

Appendix 3: Example report on data quality

The formats shown below, which are based on data for a hypothetical hybrid scheme, are intended to be helpful indicators of the type of reporting which might be produced. They are not in any way intended to be prescriptive.

We would expect different formats to be developed, many of which will be enhancements of reports already being produced for clients or internal use.

This type of report is not intended to replace existing trustee reports, which we would expect to cover many other administration topics, as well as including full membership movement statistics.

1. Numerical information

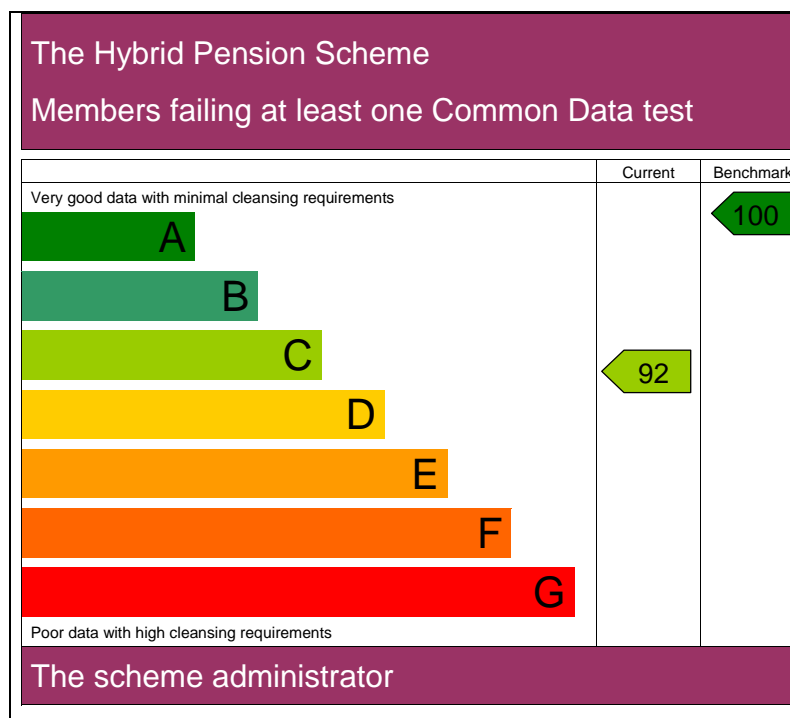
1. Membership statistics	
Number of benefit categories with separate benefit structure	4
Total active members	2
Total deferred members	2846
Total pension in payment members	122
Member pensioners	111
Spouse/dependant/civil partner pensioners	10
Child pensioners	1
2. Additional data statistics	
Number of active members with part-time service	2
Number of DC active and deferred lifestyle members	127
Number of active and deferred members with AVCs	208
Number of active members with a transfer in record	116
Number of active and deferred members with a pensions sharing order	3
Number of active and deferred members with an earmarking order	1
Number of active and deferred members with Primary Protection	1
Number of active and deferred members with Enhanced Protection	0

2. Common data checking

Data item	Maximum population	Fails
NI Number	2970	4
Surname	2970	0
Forename/initials	2970	1
Sex	2970	0
Date of birth	2970	0
Date started pensionable service/policy/contributions	2970	0
Expected retirement / maturity/target retirement date	2970	0
Membership status	2970	0
Last status event	2970	2
Address	2970	246
Postcode	2970	250
Total		503

Total number of members failing one or more tests: 252

Here is a graphical representation of what the common data test results may look like:



This chart is a graphical representation of the results of the common data test for the hypothetical hybrid scheme used in our example. The chart is in the style of the energy rating stickers often found on electrical appliances, A being of very good quality and G being of very poor quality. The chart illustrates that, in this example, 92% of the common data items are present, equating to a C quality rating.

3. Conditional data checking

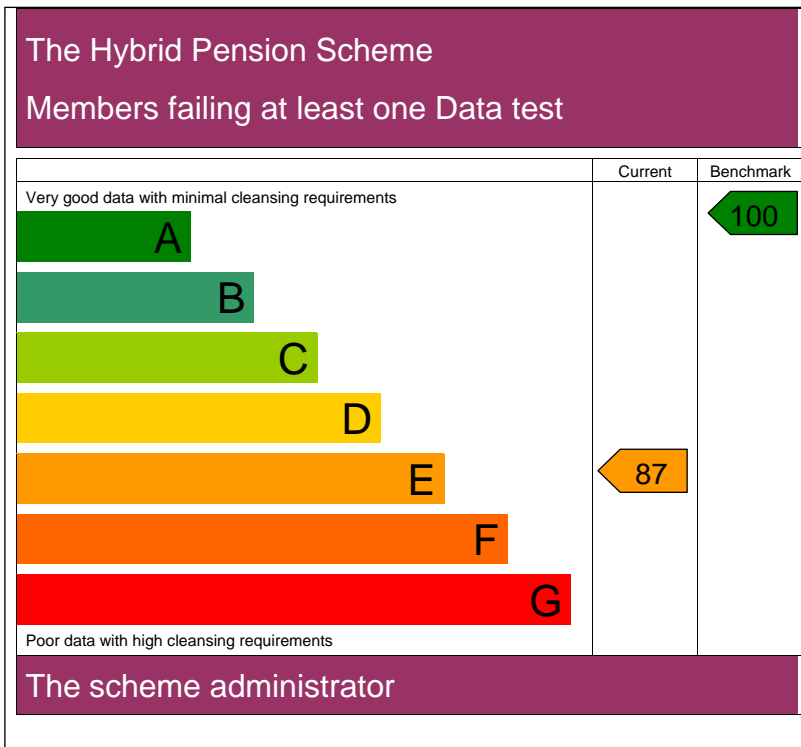
a) Report layout

In our example report we have split the test data into a number of groups, to aid clarity and focus for both administrators and trustees. We do not intend to be prescriptive about which data items might fall into which group, and leave it to trustees and administrators to decide the reporting structure that will best suit their needs.

Test group	Maximum population	Number of members who failed one or more tests
Common data	2970	252
Basic information	2970	8
Deferred member data	2846	88
DC fund data	630	4
Transfer in data	2970	41
Pensioner data	122	16
HMRC data	2970	17
Contracted-out data	2970	48
Total		474

Total number of members failing one or more tests: 388

Here is a graphical representation of what the overall data test (including both common and conditional data items) results may look like:



This chart is a graphical representation of the results of the overall tests (including common and conditional), for the hypothetical hybrid scheme used in our example. The chart is in the style of the energy rating stickers often found on electrical appliances, A being of very good quality and G being of very poor quality. The chart illustrates that, in this example, 87% of the data items overall are present, equating to an E quality rating.

b) Commentary

We believe that a meaningful commentary on the test results is essential to trustees' understanding of data issues. We expect that the commentary will include a statement on data issues and an overview of the quality of current data. This could be presented with supporting evidence, for example a report summarising the number of members failing each test.

If there are any data items that have not been tested, but that should have been tested in line with the regulator's guidance, we would expect this to be pointed out in the commentary.

The report needs to explain that any individual may fail more than one test, so the total number of tests failed is likely to exceed the total number of members who have failed one or more tests.

c) Analysis of tests failed

Areas to cover could include information about the specific tests failed by groups of members, and the reasons for the failure. If required by the trustees, this could be backed up by a detailed listing of tests failed by each member.

Administrators could include in this section an analysis of any issues relating to particular groups of members (eg those with transfers in, deferred members leaving in certain periods, etc).

d) Commentary on criticality of data failures

This should cover the level of risk attaching to each of the data failures, having regard to both the specific data test failed, and the number of members failing each

test. This is likely to have regard to the possibility of benefits being paid incorrectly, and may quantify the extent of the risk.

e) Actions required for data cleansing

This should comment on the steps that can be taken to cleanse the data, and the likely effort involved in doing so. Sufficient information should be included to enable the trustees to consider and evaluate any alternative strategies.

In most schemes there will be deferred members with missing addresses; administrators may wish to comment on the alternative strategies for tracing such members.

f) Timescale to complete data cleansing

This gives the administrator the opportunity to comment on the time required to implement data cleansing measures, and to consider the impact of different strategies in achieving an improvement in data quality.

g) Data quality improvement

This section should include commentary on improvements made in data quality since the previous report and plans for maintaining and improving data quality in future.