PASA

assess | aspire | achieve
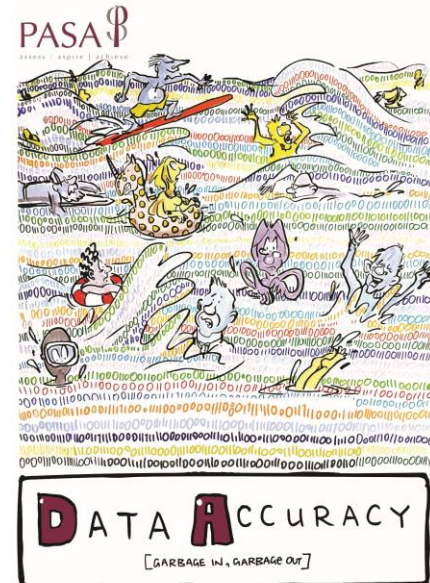
WEBINAR

Data

Friday 30 September 2022

11:30 – 12:30

Welcome to our webinar.

We hope you find it interesting and informative

Chris Tagg

PASA Board Director

You Yu

Policy Delivery Lead – The Pensions Regulator

TPR view –
Data Quality and Pension Dashboard

You Yu, Policy Delivery Lead,
30 Sep 2022

TPR expectations on data

The Pensions Regulator

PAY DATA THE ATTENTION IT DESERVES!

Know your data

Common data
Scheme specific
Data format

Measure your data

Annually

What and how to measure

Prioritise by impact

Improve your data

Improvement plan

Focus on greatest risk

Collaborative

Realistic

Monitor progress

Control your data

Process in place and documented

Variety of tools

Data quality

Completeness
Is it present?

Uniqueness
Is there duplication in records?

Accuracy
Does it match reality?

Data quality

Consistency
Is it consistent with other data / data sets?

Validity
Is it in the range and format expected?

Timeliness
Is it up to date?

The Pensions Regulator

Other areas could consider:

- Compliance
- Usability
- Member engagement

Dashboards and data quality

Savers need to be able to trust the data in front of them for dashboards to succeed.
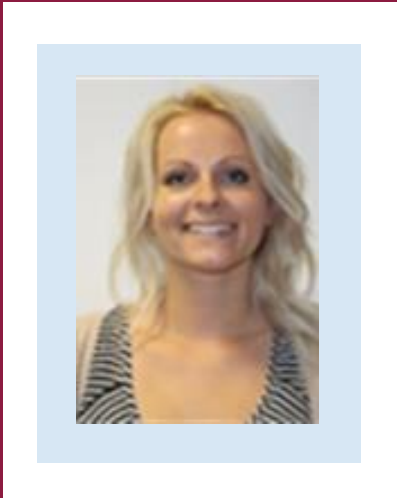
Data quality is critical.

Pensions dashboards build on existing TPR expectations but drive-up importance/urgency

Matching depends on data quality – expect iterative process where matching criteria tighten as data quality improves.

Possible matches are an opportunity to improve the data quality.

Kristy Cotton
Chair of the PASA Data Working Group

Actuary, Deloitte – PASA Experts for Data

Deloitte.

Webinar agenda

What is all the buzz about data?

- Current state of play
- What does the future look like?

What should pension schemes be doing?

- Data Strategies
- Data Reviews
- Data Management
- What does good look like?

Overcoming the challenges

- Common challenges and pitfalls
- How is PASA supporting the industry?

What is all the buzz about data?

At the heart of every scheme

DATA	ADMINISTRATION	DIGITALISATION
At the heart of every scheme	✓ Efficiency ✓ Automation ✓ Member Experience ✓ Accuracy	Self-service and dashboards

What is all the buzz about data?

More than administration

ACTUARIAL

- Valuation consistency
- Scheme funding level

INVESTMENTS

Funding decisions are unreliable without good data

COMMUNICATIONS

Delivering the right message at the right time

RISK TRANSFER EXERCISES

Data risk premiums

> "
>
> Data underpins all areas of pension scheme management and ultimately drives the outcomes for members – without good quality data, pensions schemes will face challenges in meeting their regulatory duties and providing members the right benefits at the right time, the ultimate objective.
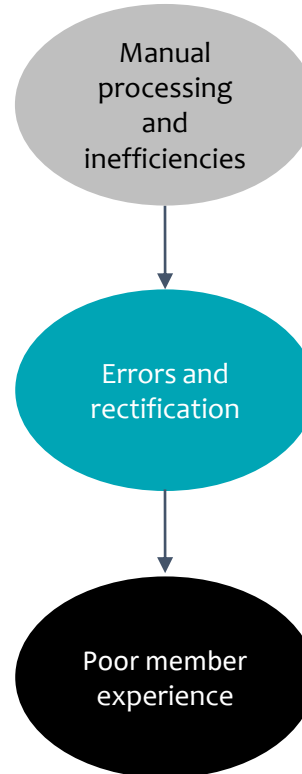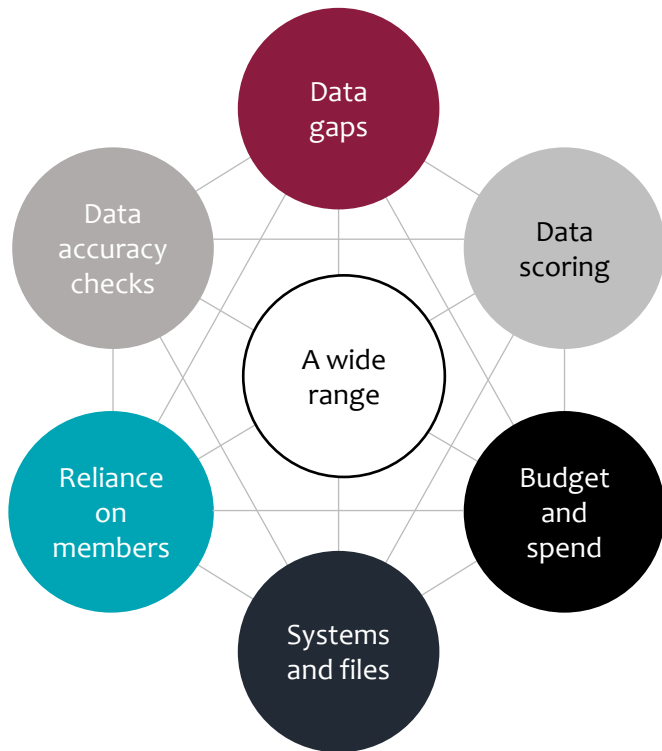>
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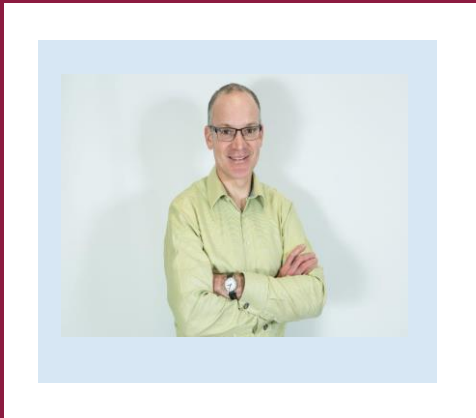The Pensions Administration Standards Association, June 2021

Current state of play
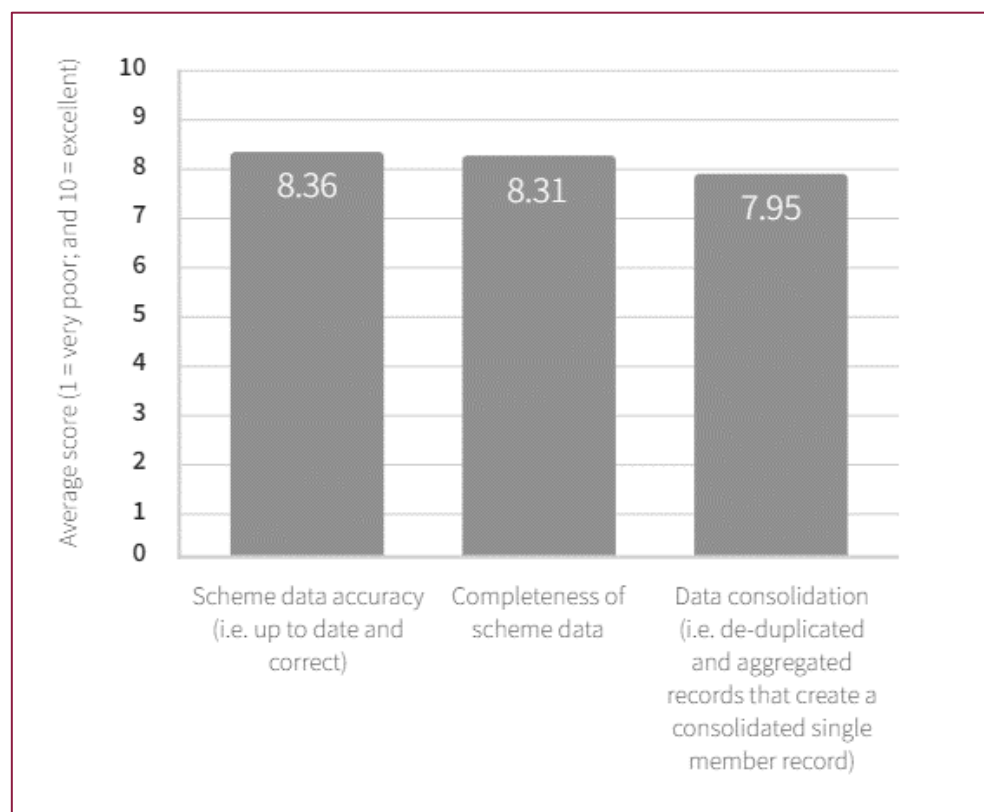
A mixed bag

Alan Clay

Head of Strategy, Customer Data Solutions, LexisNexis Risk Solutions
PASA Experts for Identity Management

Trustee's view of data

How would you rate the quality of your scheme's member (common) data in the following areas?

Trustee's view of data

Where are the challenges you have in relation to poor quality member data?
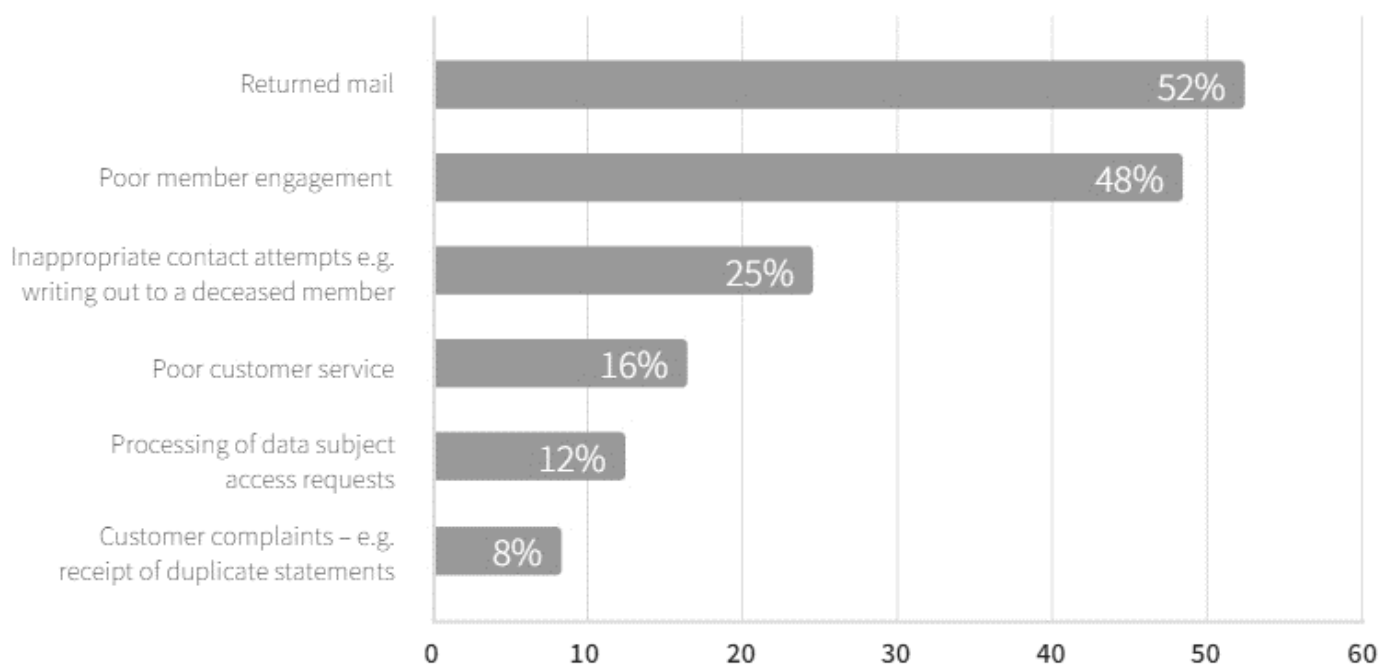
Real world data observations

National Insurance Number

- NINO is typically well populated, but has its own challenges:
  - Same NI number linked to two different people
  - Same person has multiple NINO's
  - Only part of NINO captured

Real world data observations

What have we seen in terms of common member data?

➕ Schemes are taking an increased interest in understanding their data

➕ Data completeness is high – as expected

Attribute	Completeness	Challenges*
Name	100%	
First name	100%	1%
Middle name	45%	3%
Surname	100%	
Date of birth	99%	0.80%
Address	100%	0.25%

* 76% of UK consumers have a middle name

*Source: LexisNexis Risk Solutions data analysis

Real world data observations

What have we seen in terms of common member data?

- As you lift the lid data challenges become apparent

- Capturing (and maintaining) contact data remains a challenge

- Data maintenance is the key challenge (but 3rd parties can support)

Contact data	Average rate *
Home / Landline	52%
Mobile	28%
Email	23%

Currency of scheme data	Average rate *
Living as stated	92%
Deceased	1%
Living at new address	4%

*Source: LexisNexis Risk Solutions data analysis

What does the future look like?

GMP Equalisation
Digitalisation
Pension Dashboards
End game planning

Regulatory requirements and sanctions

Data Management Plans
Data Strategies and Policies

Regular data scoring and data improvement activities

Standing agenda item and trustee priority

Ongoing data management and maintenance
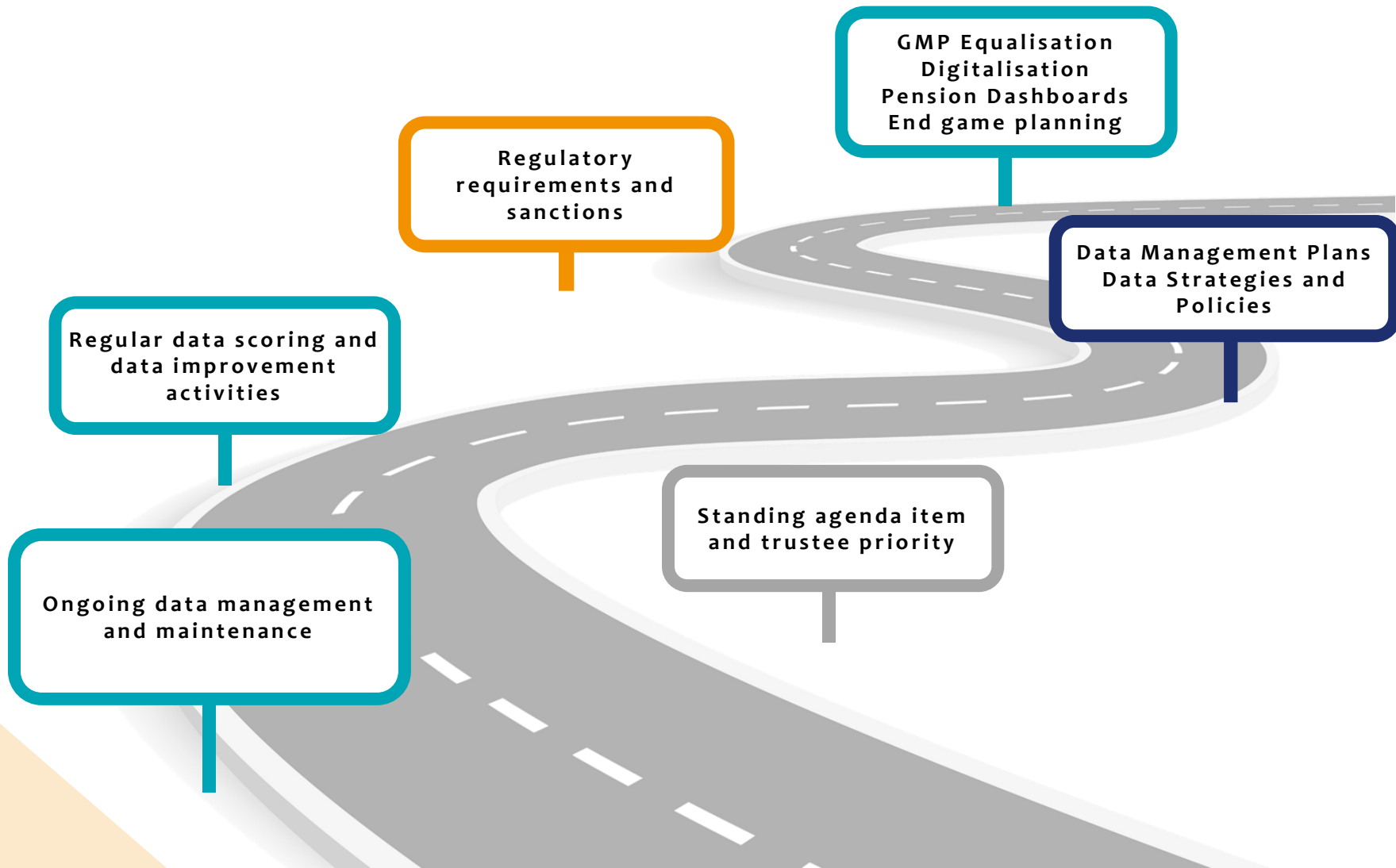
What should pension schemes be doing?

Data Strategies

How to you devise a data strategy?

A data strategy is a key tool for trustees to manage their pension scheme appropriately and enables data priorities to be identified and resources managed, whilst taking steps to improve data quality and meet trustee duties.

1 Objectives and goals

2 Analyse your current data position

3 Consider budget, resources & timelines

4 Produce data policies

5 Devise your Data Strategy
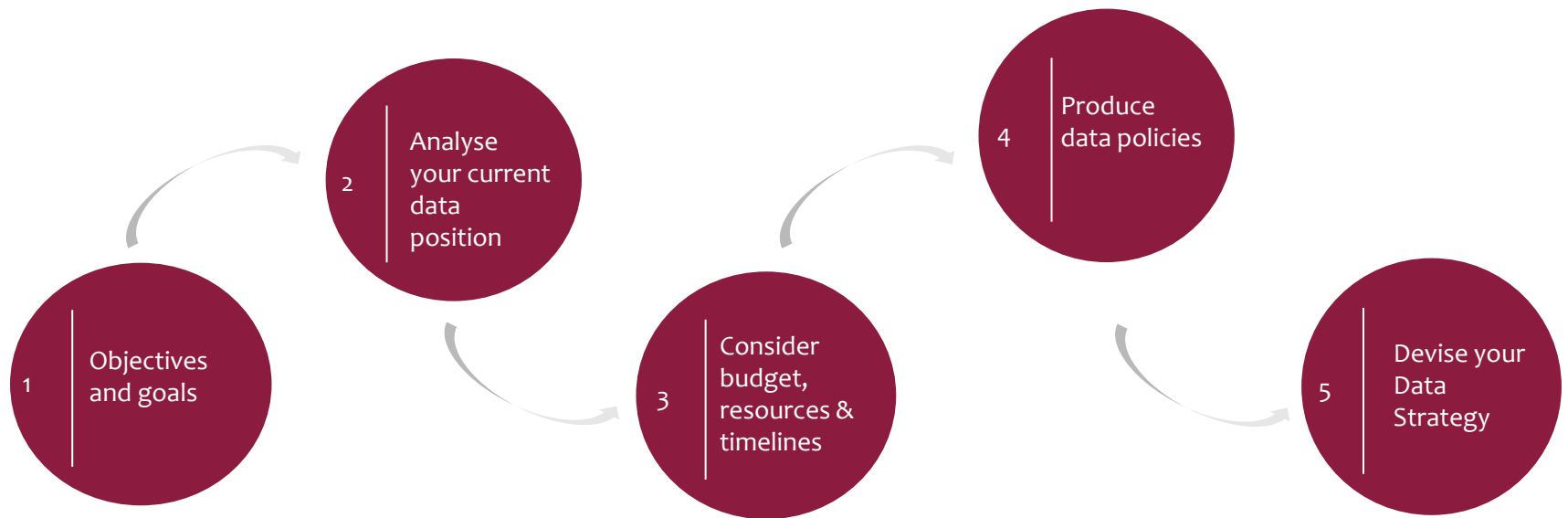
Data Reviews

Key steps to completing a data review

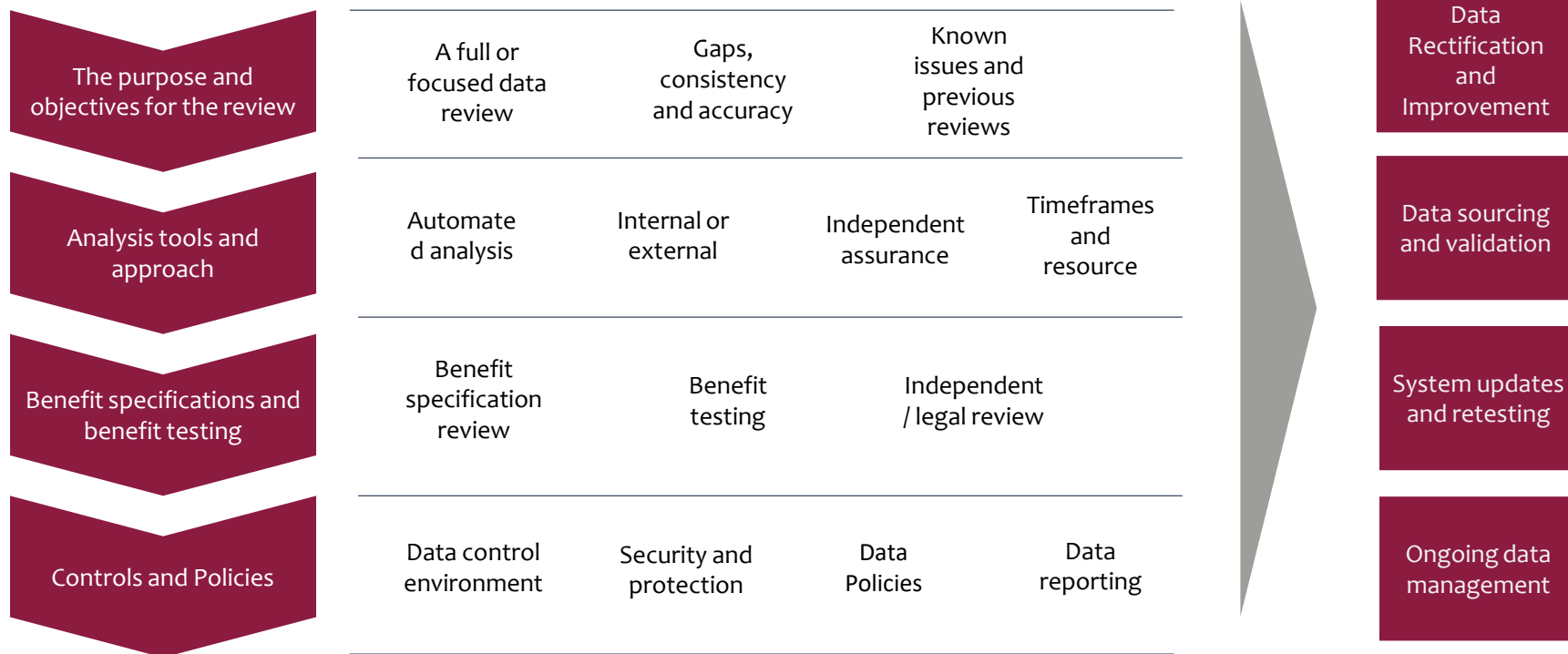| The purpose and objectives for the review	A full or focused data review	Gaps, consistency and accuracy	Known issues and previous reviews	
Analysis tools and approach	Automated analysis	Internal or external	Independent assurance	Timeframes and resource
Benefit specifications and benefit testing	Benefit specification review	Benefit testing	Independent / legal review	
Controls and Policies	Data control environment	Security and protection	Data Policies	Data reporting

- Data Rectification and Improvement
- Data sourcing and validation
- System updates and retesting
- Ongoing data management

Data Management

Ongoing management is critical

Data processes should be automated where possible and well controlled

Ongoing / periodic monitoring and validation should be in place

Policies in place for security of data systems, managing cyber risk and meeting GDPR
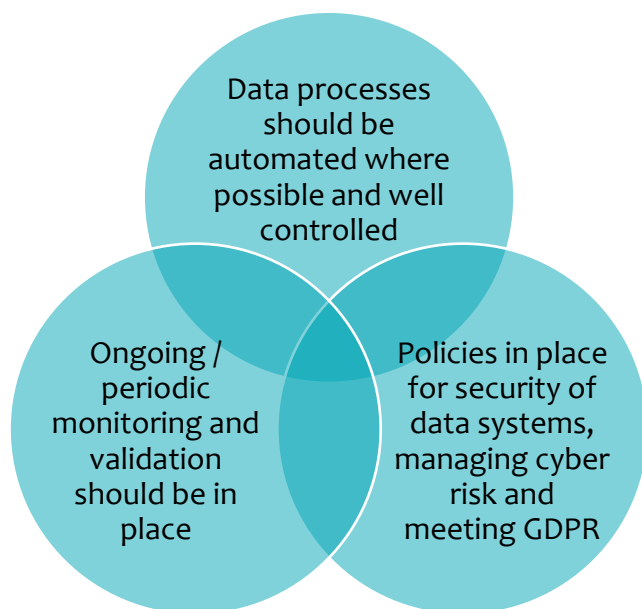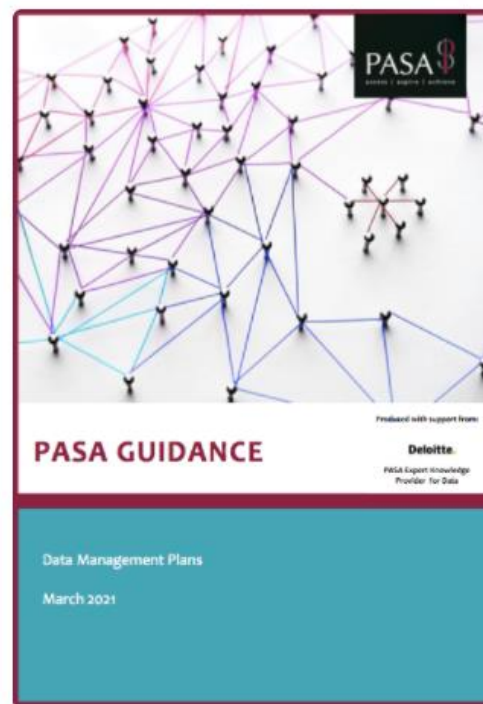
The implementation of a **Data Management Plan** offers a means of documenting the data held by a pension scheme and a policy for managing it effectively.

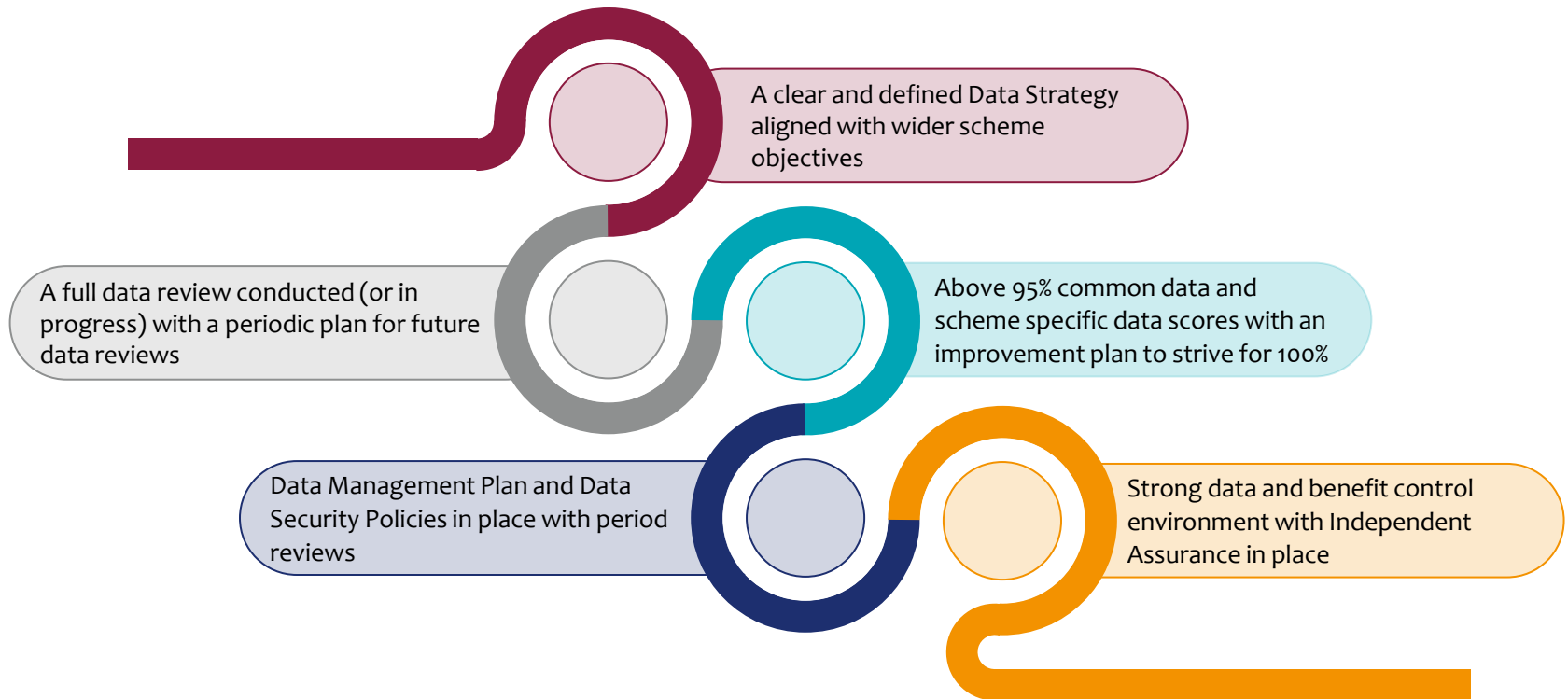**PASA GUIDANCE**

Produced with support from:
Deloitte.
PASA Expert Knowledge Provider for Data

Data Management Plans

March 2021

Many schemes have implemented a Data Management Plan.

For those that haven't, now is the time to take action.

What does good look like?

Getting your scheme in order

A clear and defined Data Strategy aligned with wider scheme objectives

A full data review conducted (or in progress) with a periodic plan for future data reviews

Above 95% common data and scheme specific data scores with an improvement plan to strive for 100%

Data Management Plan and Data Security Policies in place with period reviews

Strong data and benefit control environment with Independent Assurance in place

Overcoming the challenges

Common Challenges and Pitfalls

If only it was simple

One size doesn't fit all

- Scheme status, characteristics and membership.
- Quality of data and technology.
- Flexible and tailored approach.

Disruption to BAU

- Separation of teams and responsibilities.
- Collaboration with BAU team.
- Robust audit trail.

Independence and collaboration

- Independent assurance is important.
- Marking your own homework.
- Collaboration of advisers and teams.

Pragmatism

- Scope, perhaps a need, for pragmatism.
- Take all reasonable steps to correct data issues.
- The type and purpose of the data is an important consideration.

Resources

- Industry wide resource issue
- Working with your advisers & team to ensure the right resource for your data review projects.
- Prioritise and plan.

What is PASA doing?

We're here to help

PASA Data Working Group and Expert Knowledge Provider, Deloitte

Regular publications released

PASA website

Conferences, webinars and other interactive forums

Guidance on Data Strategies and Reviews to follow

Contact us

QUESTIONS AND DISCUSSION