



Aquila Heywood

Local Government Pension Scheme Common Data Quality Report North East Scotland Pension Fund



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Table of Contents

1	Executive Summary	3
1.1	Introduction	3
1.2	Data Quality Service	3
1.3	Benchmark	4
1.4	Summary of Common Data Results	5
1.5	TPR Common Data Core Test Results	6
2	Analysis of Common Data Results	7
3	Data Correction Plan	12
4	Appendices	13
4.1	Appendix A – TPR Guidance	13
4.2	Appendix B – Common Data and Fail Criteria	15

1 Executive Summary

1.1 Introduction

In 2015, the Pensions Regulator (TPR) assumed responsibility for Public Sector Pension Schemes. Prior to this, in June 2010, TPR issued guidance on the approach that they consider to be good practice for measuring the presence of member data. Specific targets were set for data TPR deemed as 'common' and Aquila Heywood has assisted customers in the collection and qualification of this data.

To assist customers in undertaking a practical assessment of their common data, Aquila Heywood offers a Data Quality service.

1.2 Data Quality Service

Working with North East Scotland Pension Fund (NESPF), Aquila Heywood has completed a review of NESPF's common pension data in line with the guidance notes set down by TPR. Aquila Heywood's understanding of the Local Government Pension Scheme data, benefit calculations, interfaces and processes, has assisted in the agreement of which items to test. The tests to satisfy each condition have been run and the results quantified to provide guidance on any corrective action required.

The service incorporates data items tested against the data conditions agreed with NESPF. To provide focus on the key areas of common data to be addressed, each data category is measured against an agreed benchmark.

In 2019, a set of "core" tests were identified for reporting to TPR. The results to be quoted to TPR are quoted separately from the overall test scores. For details of where the TPR tests differ from the overall tests, please refer to appendix B.

1.3 Benchmark

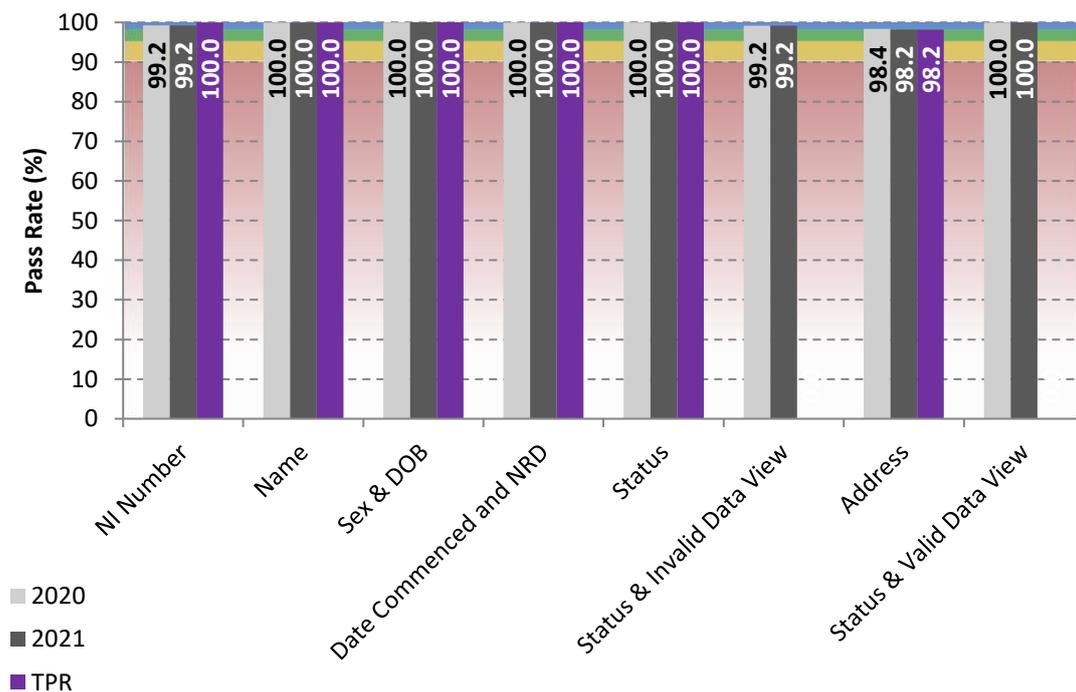
The benchmarks applied to the results presented in this report were agreed between NESPF and Aquila Heywood. The categories and thresholds are as follows:

Category	Pass Threshold
Blue	Pass rate \geq 98%
Green	95% \leq Pass rate $<$ 98%
Amber	90% \leq Pass rate $<$ 95%
Red	Pass rate $<$ 90%

These benchmarks are illustrated in the background of the results graphs. TPR have set targets of 100% accuracy for data created after June 2010 and 95% accuracy for data created beforehand. The Aquila Heywood data quality service measures data as a whole as updates for many members are continuous and alter the last updated date on the system.

1.4 Summary of Common Data Results

The graph below indicates NESPF’s performance for each data category against the agreed scheme benchmarks together with the results from the 2020 tests. The results presented herein are generated from data extracted from NESPF’s Live Altair service on 3rd September 2021 for all tests. The 2020 tests were generated from data extracted on 23rd June 2020. The overall percentage of tests passed for NESPF’s common data is **99.6%** which is the same as the 2020 score. The 2021 tests were conducted on 128,931 member records, an increase of 4,251 on 2020.

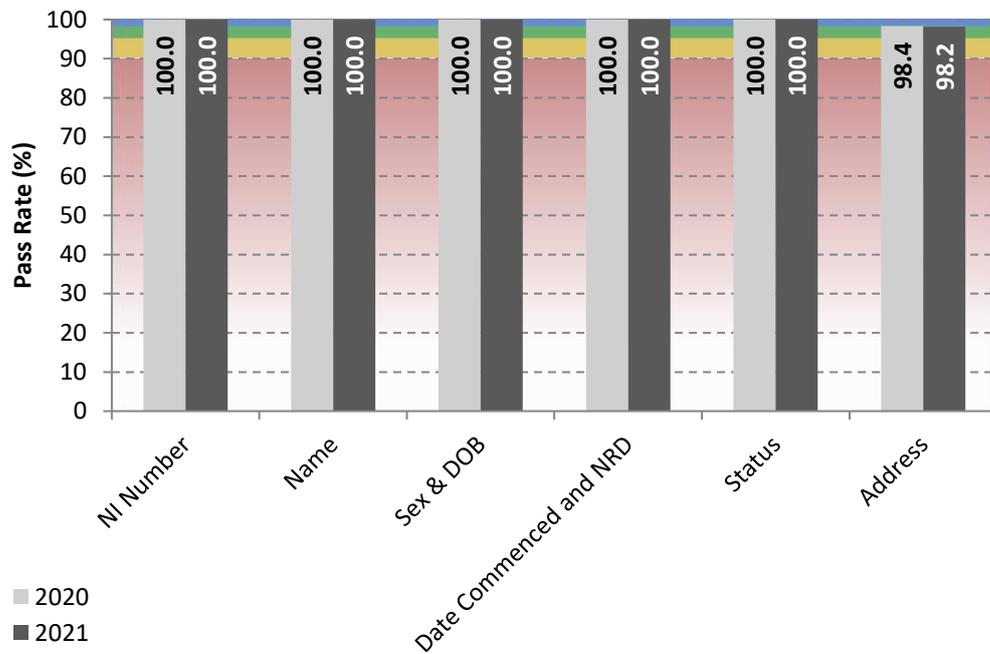


All eight categories met the highest benchmark of greater than 98% with two categories not recording a single failure. A further three categories have been rounded to 100% with a score of over 99.95%. The lowest scoring category concerned member **Address** that achieved a score of **98.2%** which represents a decrease of 0.2% on the 2020 score of **98.4%**. The general quality of the common data tested at NESPF is of a high standard. There is some work required to trace members recorded as “gone away” to bring this category into the highest benchmark.

The percentage of member records without a single common data failure is **96.6%**. This represents a decrease of 0.2% on the 2020 score of 96.8%.

1.5 TPR Common Data Core Test Results

The percentage of member records that did not fail any of the tests deemed to be in the core list of TPR tests is **98.1%**, this represents a decrease of 0.2% over the 2020 score of 98.3%. This is the figure to be quoted on the scheme return to TPR. The core test scores for each category are shown below.



Condition	Qualifying Members		Pass Rate		Areas for Review	Comments
	Tested (change)	Passed (change)	Overall (change)	TPR (Change)		
Name <u>Eligible for Testing:</u> All members	128931 (+4251)	128928 (+4251)	100% (0%)	100% (0%)	Fail A: 0 Fail B: 3 Fail C: 3	3 members have a missing forename and initials, the same as in 2020. This test counts towards the core TPR results.
Sex and Date of Birth <u>Eligible for Testing:</u> All members (Leavers and deaths excluded from test D)	128931 (+4251)	128931 (+4251)	100% (0%)	100% (0%)	Fail A: 0 Fail B: 0 Fail C: 0 Fail D: 0	All member records have a valid sex and date of birth recorded for the third consecutive year.
Date commenced and NRD <u>Eligible for Testing:</u> All members	128931 (+4251)	128930 (+4252)	100% (0%)	100% (0%)	Fail A: 0 Fail B: 1	2 members failed a test in this condition in 2020. 1 leaver now has an invalid date joined fund. This test does not count towards the core TPR results.
Status <u>Eligible for Testing:</u> All members	128931 (+4251)	128931 (+4251)	100% (0%)	100% (0%)	Fail A: 0 Fail B: 0 Fail C: 0	All member records have a valid and consistent status recorded for the third consecutive year.

Condition	Qualifying Members		Pass Rate		Areas for Review	Comments
	Tested (change)	Passed (change)	Overall (change)	TPR (Change)		
Status and invalid data view <u>Eligible for Testing:</u> All members	128931 (+4251)	127886 (+4261)	99.2% (+0.04%)	N/A	Fail A: 472 Fail B: 139 Fail C: 343 Fail D: 96	<p>There are 10 fewer members failing a test since 2020 resulting in a 0.04% increase in the pass rate. This category is excluded from the TPR core results.</p> <p>472 members have an 'Exit' data view which is not in line with their status history. 139 members have an unexpected 'deferred' data view having never been deferred on their status history. 343 members have an unexpected 'pensions' data view and 96 members have a 'dependants' data view which is not in line with their status history.</p> <p>1045 members have data views that are not expected for their status history:</p> <ul style="list-style-type: none"> - 13 leavers and 409 deceased, that may be dealt with as a lower priority; - 164 are active members; - 58 are undecided leavers; - 119 are deferred pensioners; - 256 are pensioners; - 18 are for aggregated records; - 8 are for optants out who would not be expected to have any data of this kind. <p>5 members have more than 1 unexpected data views. Fails in this category should be investigated to ensure correct benefits are calculated as a priority.</p>

Condition	Qualifying Members		Pass Rate		Areas for Review	Comments
	Tested (change)	Passed (change)	Overall (change)	TPR (Change)		
Address <u>Eligible for Testing:</u> All members except leavers and deaths (status 3 and 7)	128931 (+4251)	126583 (+3938)	98.2% (-0.19%)	98.2% (-0.19%)	Fail A: 5 Fail B: 0 Fail C: 2336 Fail D: 16 Fail E: 0	<p>The number of members failing a test has increased by 313 to 2348 since 2020, resulting in a 0.19% decrease in the pass rate and the reason for this should be investigated.</p> <p>5 members have no address recorded. 2336 members are recorded as “gone away” and 16 members have no Postcode recorded. All these tests count towards the core TPR results.</p> <p>Of the 16 members missing a postcode, 9 are also recorded as “gone away”. Some of the remaining members may be overseas without having the overseas indicator set.</p> <p>Of the 2336 members recorded as gone away:</p> <ul style="list-style-type: none"> - 3 are active members; - 39 are undecided leavers; - 1645 are deferred pensioners; - 70 are pensioners; - 25 are dependants; - 530 are frozen refund; - 24 are for optants out

Condition	Qualifying Members		Pass Rate		Areas for Review	Comments
	Tested (change)	Passed (change)	Overall (change)	TPR (Change)		
<p>Status and valid data view</p> <p><u>Eligible for Testing:</u> Members with deferred benefits or benefits in payment (Status 4, 5, 6, 7, 9 and T)</p>	128931 (+4251)	128898 (+4250)	100% (0%)	N/A	Fail A: 0 Fail B: 0 Fail C: 0 Fail D: 24 Fail E: 5 Fail F: 4	<p>The number of members failing tests has increased by 1 to 33 since 2020. This category is excluded from the TPR core results.</p> <p>24 deceased cases from active or deferred status are missing exit details where death grant details are recorded. 3 of these were active members and 21 were deferred pensioners.</p> <p>5 deceased members who were pensioners do not have a date recorded for when the pension ceased. Similarly, 4 deceased dependents are missing a cease date.</p>

3 Data Correction Plan

The table below provides NESPF with suggestions for resolving the issues identified. This table is deliberately high-level as the detail and dates should be agreed once the results have been thoroughly reviewed. This table represents a summary of the recommended actions outlined in Section 2.

Data Category	Recommendation	Suggested Priority
NI Number	<ul style="list-style-type: none"> Obtain correct NI numbers for the members with temporary numbers or those in the incorrect format 	<ul style="list-style-type: none"> Low
Name	<ul style="list-style-type: none"> Obtain the forenames or initials for the 3 deceased members with them missing 	<ul style="list-style-type: none"> Low
Sex and Date of Birth	<ul style="list-style-type: none"> No issues found 	
Date commenced and NRD	<ul style="list-style-type: none"> Obtain correct commencement date for the leaver 	<ul style="list-style-type: none"> Low
Status	<ul style="list-style-type: none"> No issues found 	
Status and invalid data view	<ul style="list-style-type: none"> Invalid data should be removed where necessary or the member status history corrected where appropriate. These cases should be treated as a high priority where the member is not a leaver or deceased as the presence of the data may affect benefits 	<ul style="list-style-type: none"> High
Address	<ul style="list-style-type: none"> Current addresses should be sought and uploaded for the members that failed this category 	<ul style="list-style-type: none"> Medium
Status and valid data view	<ul style="list-style-type: none"> The 24 deaths from active and deferred status may be missing death grant data and should be investigated The 5 pensioner and 4 dependant deaths with missing cease dates should be investigated and corrected 	<ul style="list-style-type: none"> Low Low

4 Appendices

4.1 Appendix A – TPR Guidance

Data Field	TPR Comment
National Insurance Number	'TN' formats should be regarded as missing data. The final character of NI numbers is not essential.
Surname	Check that surname is present.
Forename(s) or initials	Forenames are preferable but initials are an acceptable alternative.
Sex	Check that sex is present.
Date of birth	Check that date of birth is present and consistent (earlier than date joined scheme, retirement, date of leaving). False dates should be classed as missing data.
Date pensionable service started/policy start date/first contribution date	For trust-based schemes this will be date pensionable service started. For contract-based schemes this will effective start date of the policy or the first contribution date, depending on the provider's requirements.
Expected retirement/maturity date (target retirement age)	This field may be derived or explicit; for most DB schemes it will probably be derived as the scheme's normal retirement date. Need to check that it is populated if that is a scheme/system requirement, that it is consistent with scheme rules and statutory requirements, and is later than date of birth and pensionable service date/first contribution date.
Membership status	Check that a current valid status is recorded for each member. This may be a dual status, eg active or deferred member with partial retirement. For contract-based schemes this may be 'active' or 'inactive'.
Last status event	Check that benefits taken are consistent with status, and, if status history is recorded, that the latest status is the same as the explicitly recorded current status.

Data Field	TPR Comment
Address	An address should be present for all members of all schemes. Because of DPA requirements an exception is permissible for active members of those trust-based schemes in which communication with members is normally sent via the employer. 'Gone away', 'unknown' or similar should be treated as missing data.
Postcode	Check that a postcode is present if address is not identifiable as being overseas. Will assist with valuations for actives, for whom storing full address may breach DPA principles.

4.2 Appendix B – Common Data and Fail Criteria

Common Data

Condition	Fail A	Fail B	Fail C	Fail D	Fail E	Fail F
<p>NI Number</p> <p><u>Eligible for Testing:</u></p> <p>All members</p>	NI Number (NI-NUMBER) is blank	<p>NI number is temporary (commences TN) and is not a child pension (DEPND-TYPE = 'C')</p> <p>Leavers (3) and deaths (7) are excluded from the TPR results</p>	<p>NI number does not adhere to standard (Neither of the first two letters can be D, F, I, Q, U or V. The second letter cannot be O. Prefixes BG, GB, KN, NK, NT, TN (checked in fail B) and ZZ are not used. Suffix must be A, B, C or D. Characters 3-8 must be numbers)</p> <p>Test is excluded from the TPR results</p>			
Tested: 128931	Failed: 0	Failed: 926	Failed: 42			

Condition	Fail A	Fail B	Fail C	Fail D	Fail E	Fail F
Name <u>Eligible for Testing:</u> All members	Surname (SURNAME) is blank	Forenames (FORENAMES) is blank	Initials (INITS) is blank Test is excluded from the TPR results			
Tested: 128931	Failed: 0	Failed: 3	Failed: 3			
Sex and Date of Birth <u>Eligible for Testing:</u> All members *	Sex (SEX) is blank	Sex is not Male or Female	Date of Birth (DOB) is blank	Date of Birth is earlier than or equal to 01/01/1900 (* Leavers and deaths excluded from this test) (Status 3 and 7)		
Tested: 128931	Failed: 0	Failed: 0	Failed: 0	Failed: 0		
Date commenced and NRD <u>Eligible for Testing:</u> All members	Date Joined fund (DJF) is blank	Date Joined Fund is earlier than Date of Birth plus 15 years Test is excluded from the TPR results	NRD checks are not required as these are always calculated			
Tested: 128931	Failed: 0	Failed: 1				

Condition	Fail A	Fail B	Fail C	Fail D	Fail E	Fail F
Status <u>Eligible for Testing:</u> All members	Status (STATUSKEYF) is blank	Status is not 1-9, T or O	Status on member summary (STATUSKEYF) does not match that on basic details (STATUS[1]) Test is excluded from the TPR results			
Tested: 128931	Failed: 0	Failed: 0	Failed: 0			
Status and invalid data view <u>Eligible for Testing:</u> All members Category is excluded from the TPR results	Exit details should not be present unless status is 3, 7 or 9 or a previous status is 9 and the current status is 1, 2, 4, 5 or T	Deferred details should not be present unless status is 4 or a previous status is 4 and the current status is 1, 2, 3, 5, 7 or T	Pension details should not be present unless status is 5 or T or a previous status is 5 or T and the current status is 1, 2, 3, 4 or 7	Dependant details should not be present unless status is 6 or a previous status is 6 and the current status is 3 or 7		
Tested: 128931	Failed: 472	Failed: 139	Failed: 343	Failed: 96		

Condition	Fail A	Fail B	Fail C	Fail D	Fail E	Fail F
<p>Address</p> <p><u>Eligible for Testing:</u></p> <p>All members except leavers and deaths (status 3 and 7)</p>	Address record does not exist	Address record exists, but line 1 (ADD-LINE-1) is blank	Gone Away (ADD-GONAWY) indicator is set	If the address is not overseas, the Postcode (POSTCODE) is blank	<p>If the address is not overseas, the Postcode is not the correct format (1st letter =Q, V or X, 2nd letter is I, J or Z, 3rd, 4th or 5th character is not a space)</p> <p>Test is excluded from the TPR results</p>	
Tested: 128931	Failed: 5	Failed: 0	Failed: 2336	Failed: 16	Failed: 0	
<p>Status and valid data view</p> <p><u>Eligible for Testing:</u></p> <p>Members with deferred benefits or benefits in payment (Status 4, 5, 6, 7, 9 and T)</p> <p>Category is excluded from the TPR results</p>	Status 4 does not have deferred details	Status 5 or T do not have pension details	Status 6 does not have dependant details	Status 7 or 9, with a previous status of 1 or 4 do not have exit details	Status 7 with a previous status of 5 should have a relevant date pension ceased	Status 7 with a previous status of 6 should have a relevant date pension ceased
Tested: 128931	Failed: 0	Failed: 0	Failed: 0	Failed: 24	Failed: 5	Failed: 4

