

A quick guide to measuring your data

This guide outlines:

- ▶ the data you need to measure in your scheme
- ▶ how to do it
- ▶ how to calculate your common and key scheme-specific (conditional) data scores.

It should be read alongside our quick guide to record-keeping at:
www.tpr.gov.uk/record-keeping-guide

Trustees or scheme managers are accountable for the record-keeping of a scheme, even though administrators may look after the records on a day-to-day basis.

When should data be measured?

Record-keeping is a vital part of running a scheme. Poor records can affect a scheme's ability to carry out basic functions. It can lead to increased scheme costs and in some cases the wrong benefits being paid to members. We expect trustees and scheme managers to review their data at least once a year, so, if you've not already done so, we recommend that you take steps to put a data review process in place. You may also need to run an additional review if significant events happen such as winding up, changing your administrator or admin system.

What data should I measure?

There are two types of data you should measure: common data and key scheme-specific (conditional) data. Both are equally important.

Common data

Common data are basic data items which are used to identify scheme members. All schemes should hold these for all members.

- ▶ National insurance number
- ▶ Surname
- ▶ Sex
- ▶ Expected retirement/maturity date (target retirement age)
- ▶ Last status event – the date at which the membership status last changed eg from active to deferred. Where appropriate, you should also capture the reason for the change in status (eg retired or opted out)
- ▶ Postcode
- ▶ Date of birth
- ▶ First name or initials
- ▶ Date pensionable service started, membership/policy start date or first contribution date
- ▶ Membership status eg active, deferred, pensioner. This can be mixed where part (but not all) of the benefits are being taken.
- ▶ Address

There are some limited exceptions. For example, in some cases you might not need to maintain address details for active members if scheme communications are handled by the employer. You also don't need to measure data for members who are no longer entitled to any benefits under the scheme (for example they have transferred out to another scheme).

Scheme-specific (conditional) data

You will hold other data in respect of members and their participation in the scheme. Rather than measuring all this data, you should focus on data which is key to running your scheme and meeting your legal obligations. This will vary from scheme to scheme and will depend on many factors including scheme type, structure and the administration system used. It is also referred to as 'conditional' data. You may need to measure different data items for different membership profiles, for example the data you require for deferred members may differ to the data you need for active members. You should work with your administrator to identify your key scheme-specific data but, depending on whether you have a defined benefit, defined contribution or public service scheme, this may include:

- ▶ employment records such as employer name, salary records, service history
- ▶ employee and employer contribution history
- ▶ information on the value of the member's pension, such as the last estimated value, the date of the estimate and how the pension benefit was calculated
- ▶ any benefit specifics like GMP entitlement, HMRC protections or cash entitlements
- ▶ investment decisions, units purchased, sold and held
- ▶ specific data items set out in legislation such as the transaction records set out for public service pension schemes.

Additional detailed examples of scheme-specific data can be found in our record-keeping guidance.

Example: How to define scheme-specific data

The trustees of the ABC defined benefit scheme want to assess the quality of their data. They understand which common data needs to be measured but invite the scheme administrator to their next trustee board meeting, and ask them to bring a proposal on what constitutes their scheme-specific data.

The administrator provides a list of what they consider to be relevant data items for this scheme, and why these are key to how the scheme runs. The administrator also explains why some data is not considered key. For example, in this scheme benefits are calculated based on the highest salary earned within the last five years (or the five years prior to leaving) so salary information before this period is not essential for the running of the scheme and does not need to form part of the scheme specific data measurement.

The trustees and administrator discuss the proposal at the board meeting, and the trustees commission the administrator to provide a measure of the data. The trustees also ask the administrator to break down which data items have gaps and assess the impact of any gaps on the scheme, so they can prioritise any remedial action.

How do I measure my data?

When you measure your data, you should look at whether your data is present, and whether it is accurate. You should be confident that your administrator has put sufficient processes and controls in place to ensure the quality of new and historical data. You should talk to your administrator to understand their quality controls, but this might include the following:

- ▶ Checking you have data in all the fields you expect.
- ▶ Consistency checks – data items must be consistent with each other, for example the date a member joined the scheme must be later than their date of birth, and prior to their expected retirement date.
- ▶ Validation checks – data items should be in a valid format, for example the two letter prefix of the national insurance number needs to match the two letter prefixes used by HMRC
- ▶ Specific processes, for example regular existence checks, or checking members' dates of birth, eg against birth certificates, at the point benefits are taken.

Your administrator should regularly report to you on the outcome of their quality controls. If any key data item is identified as absent or likely to be incorrect, it should be verified with the relevant member or employer.

How do I calculate my data score?

Your data score is the percentage of members in the scheme that you assess to have fully present and accurate common or scheme-specific data.

Case example: How to calculate a data score

A scheme has 100 members. It has 11 common data items per member, so a total of 1,100 common data items held. A data review shows 40 addresses as missing, but the rest of the data is assessed as present and accurate.

The common data score for this scheme is therefore 60%, as the administrator has assessed that 60% of members have fully present and accurate common data.

The trustees of the same scheme have agreed with their administrator that there are 11 scheme specific data items per member. A data review shows that 40 members have at least one scheme specific data item missing, or data items that are likely to be incorrect.

The scheme specific data score for this scheme is also 60%, as the administrator has assessed that 60% of members have fully present and accurate scheme specific data.

What next?

Where you identify issues, you should put an improvement plan in place to resolve them. You can find out more in our quick guide to improving your data at: www.tpr.gov.uk/data-guide.

Where can I find out more?

Record-keeping quick guide at: www.tpr.gov.uk/record-keeping-guide

DB and DC schemes

Record-keeping guidance at: www.tpr.gov.uk/guidance-record-keeping

DC code of practice at: www.tpr.gov.uk/code13

DC guide to administration at: www.tpr.gov.uk/admin

Public service schemes

Public service code of practice at: www.tpr.gov.uk/code14

Pasa guidance

Data guidance at: www.pasa-uk.com/publications/data-guidance-february-2019

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