

Isle of Wight Council – Pensions Administration Data Quality Improvement Plan

Isle of Wight Council - Pensions Administration

Pension Fund operations are heavily reliant on the receipt of timely and accurate information and data from employers. The wide variety of payroll providers and systems used to transfer information to the pension fund has presented a significant challenge. To enable the Fund to demonstrate compliance with legislative record keeping requirements and to meet the expectations of the Pensions Regulator, there has been an increased focus on improving data quality and reporting. Data cleansing is ongoing and, during 2017/18, a number of key actions have been identified to enable significant improvements to be made with identified data exchange issues and team capacity issues to enable speedy resolution. Greater employer and member self-service is also planned to enhance the quality and timeliness of information to members and the cost efficiency of data handling. The overarching aims of the pensions administration team is to:

- Provide an effective benefits administration service, through the calculation and payment of scheme benefits accurately and promptly.
- Ensure accurate maintenance of the records of all members of the Fund
- Continually review and cleanse member data ensuring it meets the Pension Regulators requirements
- Supporting employers to ensure they provide the correct information on submission, optimising the use of technology to make processes more efficient and effective
- Work collaboratively and in partnership with both internal and external organisations to provide higher quality services at a lower cost.

To that end, the priority areas for data improvement have been identified and the following action plan sets out the key activities to secure overall assurance to the pension committee and members of accuracy.

Issue	Objectives	Actions	Activity	Owner	Timescale	Outcomes
<p>Island Schools since 2013 have the flexibility to commission their own payroll provider services. Data received from appointed providers can be incomplete, incorrect and not received in a timely manner.</p> <p>There are currently no automated process that enables data entry and validation. As a result, this leaves the IW Council's Pension's team in a position where it is necessary to manually review records for accuracy and chase payroll providers for required information.</p> <p>Since 2013, data quality issues have grown in number and depth. The 2016 valuation identified some 1200+ incorrect records for resolution and which currently stands at 1484.</p>	<ul style="list-style-type: none"> • To address the data issues that impact on the council's ability to administer the scheme effectively, including the correct payment of benefits and accurate processing of core transactions • To ensure that the assessment of scheme liabilities is accurate • To deliver a high standard of service to members • To ensure that the council meets its legal obligations in the delivery of the council's pension scheme. • To improve working relationships with external payroll providers • To utilise new technology to provide greater automation for data capture and validation. • To improve efficiency and effectiveness of pensions administration through receipt of timely and accurate data. • To improve member's experiences by providing more accurate pension forecasts. 	<p>Resolution of historical data issues identified from the 2016 valuation report up to 31 March 2017.</p> <p>Resolution of data issues identified from 1 April 2017 – 31 March 2018.</p>	<ol style="list-style-type: none"> 1. Historical data up to 31 March 2017 to be run through Hymans data portal (as used for triennial valuation) allowing all data errors to be identified for resolution. 2. Procurement process instigated to commission the engagement of a specialist team to assist with the rectification of data issues and speed in which resolution can be determined. 3. Utilise the Hyman's data validation system to confirm and validate that data issues have been resolved. 4. Re-run validation reports to provide final verification of issue resolution 5. Undertake progress reporting to pension board/committee <ol style="list-style-type: none"> 1. Use of specifically designed spreadsheet for the validation of data received from admitted bodies and school payroll providers to allow for data interrogation and rectification prior to entry into the Altair pension system to be undertaken. 2. Instigation of recruitment process for a fixed term data analyst to lead on the resolution of identified issues and to work with admitted bodies and payroll providers. 3. Continue to run data through Hymans' data portal, to confirm data accuracy and to provide final verification of issue resolution. 4. Undertake progress reporting to pension board/committee 	<p>Matt Collier</p> <p>Matt Collier/ Jo Thistlewood</p> <p>Matt Collier</p> <p>Matt Collier</p> <p>Matt Collier/ Jo Thistlewood</p> <p>Matt Collier</p> <p>Matt Collier</p> <p>Matt Collier/ Jo Thistlewood</p>	<p>31.01.2018</p> <p>28.02.2018</p> <p>On-going</p> <p>31.12.2018</p> <p>On-going</p> <p>On-going</p> <p>28.02.2018</p> <p>31.03.2019</p> <p>On-going</p>	<p>Pension members can be assured that future pension calculations and payments due are accurate.</p> <p>Improved employer and member confidence in the administration of the pension scheme</p> <p>Improved services to members resulting in fewer complaints and reduced processing times.</p> <p>Production of accurate annual benefits statements</p> <p>Adherence to statutory obligations</p> <p>All data transfer will be undertaken through electronic automated processes removing the need for manual intervention</p> <p>Timely notification and rectification of issues with data supplied from payroll providers.</p> <p>Timely upload of validated data into Altair resulting in reduced administration costs</p> <p>Less time spent in obtaining missing data and resolving anomalies</p> <p>More accurate forecasts for members when accessing the member self-service portal.</p> <p>Pensions regulator assurance of</p>

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		Ensuring data quality post 1 April 2018.	<ol style="list-style-type: none"> Undertake required configuration of the iconnect solution to enable electronic, direct data transfer and validation prior to entry into the Altair system. Undertake system testing Go live with iconnect for all Isle of Wight Council payroll transactions to Altair Undertake necessary preparations with admitted bodies and payroll providers in readiness for new system approach to be instigated. Instigate a new outside bodies agreement to establish requirements for data collection and receipt by the council, together with penalties to be imposed for late submission and failure to comply. Roll out of i-connect data transfer system to all admitted bodies and school payroll providers. Continue to run data through Hymans' data portal, to confirm data accuracy and to provide final verification of issue resolution. 	<p>Dean Finlayson</p> <p>Dean Finlayson/ Matt Collier</p> <p>Matt Collier</p> <p>Matt Collier</p> <p>Matt Collier/Jo Thistlewood</p> <p>Matt Collier</p> <p>Matt Collier</p>	<p>31.01.2018</p> <p>31.03.2018</p> <p>01.04.2018</p> <p>31.08.2018</p> <p>31.08.2018</p> <p>01.09.2018</p> <p>31.12.2018 and at regular intervals thereafter</p>	<p>data quality and pension administration processes.</p> <p>More efficient completion of triennial valuation by actuaries.</p>
		On-going assurance of data quality	<ol style="list-style-type: none"> Commissioning of data quality report from Heywoods once all action plan activities have been completed. Commissioning of 3 yearly data quality reports to provide on-going assurance. Regular reporting to pension board against defined performance indicators to provide monitoring of data quality. 	<p>Matt Collier</p> <p>Matt Collier</p> <p>Matt Collier</p>	<p>31.12.2018</p> <p>On-going</p> <p>On a Quarterly basis</p>	
	<ul style="list-style-type: none"> Improving member experience through the self-service portal and access to accurate and timely information and forecasting data Improved communication with members with relevant information that assists members with required understanding of the pension scheme Improved transparency of pension fund governance arrangements 	Overhaul of the council's pension website.	<ol style="list-style-type: none"> Procurement process instigated for the commissioning of the Hymans LGPS website template for population with Isle of Wight scheme data. Collate and supply the required information to populate the new website in readiness for Hymans to develop a new dedicated Isle of Wight LGPS website. Publish all Isle of Wight scheme strategies, policies, fund reports, with appropriate links to the pension committee meeting agenda and papers. 	<p>Gemma Stevens</p> <p>Gemma Stevens</p> <p>Gemma Stevens</p>	<p>31.12.2017</p> <p>28.02.2018</p> <p>31.03.2018</p>	<p>Reduction in the need for contact/information requests from the pensions administration team</p> <p>Improved services to members resulting in fewer complaints and reduced processing times.</p> <p>Greater understanding of and confidence in the pension fund and its administration.</p> <p>The website is up to date, in line with best practice and serving the needs of members and stakeholders as well as possible.</p>
	<ul style="list-style-type: none"> To ensure that the council meets its legal obligations in the delivery of the council's pension scheme. To establish clear processes and 	Establishment of required processes for the issuing of annual allowance statements in accordance with statutory timescales.	<ol style="list-style-type: none"> Training for the Pensions Team to gain greater understanding of Annual Allowance and HMRC requirements to help with member queries. Procedure in place for running 2018 Annual 	<p>Hyman's Robertson/LGA</p> <p>Matt Collier</p>	<p>10.01.2018</p> <p>01.01.2018</p>	<p>Pension members can be assured that the will have Pensions Savings Statements within the time frame to ensure they are able to complete their self-assessment returns by</p>

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<p>set out the requirements for the production of annual allowance statement to members.</p> <p>This resulted in a number of officers being unaware of their personal tax liabilities and at the required time. The issue is recorded as a breach on the council's log.</p>	<p>protocols that ensure the timely delivery of annual allowance statements to members</p> <ul style="list-style-type: none"> To establish guidance and information for pension members of how to respond to annual allowance statements that indicate personal tax liabilities 		<p>Allowance within the Aquila Heywood system and added to Pensions Annual Plan.</p> <ol style="list-style-type: none"> Issuing of Pensions Savings Statements to those members who have breached the Annual Allowance. Delivery of briefing sessions to all those staff who have received Pension Savings Statements to ensure understanding of the process and their responsibilities. Report Pensions Input Amounts to HMRC through Aquila Heywood's report system for up load to HMRC. Understand and develop process for updating member records on Altair system to record scheme pays adjustments to future benefits for payment. 	<p>Matt Collier</p> <p>Matt Collier/Benefit Consultants</p> <p>Matt Collier</p> <p>Matt Collier</p>	<p>06.10.2018</p> <p>30.11.2018</p> <p>31.01.2019</p> <p>31.03.2018</p>	<p>31.01.2019</p> <p>Improved employee confidence in the administration of the pension scheme and adherence to statutory obligations.</p> <p>Having a Pensions team confident enough to deal with Annual Allowance queries.</p> <p>Compliance with statutory and regulatory requirements.</p>