Data Quality Improvement Plan 2025

1. Introduction

The quality of data held by the North East Scotland Pension Fund (NESPF) impacts directly on scheme administration. Inaccurate information leads to inaccurate calculations, administrative delays and poor customer service. In addition, holding incorrect or incomplete data could affect all aspects of the Fund including having financial, legal, operational and reputational impacts.

It is therefore essential that measuring and improving the accuracy of the information held on an ongoing basis is an administrative priority of the Fund.

In addition to the above, the Pensions Regulator (tPR) is responsible for ensuring that Funds meet their legal requirements around maintaining data quality. Within the public sector environment, tPR have focused on this issue over the last few years. The tPR General Code of Practice came into force from 28 March 2024. The Code requires Funds to monitor their data on an ongoing basis for accuracy and completeness. In addition it requires data held to be reviewed at least annually with a data quality improvement plan to be put in place to address any issues found.

2. Data Collection

The NESPF collects data from employers in respect of active members on a monthly basis through our secure online facility i-Connect. This system, which is currently being used by all participating employers, ensures that member data is received in a timely manner and is provided in a valid and accurate format. Collecting data in this way has had a huge impact on the quality of the data held by the Fund and will ensure it remains a high quality into the future.

The high quality of data held by the Fund had a direct impact on the triennial valuation carried out as at 31 March 2023. The valuation was carried out well within the agreed timelines and with very few queries received from the actuary on the data provided. The quality of the data held by the Fund enabled both the Pension Fund and the actuarial team to have confidence in not only being able to deliver the exercise in a timely manner, but also in the accuracy of the results received.

As a result of changes to the scheme following recent legal proceedings (McCloud Judgement) and the imminent requirement to participate in the national pension dashboard the Fund continues to face challenges in administration. At the core of both of these large scale exercises is data and the success of meeting these requirements depends on the quality of the data held.

To meet the requirements of the additional projects, as well as the ongoing objectives of the NESPF and tPR, the following data improvement plan is to be implemented.

3. NESPF Objectives

1. To maintain the accuracy of members records to ensure that benefits held and paid are correct;
2. To meet the regulatory requirements of pension administration including the Pension Regulator's General Code;
3. To provide comfort to the administering authority and participating employers in the accuracy of the actuarial results based on the quality of the data provided; and
4. To ease the administrative burden of incomplete or inaccurate records.

4. Data Types

Data held by a Fund can be split into two different categories for measurement of quality:

1. **Common Data:** These data items are prescribed by tPR guidance and are the identifying fields for members.
2. **Scheme Specific Data (Conditional Data):** These fields are relevant to the calculation of member benefits and there is currently no prescribed list of scheme specific data fields for the Local Government Pension Scheme (LGPS).

5. Measuring Data Quality

From September 2021, the Fund have assessed the quality of the data held on the system using the data quality dashboard available through Altair Insights. Insights uses a suite of tests against the data held to determine the validity of the information held for each members record. Missing or invalid data is available to the Fund through the dashboard and the accompanying reports.

It is important to understand that although the data quality tests can identify missing, incomplete or invalid information it is not able to test this data for accuracy. Accuracy of data held on the system is reliant upon the system calculations, Fund officer training and checking of member records as part of the administration and processing.

6. Data measured by NESPF

Common Data	Scheme Specific Data
NI Number (includes temporary National Insurance numbers (TN) which are classed as missing data)	Active members with zero actual pay
Surname	Active members with missing or invalid member contribution rate
Forenames/initials	Active members with inconsistency between member status and exit data
Sex	Deferred members with no date of leaving
Date of birth	Deferred members with zero pension
Date started pensionable service	Deferred members with inconsistency between member status and exit data
Retirement date	Deferred members with Guaranteed Minimum Pensions (GMP) expected based on service
Membership status	Undecided leavers with zero pension
Last status event	Undecided leavers with inconsistency between member status and exit data
Address (includes Gone Away which are classed as missing data)	Pensioner members with no retirement date
Postcode	Pensioner members with zero pension
	Pensioner members with GMP expected based on service
	Dependant members with zero pension

7. Data Score

From 2018 both Common and Scheme Specific Data scores were required to be included in the Pensions Regulator's annual scheme return. The scores declared by the NESPF for the last few years are as follows:

Data Type	2023	2024	2025	Target
Common Data	98.7%	98.7%	98.7%	100%
Scheme Specific Data	99.12%	98.9%	98.9%	100%

The 2025 common data score has remained stable since 2023 at 98.7%. However, there is an increase in the number of 'gone away' members that are held on the administration database. A large scale tracing exercise with an external tracing agency took place between September and November 2023, which

helped the Fund to make contact with a number of 'lost' members but this has steadily increased since the exercise was finished. A new tracing exercise is due to take place in early 2026 by selecting a provider from the national address tracing framework.

The score for scheme specific data remains high with only a slight reduction to the overall score.

The Employer Relationship Team will seek to improve the scores in the forthcoming year by investigating and fixing the errors identified as part of the suite of Insight reports.

8. Reporting

The data quality improvement plan is approved at Committee level with scores being reported as part of the Pension Administration Strategy updates.

The scores are reported to the Pension Regulator as part of the Annual Return requirements

This plan is updated annually.

DATA QUALITY IMPROVEMENT PLAN

Objective	Action	Timetable	Area of responsibility & resource requirements	Financial implications
Address Tracing	Tracing exercise for all 'gone away members to be undertaken by calling off from the address tracing framework	To be completed by 31 March 2026	Employer Relationship Team	Up to £17,000
Insights Data Quality Dashboard	Altair Insights reporting tool and the standard tests set up to create the dashboard will be used to provide data quality scores for the Annual Scheme Return. The detailed reports list any errors found and will be used to cleanse the data held on an ongoing basis ensuring that both current and historical data is valid.	Ongoing requirement for data scores to be provided to tPR (annual return) every year Project to improve historic data and data scores to be part of the ERT remit going forward	Employer Relationship Team	No additional costs expected (Insights is used for all administrative reporting and is used across the Fund)
National Insurance Database Exercise	Using the NI database the Fund will identify where members have benefits with other Scottish LGPS Funds resulting in transfer/joining of records. This initial exercise will be used to tidy up historical issues and prepare for becoming "dashboard ready". On an ongoing basis	October 2025	Benefits Team	No additional cost expected (will result in increased transfers in and out between Scottish Funds)

	the use of the database is being incorporated into administration procedures and under constant monitoring.			
Undecided Leavers (Status 2 records) Concurrent and Joins (backlog)	Actively addressing the backlog of unprocessed cases in advance of the 2026 valuation. To include process review.	April 2025 – December 2026	Legacy Team	Staff seconded from Teams within the Fund to prioritise this exercise
Arrears (backlog)	Following the pay award in November/December 2023, to recalculate pensions and deferred benefits as well as refunds, to take into account the additional contributions and pay received.	March 2026	Employer Team & Benefits Team	No additional staffing costs.
Frozen Leaver Exercise (Status 9 records)	Following completion of the tracing exercise an ongoing exercise will be carried out by the trained assistants to contact members with unclaimed refunds on an annual basis. Exercise will be carried out using Insights reporting	October - ongoing	Systems Team	No additional staffing costs.
Dashboard Preparation	With the introduction of the national UK pensions dashboard, which the LGPS schemes are expected to connect the "eco-system" to by end September 2025, there will be a requirement for data to be of a high quality to ensure that pensions are	January 2025 – September 2026	Systems Team/Employer Relationship Team/ Benefits Team	Data rectification costs unknown. No further staff resources required at this time.

	found and accurate figures are provided via the dashboards.			
McCloud Project (rectification)	Following the comprehensive review to identify missing service data and process the McCloud information onto Altair, further work to be carried out to apply guaranteed benefits to any affected retirements, deaths, divorces and transfers. The majority of work has been undertaken with day to day processing having went 'live'. Small amount of rectification work outstanding	Regulations effective from October 2023 Rectification to be completed by August 2026 Transfer work to be undertaken once system development is carried out. Work on future leavers is ongoing	All operational teams	In house staff used for all aspects of the regulatory requirements including systems testing, data checking and processing of McCloud tranche/rectification data view and underpin.
AVC Reconciliation	Reconciliation of AVC contracts with Prudential and Standard Life in line with year end. Since 2020 Prudential have experienced issues with providing fund values as at 31 March as part of the year end process. The issues were caused by implementing a new system. Work is ongoing to rectify, however this has impacted on the ability to reconcile to data held by NESPF. The ongoing use of i-Connect within the Fund	July 2025– March 2026	Employer Relationship Team	No additional costs expected.

	ensures that the data is as accurate as possible.			
Mortality tracing	Monthly mortality tracing, carried out in conjunction with ATMOS data services is to be revised from late 2023 to include additional checks by the provider.	Ongoing	Operations Manager	Cost of ATMOS tracing is £0.20 per member. Mortality tracing is carried out monthly and is part of the requirements of scheme administration and the insurance 'buy in' with Rothesay Life.
Start Date Exercise	In accordance with an audit requirement (2021/22) all start dates for members on the database system prior to the introduction of i-Connect will be checked against the scanned documents or checked with the employer for accuracy.	Deadline - December 2026	Systems Team	No additional cost – large scale exercise to be completed by Pension Assistants

Claire Mullen – Employer Relationship Manager – October 2024 – Version 1.5