



SOUTH YORKSHIRE
PENSIONS AUTHORITY

Subject	Data Quality and Improvement	Status	For Publication
Report to	Local Pensions Board	Date	17 October 2019
Report of	Head of Pension Administration		
Equality Impact Assessment	Not Required	Attached	No
Contact Officer	Jason Bailey	Phone	01226 772954
E Mail	JBailey@sypa.org.uk		

1 Purpose of the Report

- 1.1 To update members on progress with the Data Improvement Plan ahead of the Pensions Regulator's annual return.
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2 Recommendations

- 2.1 Members are recommended to:
- a. Note the proposed changes to the measurement of conditional data**
 - b. Review the progress made with the existing Improvement Plan**
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3 Link to Corporate Objectives

- 3.1 This report links to the delivery of the following corporate objectives:

Customer Focus

To design our services around the needs of our customers (whether scheme members or employers). Improved data quality leads to more timely and accurate access to member's records.

Effective and Transparent Governance

To uphold effective governance showing prudence and propriety at all times. The Pensions Regulator's Code of Practice 14 sets out that schemes should continually review their data and carry out a data review exercise at least annually.

4 Implications for the Corporate Risk Register

- 4.1 The actions outlined in this report have the following implications for the Corporate Risk Register.

- 4.2 Risk O2 centres on the risk of failure to meet statutory requirements for disclosure of information to members. Maintaining accurate data records are one mitigation against this risk as this reduces the possibility of inaccurate information being provided to members.

5 Background

- 5.1 Members of the Board will be aware that the Pensions Regulator expects funds to maintain good quality data and to have a data improvement plan in place which is reviewed at least annually. Funds were required to report on the quality of **common** and **conditional** data for the first time in 2018/19.

- 5.2 Common data items are basic data items which are used to identify scheme members and are defined by the Regulator. Conditional (or scheme-specific) data items are not specifically defined but are data items which are key to running the scheme and meeting legal obligations. In general terms for the LGPS this will be data such as membership details, pensionable pay, contributions, etc.

Data Scoring for 2018-19

- 5.3 Members may recall that the intention of data scoring for the LGPS was that agreement be reached at national level through the Scheme Advisory Board (SAB) as to which data items held on administration systems should be scored and what the nature of the measurements of those data items would be. In the event, it was not possible for national agreement to be reached and each fund produced its own scoring mechanism.

- 5.4 For SYPA, we had previously developed our own in-house software tool (called DART) which was designed to identify data discrepancies and we used a combination of DART reports and existing guidance to arrive at a data score. For reference, the scores reported to the Regulator were as follows:-

Common Data 2018/19:	96%
Conditional Data 2018/19:	87%

- 5.5 Although informal discussions amongst LGPS funds suggest that these levels of scoring were comparable, the measurements were clearly very subjective and it is difficult therefore to draw any meaningful conclusions about how LGPS funds are performing.

Data Scoring for 2019-2020

- 5.6 For the 2019-20 exercise which will be due to be submitted to the Regulator in November, SAB have taken a slightly different approach. Following discussions with interested parties, including software providers, they have developed draft guidance consisting of a reduced set of 22 conditional data items which they felt LGPS funds should use as a basis for measuring their conditional data. The draft guidance is attached as **Appendix A**.

- 5.7 Although this is only draft guidance, it is intended to start a process of developing a level of consistency across funds in terms of the conditional data scoring. One of the difficulties with the draft guidance however is that, although LGPS software providers were involved in the discussions with SAB, they have not all committed to having a data measuring tool for the 22 data items ready in time for the 2019-20 Annual Return.

- 5.8 As mentioned previously, SYPA have our own data quality software tool (DART) and we have been working to develop this tool to enable us to measure the 22 data items in the way that was outlined by SAB in the draft guidance. This is a complex piece of work involving tailored programming but we hope to have this work completed by the end of the month to enable us to utilise DART to measure the 22 data items proposed by SAB.
- 5.9 In practice, the measurement of conditional data in this way will lead to inconsistencies when attempting to provide year on year comparisons because a separate range of data items and conditional tests were analysed for 2018-19 (though clearly there were some commonalities). Our intention, therefore, is to produce the SAB proposal tests but also to run tests similar to those that were completed in 2018-19 to enable us to measure progress over time in improving data quality. The results will be provided to Board members at the next quarterly meeting.

Data Improvement Plan

- 5.10 Members may recall that a draft data improvement plan was provided at the January 2019 meeting and this was based on the outcomes of the scoring that was carried out. This was intended to be a working document and it is likely that the actions under the Data Improvement Plan will need to change again once the results of the latest scoring proposals outlined above are known.
- 5.11 In the meantime, we have taken the opportunity to update the previous improvement plan to reflect the progress made since the plan was first created at the beginning of the year. **Appendix B** shows the progress against the Common Data plan and **Appendix C** the progress against the previous measures of Conditional Data.
- 5.12 In respect of the Common Data, the main reason for the data failures is the lack of a current postal address for deferred members. SYPA is currently working collaboratively with two other larger LGPS funds on a procurement project for address tracing for deferred members with whom we have lost contact and it is envisaged that, once completed in the next few months, this will improve the common data score significantly.

6 Implications

- 6.1 The proposals outlined in this report have the following implications:

Financial	None identified.
Human Resources	
ICT	
Legal	
Procurement	

Jason Bailey

Head of Pensions Administration

Background Papers	
Document	Place of Inspection