

Northamptonshire Pension Fund - Data Improvement Plan – large scale rectification projects

No.	Area of Improvement	Action	Risk	Effect on TPR data scoring	Resolution timescale
1	Unprocessed Leavers	Process all non Business As Usual Leaver cases.	Leavers should be processed as either a refund, frozen refund, deferred or aggregated. Unprocessed Leavers have the potential to be missed for appropriate processing and payment of benefits and reporting.	All members not showing the correct membership status are a common data fail.	Refer to action plan.
2	Contracted-out liabilities	Conduct the contracted-out reconciliation comparing liabilities held on scheme records compared with that held by HMRC as HMRC will not make any amendments to liability ownership after 31/12/2018.	This is an exercise instigated by HMRC as a result of the introduction of the flat rate state pension on 06/04/2016. All UK pension schemes must undertake the reconciliation stage of this exercise by 31/12/2018. After this date, HMRC will not respond to queries or amend their records. Failure to hold the correct contracted-out liability for individual scheme members could result in incorrect benefit payments paid from the Fund.	Any records with missing or incorrect contracted-out liabilities will be a scheme-specific data fail.	Rectification stage to commence 01/04/2019.
3	Migration errors	Resolve the inaccurate migration of pensioner payroll data.	Failure to fully address these errors can potentially, in the medium to long term, create large over or underpayments of a member's pension. It should be noted that the financial impact on scheme members will be very small.	An incorrect value of the cumulative increases to a member's pension is a scheme-specific data fail.	April – August 2019.

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4	Pensions Payroll vs Pensions Administration variances (pre-payroll migration)	Resolve variances in the amount of pension in payment on the payroll and that held on the administration record.	Failure to address variances can in the medium to long term, create large over or underpayments of a member's pension.	An incorrect value of a current rate of pension on the administration system is a scheme-specific data fail.	Rectification stage January 2018 – March 2019.
5	Member addresses	Ensure all membership records for all membership statuses where a liability is held by the Fund has a current home address or is marked as gone away where attempts to trace the member have been unsuccessful.	Using a previous or incorrect address to communicate with a member can potentially result in a breach of personal data. Members may also not receive important communications prompting them to take action with regards to their present or future entitlement which may have an adverse financial impact.	Not holding a current home address for a scheme member will be a common data fail.	April 2019 ongoing.
6	Common data fails identified in the 2018 Data Audit (not covered in 1-5 above)	Resolve all common data fails.	Inaccurate common data can potentially result in a breach of personal data. Members may also not receive important communications prompting them to take action with regards to their present or future entitlement which may have an adverse financial impact. Inaccurate common data can also lead to a miscalculation of individual pension liabilities which could put the scheme employer and the Fund in an adverse position.	Unresolved data fails will reappear in next year's Data Audit and will be requested in the following year's data score submitted to the Pensions Regulator via the statutory annual return. Failure to rectify data fails will not demonstrate to the Pensions Regulator that the Fund has an effective Data Improvement Plan in place that is being adhered to in line with the code of practice.	January 2019 – March 2020.

No.	Area of Improvement	Action	Risk	Effect on TPR data scoring	Resolution timescale
7	Scheme specific data fails identified in the 2018 Data Audit (not covered in 1-5 above)	Resolve all scheme specific data fails.	Inaccurate scheme-specific data can potentially result in a breach of personal data. Members may also not receive important communications prompting them to take action with regards to their present or future entitlement which may have an adverse financial impact. Inaccurate common data can also lead to a miscalculation of individual pension liabilities which could put the scheme employer and the Fund in an adverse position.	Unresolved data fails will reappear in next year's Data Audit and will be requoted in the following year's data score submitted to the Pensions Regulator via the statutory annual return. Failure to rectify data fails will not demonstrate to the Pensions Regulator that the Fund has an effective Data Improvement Plan in place that is being adhered too in line with the Code of Practice.	June 2019 – March 2020.