



LOCAL PENSION BOARD – 5 FEBRUARY 2025

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

RECORD KEEPING – DATA IMPROVEMENT

Purpose of the Report

1. The purpose of this report is to inform the Local Pension Board of plans to maintain and improve the quality of pensions data held during 2025/2026.

Background

2. The Pension Regulator's Code of Practice requires funds to have a plan detailing the steps officers will take to improve their quality of data in the year ahead. Going forward, officers will submit a report to the Board annually detailing plans for data improvement in the year ahead.
3. The overall quality of pensions data remains high. The Common Data and Scheme Specific data scores as submitted to The Pension Regulator annually are shown in the appendix to the report and are currently both over 97%.
4. The Fund's actuary Hymans Robertson (Hymans) recently commented "The data provided by the Leicestershire Fund is of a high standard and has been for several years. From my experience working with the Fund for over 10 years, this is a result of hard work, quality administration staff and rigorous process".
5. Officers will continue to strive to keep the overall quality high whilst focussing on any areas that need particular attention.

Business as Usual

6. The Pension Section already follows a significant number of processes to maintain high quality pension member records and this work will continue throughout 2025-2026. Further details are included in the appendix.

Plans for 2025-26

7. In addition to 'Business as Usual' actions there will be three areas addressed in 2025-26: the 2025 Valuation, Pension Dashboards Programme and the McCloud exercise. These areas will all be included in the Pensions Administration Business Plan 2025-26.

2025 Valuation

8. The most significant event of 2025-26 will be the work undertaken in respect of the fund valuation. In addition to the usual annual processes used to ensure that data is of the required standard, Officers will take the following steps:

Focus on non-stabilised employer record casework

9. Data for the fund's stabilised employers has already been submitted to Hymans, leaving officers to focus on the remaining employers. Team Managers will closely monitor casework in respect of lower priority cases (for example, deferred benefits and aggregation work) and identify cases that are likely to have the largest impact on the valuation. This would generally be members with the highest level of pension benefits. However, a balance will need to be struck to ensure that other cases are also processed.

Data Portal

10. Officers will utilise Hymans' online 'Data Portal' to highlight issues with individual records. The portal is available for use, free of charge at any time and regular use will reduce the number of queries to resolve immediately prior to the submission of the final data. Officers extract data from Altair, which is uploaded to the portal and any issues are highlighted.

Advanced Data Review

11. Officers have arranged for Hymans to conduct an 'Advanced Data Review'. This is an exercise designed to assess how 'valuation ready' the fund's data is and Hymans will provide a plan to help improve any areas where this may be required. The review will also provide employer-level data quality ratings, which will allow officers to work closer with any employers that require more attention and this may also feed into prioritising casework for the non-stabilised employers. Results from the review will be provided to the Board in a future report.

Pension Dashboard Programme (PDP)

12. As the deadline for the introduction of the PDP edges closer, officers are taking steps to check data to ensure it is fit for purpose.

13. The initial focus relates to analysis of approximately 600 member records that have been rejected by the data upload process that feeds relevant information to the Dashboard ISP. These errors will need to be cleared ahead of Dashboards going live.
14. Officers have requested a 'Pensions Dashboards Readiness Assessment' from our systems supplier, Heywood. This is a free report that summarises the quality of our data and what actions may be needed to prepare for Dashboards. The summary results will include a score for the following areas:
 - Checks on fields that may be used for matching as part of the Dashboard process (name, date of birth, address) to determine whether the data held is present, valid and accurate
 - Checking for member which would currently be duplicate matches
 - Check that there is data available to be returned to the Dashboards for each member employment
15. The report will be analysed and will be taken into consideration when planning the most effective way to resolve any issues highlighted.
16. Officers will also work to ensure that Additional Voluntary Contribution (AVC) data held by Prudential matches member data held on Altair. Prior to Dashboards going live a new process will be introduced that will upload monthly data from Prudential into Altair, so matching data will be crucial to this running smoothly. Further details regarding this new process will be included in a future report.

McCloud Exercise

17. As the initial work in relation to updating data for members in-scope for the McCloud exercise reaches its conclusion, officers will process bulk uploads of data to these records in respect of the calculation of the McCloud 'underpin'. There is a statutory requirement for underpin information to be included in the 2025 Annual Benefit Statements which must be produced by 31 August 2025.

Next Steps

18. Officers will report on progress to the Board in a future report later in 2025-2026.

Recommendation

19. It is recommended that the Board notes all areas of the report.

Equality and Human Rights Implications

20. There are no equality or human rights implications arising from the recommendations in this report.

Appendix

Data Improvement 'Business as Usual' Processes February 2025

Officers to Contact

Ian Howe
Pensions Manager
Telephone: (0116) 305 6945
Email: Ian.Howe@leics.gov.uk

Stuart Wells
Pensions Project Manager
Telephone: (0116) 305 6944
Email: Stuart.Wells@leics.gov.uk

Simone Hines
Assistant Director Finance, Strategic Property and Commissioning
Telephone: (0116) 305 7066
Email: Simone.Hines@leics.gov.uk