

# **LONDON BOROUGH OF CROYDON PENSION FUND**

## **Data Improvement Policy**

**October 2024**

Review due October 2025

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## Introduction

This policy outlines the approach the London Borough of Croydon Pension Fund (the Fund) takes to continually improve data quality.

All pension schemes collect and hold large amounts of data which can change on a regular basis. It is therefore likely there may be missing or inaccurate data from time to time.

Inaccurate or missing data can lead to incorrect or late payment of pension benefits. This can have a huge impact on members and can be costly in resources and reputation to the fund to correct.

To mitigate the risk, it is important the quality of data is regularly reviewed, the Pension Regulator (TPR) recommends this is done on an annual basis. Any issues should be corrected as part of a data improvement plan.

## Key policy objectives

- To ensure member records are accurate and correct benefits are paid at the right time
- To provide scheme employers with guidance to ensure receipt of accurate data
- To ensure errors that occur from year end processing and the Data Quality reports are resolved
- Developing technology to improve data quality
- Monitoring of processes and data quality to ensure TPR requirements are met.

## Legal Framework

The Fund and its employers have a legal obligation and statutory duty to comply with a number of regulations, standard and formal guidance; these include, but are not limited to

- LGPS Regulations 2013, as amended
- Public Service Pensions (record Keeping and Miscellaneous Amendments) Regulations 2014
- The Pensions Act 1995, 2004 and 2008
- The Occupational and Personal Pensions Schemes (Disclosure of Information) Regulations 2013
- Data Protection Act 1998, and replacement legislation in May 2018 (GDPR)
- Freedom of Information Act 2000
- The Pension Regulators Code of Practice

## Date Protection

The Fund needs to collect and use different types of information about people with whom it deals and communicates in order to operate. The Fund has published the following policies on its website in relation to GDPR and Record retention.

- GDPR Full Privacy Notice
- GDPR Summary Privacy Notice
- Administering Authority Personal Data Retention Policy
- Administering Authority Personal Data Retention Policy – expectations for employers

## Data and information covered by the policy

TPR has issued guidance on the type of data that should be held by pension schemes.

There are two types of data:

- Common data – used to identify members
- Scheme specific data – essential to calculate benefit entitlement.

<b>Common Data</b>
NI Number
Name
Sex & Date of Birth
Date Commenced
Status
Status & Invalid Dataview
Address
Status & Valid Dataview

<b>Scheme Specific Data</b>			
<b>Category</b>	<b>Subcategory</b>	<b>Category</b>	<b>Subcategory</b>
Member Details	Date of Leaving	CARE	CARE Data
	Leavers	HMRC	BCE 2
	Date Joined Scheme		BCE 5
	Employer Details		BCE 6
	Salary (Final Salary)		BCE 7
	Contributions		BCE 8
	Service		LTA Charge
	Divorce Details		AA Charge
Member Benefits	Transfer In	Contracting Out	Date Contracted Out
	AVC Details		NI History
	Total Deferred		Pre 88 GMP
	Deferred Tranches		Post 88 GMP

	Total Pension		
	Pension Tranches		
	Total Dependant		
	Dependant Tranches		

BCE – Benefit Crystallisation Event, LTA – Lifetime Allowance, AA – Annual Allowance

## Process in place in place for maintaining good data quality

Annual data quality scoring, in line with the TPR’s standard approach, is carried out by the Fund and reported to the Pension Regulator.

Monitoring employers to ensure they are meeting their responsibilities as outlined in the Fund’s Pension Administration Strategy.

Monthly data collection from employers using standard manual templates and I-Connect submissions. The Fund is actively working with employers and payroll providers to assist with the transition to i-Connect if they wish to use this method of submission.

The Fund participates in the biennial National Fraud Initiative, monthly mortality screening provided by the National Fraud Initiative, the LGPS National Insurance Database, the DWP Tell Us Once service and conducts address tracing searches when required. The fund has access to HMRC’s GMP checker.

Regular review of internal administrative processes and documentation to ensure best practice and efficient collection of data.

A list of the current processes in place to identify data issues is contained in Appendix A.

## Prioritisation of data improvement activities

Ensuring all current work processed and information received from employers has data quality at its heart.

Investigating, and correcting where necessary, member records identified as a data quality issue. Priority will be given to pensions in payment, death cases with a continuing survivor’s entitlement and/or a death grant payment, deferred records approaching retirement age.

Recognising and understanding the data quality issues identified is important to ensure resources are allocated appropriately. Low priority cases, such as invalid address details for an opt out record, that represent minimal risk to members and the Fund will not be corrected.

Allocating resources to improvement plans across the Pension Section including technical enhancements, increased automation, scheme documentation and processes.

Working with our employers to raise awareness of data quality issues and support poor performing employers.

## Monitoring and reporting

Officers have access to data quality reporting on a daily basis and use this information to plan work allocation and allocating of resources. Targeted Blitz Days are used throughout the years to resolve data quality issues.

The Fund is required to report data quality scores to the Pension Regulator as part of the Annual Scheme Return. The Fund will continue to report the Data Quality scores to the Pension Committee and Pension Board on an annual basis.

Although the data is available and could be reported on a more frequent basis it should be recognised that for parts of the year the data quality scores will be lower. Updating member records as part of the End of Year processes is carried out over several months and key processes included in the data quality scoring are run after the end of year updates have been completed. To report data quality scores during this period may be misleading.

## Date of effect and Review

This plan will be reviewed at least annually to ensure it remains accurate and relevant. It may be changed as a result of legal or regulatory changes, evolving best practice and ongoing review of effectiveness of the plan.

## Further information

If you require further information about this policy, please contact:

Pensions Section, Third Floor Zone D, Bernard Weatherill House, 8 Mint Walk, Croydon, CR0 1EA

[pensions@croydon.gov.uk](mailto:pensions@croydon.gov.uk)

<https://www.croydonpensionscheme.org>

## Appendix A - Processes to Identify Data Issues

Objective	Timescale
Run TPR data scores	Annually (for the TPR return – usually in the autumn).
Checking and validation of year end data returns provided by scheme employers	Annually (April-August)
Checking and validation of monthly data returns provided by scheme employers	Monthly
Investigate and active or deferred Annual Benefit Statements not produced	Annually – following production of Annual Benefit Statements
Reconciliation between the pension administration system and pensioner payroll	Annually – part of the pension increase process
Reconciliation between the pension administration system and the accounting ledger	Monthly
Reconciliation between scheme employer contributions returns and monies received	Monthly
Mortality screening using National Fraud Initiative	Monthly
Address tracing for deferred pensions due into payment, pensioners where we have had correspondence returned, next of kin.	Ad-hoc as required from daily BAU work
Run national fraud initiative reports	Biennially
Run LGPS NI database reports	Monthly
Tell Us Once service	Daily
Reporting system issues to Heywoods	As required
Providing training and process notes for pension team	On-going
Ensure employers are complying with their responsibilities to provide accurate data	Pension Administration Strategy
Target poor performing scheme employers to support them with training and guidance	As required