objectives the Fund will

- Improve member services, reduce complaints, increase self-service and reduce processing times and outstanding work
- 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 assessment of its common and conditional data as reported to the Pension Regulator
- Issue 100% of Member Benefit Statements (active and deferred).

7. Tools for Monitoring the Fund's Data Quality

The Fund utilises the Universal Pension Management Systems (UPM) provided by Civica which provides the ability for the Fund to run reports on the information contained within a member's record enabling the Fund to confirm data gaps by member type, employer and on an individual level.

During 2017/18, the Fund has introduced the monthly submission of data by employers, which seeks to reconcile the key data sets held by the Fund with that of employers on a monthly basis. This is submitted by employers through the employer portal, which is an interface to the UPM pension administration system. In conjunction with this move to monthly submissions, the Fund launched its employer dashboard monitoring program, which reports the performance of each employer in relation to their performance on routine member notifications and submission of monthly returns together with the progress in resolving outstanding data queries highlighting areas for action.

In line with the Regulations, the Fund has in place a Pension Administration Strategy, which outlines the performance framework adopted by the Fund to monitor employers' delivery of timely and quality information.

8. Outcomes of analysis

Following a series of analysis of data held and being received by the Fund, it identified 6 key priority areas for data improvement across the active membership, with a separate project underway for managing the data of our deferred members.

Those areas are

- The reconciliation of the Fund's active member count with that provided by employers on their monthly file (Discrepancies are linked to the late notification of leavers/retiring members/new joiners.)
- The late submissions of leaver notifications which provides the relevant information to calculate their leaver benefits and record the reason for leaving the fund (e.g. early leaver (deferment or refund), retiring, redundancy, ill health, etc.)
- The information provided by employers for new joiners, including casual hours and automatic opt outs.
- Gaps in active member information e.g. pensionable pay figure, which are identified through the running of the common and conditional data reports
- Gaps in adequate information at the point of retirement e.g. Full Time Equivalent salary for pre2014 members.
- Outstanding processing of member changes in status which include re-joiners and early leavers

9. Actions for improving the Fund's quality of data

9.1 Corporate Strategies

In taking an overarching approach to improving the quality of data held by the Fund and provided by employers, the Fund has developed an Employer Engagement Roadmap which is directly linked to the Pension Administration Strategy used for monitoring the performance of employers in the submission of information to the Fund. The Engagement Roadmap outlines the key stages of engagement with employers on Pension Administration and includes activities such as Employer Coaching and "how-to" videos for key employer processes.

The Fund's employer base is quite diverse with a significant proportion of the Fund's membership spread across a handful of larger employers. Where possible the Fund offers opportunity to all employers to engage with the data improvement program, while acknowledging that more intense engagement is aimed at these larger employers.

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In addition, the Fund has its Pensions Portal, which seeks to place some responsibility for the accuracy of data with its members through this self-service platform. This facility provides members with the ability to update their personal information, submit forms and raise direct queries with the Fund where they believe the information presented in their record to be inaccurate. Following an enhancement to the Portal, rolled out in 2017, a programme of activity to increase the number of members registered to use My Pensions Portal is underway and this is outlined in the Fund's Customer Engagement Strategy.

Copies of both documents are available on the Fund's website.

9.2 Resourcing

In recognising the importance of good quality data, the Fund established in 2016 a dedicated Data Team which reports to the Head of Governance and Corporate Services and is overseen by the Fund's Regulatory Compliance Manager.

The team activity is monitored through review of incoming and processed submissions and performance against Key Performance Indicators. Resources are used flexibly and development of the system and process continues to ensure data is maintained efficiently.

9.3 Monthly Submissions and Analysis of Data and Employer Dashboards

Every month the Fund receives from its employers a data file. This file notes the current active employees as known by the employer. This file provides the earnings and contributions, changes in member data for each employee, and also the required information for any new joiners for that period.

Having undertaken a year of the monthly submissions programme, the Fund continues to learn from the programme creating new initiatives such as employer web trays, monitoring progress through the production of employer dashboards and Key Performance Indicators and more regular reconciling of the information provided by employers.

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At the end of each financial year, the fund will undertake an annual conversion of the monthly data and provide a final file for reconciliation. That file forms part of the Fund's preparation for the production of benefit statements in ensuring it is best placed to produce accurate benefit statement to all its members.

9.4 Historic Data Discrepancies

Monthly submissions is a proactive way the Fund can maintain its current member data. In conducting reviews of its data quality through the running of reports on the UPM system, the Fund has also identified historic data queries, which relate to information on a member's record outside of the current financial year. These relate to around one quarter of the queries needing to be raised with employers with the majority (over 90%) relating to possible leavers.

On a regular basis a spreadsheet of outstanding historic queries is returned to employers with their monthly file and Dashboard.

To assist with the reconciliation of historic data queries, the Fund revalidates the data it holds on the following basis

- Large employers (namely Districts) – quarterly basis to allow for the “catch-up” of monthly data performance and reconciliation.
- Academies and Medium employers – Bi-annually
- Small employers – annually as part of the annual conversion

This, where possible, has the effect of rectifying historical data queries thereby reducing the number needing to be raised with employers.

9.5 Annual Benefit Statements

Each year the Fund produces annual benefit statements for its active and deferred members. The ability to produce these statements is impacted by 2 factors.

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- The cleanliness of Fund data, resulting from the submission of information from employers and resolving the gaps and queries identified
- Current active processes on a member record – these relate to a process the Fund is running and could include a leaver, transfer in/out or amalgamation. In these circumstances, the member will receive a benefit statement letter once the process has been completed. It is worth noting however, that often processes are delayed due to the need to raise queries with employers in relation to a member's record (usually in connection with salary information).

Where the Fund is unable to produce an accurate benefit statement, a member will receive a NIL- ABS letter confirming the reason a statement could not be produced. The Fund monitors on a monthly basis the NILABS reduction from the date the active benefit statements are produced and runs an analysis report to confirm those queries rectified through the normal Business As Usual processes (which includes monthly submissions). For the 2018 Benefit Statements, the Fund will undertake a rolling benefit statement programme up until December 2018 with the aim of maximising the number of benefit statements produced.

10. Deferred Members

As at 31 March 2018, the Fund has 103,565 deferred members. Deferred members no longer have an active connection to an employer which means the Fund is not able to update their personal information on a regular basis and are reliant on the active engagement of the member to maintain contact.

The Fund has an online Pensions Portal, a self-service platform for members. My Pensions Portal provides immediate access for a member to their pension record enabling them to view their benefit statement, update personal details and upload documents. It is the Fund's aim to encourage deferred members to register for My Pensions Portal to ensure ongoing contact is maintained. This forms part of the Customer Engagement Strategy.

In addition, the Fund is undertaking a deferred member trace project to ensure the information it holds is accurate at the point of retiring. This project requires the Fund to run a report on its UPM system for all deferred members who are not currently registered

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with Pensions Portal. These will be analysed further to those deferred members with a retirement date of within three years. Those members not registered with My Pensions Portal will be contacted by email (where a valid email address is held) encouraging their registration on My Pensions Portal. For those members who are not registered, or who do not register following email contact, a letter will be issued to the most recent home address. This work will continue on a rolling three year program to ensure the process of retiring runs as smoothly as possible for the member with pensions paid when due.

11. Pensioners

Pensioner members have a direct link to the Fund through the payment of their pension benefits and are therefore more accessible as a group of members than the deferred membership. The most common cause for discrepancies in information held about our members relates to changes of address which are picked up through the annual issuance of a pensioner P60.

As part of the Customer Engagement Strategy, work is underway to encourage sign up of the Fund's Pension Portal with our pensioner members and this is outlined in the Pensions Portal marketing strategy.

12. Miscellaneous Action

Throughout the course of the year the Fund will have contact with members due to statutory disclosure of information, to contact them regarding their pension, and/or through the issuance of P60s to pensioner members/beneficiaries. It is often the case the Fund receives returned post from members who have 'gone -away' or moved address. In all cases the Fund undertakes a member trace to update records where returned post is received.

This is undertaken on an annual basis during the summer following the issuance of hard copy benefit statements, where hard copies are requested by the Member, to ensure those are captured in the data cleanse work.

13. Success Criteria

The Fund has developed a performance monitoring framework for monitoring the success of its data improvement plan. Overall, the Fund will determine its success in the following 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.
- Reduction in outstanding data which will be seen in the improvement of Business As Usual activities and the timeliness of their completion.
- Improvements in the Fund's performance against record keeping and TPR requirements
- The monitoring of employer performance in line with the Pension Administration Strategy.

14. 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 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.

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Data Improvement Project Group

Name	Position	Responsibility
Rachel Howe	Head of Governance and Corporate Services	Plan Owner
Simon Taylor	Head of Client and Funding Management	Plan Oversight
Ryan Davies	Project Officer	Plan co-ordinator and monitoring of performance framework
VACANT	Regulatory Compliance Manager (currently supported by Senior Compliance Officer – Investments)	Compliance
Louise Thompson	Relationship Management Officer	Member (individual responsibility set out in plan and at each meeting)
Isla Coates	Data Manager	Member (individual responsibility set out in plan and at each meeting)
Diane Martin	Data Manager	Member (individual responsibility set out in plan and at each meeting)
Sharon Booth	Benefit Operations and Payroll Manager	Member (individual responsibility set out in plan and at each meeting)
Mark Smith	Benefit Operations and Payroll Manager	Member (individual responsibility set out in plan and at each meeting)

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Amy Carey Jones	Customer Services Manager	Member (individual responsibility set out in plan and at each meeting)
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Schedule of Meetings of Data Improvement Project Group

Date	Completed
28/09/17	Yes
27/04/18	Yes
27/07/18	
26/10/18	
25/1/19	
26/4/19	

Version Control

Date	Owner	Changes
28/12/17	RH	First created
26/04/18	RH	2 nd review and amendments to actions
05/06/19	RH	Updated to reflect new data analysis.