**London Borough of Sutton Pension Fund**

# Data Improvement Policy

(March 2026)

# Contents

# 1. Introduction

This policy outlines the approach that the London Borough of Sutton Pension Fund (the Fund) takes to continually improve the data it holds; the processes associated with maintaining and updating member records; and the resources needed in order to effectively achieve appropriate levels of data quality.

## Background

The Fund is responsible for administering the Local Government Pension Scheme (LGPS). The Fund has approximately 67 scheme employers and 19,000 scheme members.

Maintaining data quality is key to delivering the Funds' objectives, crucially the payment of accurate member benefits as well as providing a positive experience to members and relevant stakeholders. The Pension Regulator's (tPR) General Code of Practice (2024) outlines the responsibilities of pension schemes, both in reviewing and improving their scheme data.

The Fund is committed to working in partnership with its scheme employers as it recognises they have a critical part to play in how they submit data in order for the Fund to hold good quality, clean data.

The software used by the Fund is Civica's Universal Pensions Management (UPM) system. This is used for all processing-related activities, performance monitoring and accounting, and it stores all personal member data.

This policy is in place to ensure that the information used by the Fund is:

- Obtained fairly and lawfully
- Recorded accurately and reliably
- Held securely and confidentially
- Used effectively and ethically
- Shared appropriately and legally

There are risks associated with unsuitable data quality standards, poor record keeping and unrealistic processing timeframes such as:

- Loss of confidence in the Fund and its competencies
- Financial and reputational consequences of submitting inaccurate or incomplete data in statutory or regulatory returns
- Inappropriate decision making and inefficient service provision
- Regulatory action and fines from the Information Commissioner's Office (ICO) for breaches of General Data Protection Regulations (GDPR), Data Protection Act (DPA) or Freedom of Information (FOI) legislation; the Pensions Ombudsman; or tPR.
- Vulnerability to cyber-incidents due to retention of obsolete or unstructured data.

### Implementation

This policy was approved by the Pension Committee in March 2026 and will be reviewed triennially (every three years) to align with the Fund valuation cycle, while the Data Improvement Plan (Appendix A) will be reviewed and updated annually.

# 2. Legal requirements relating to data

The Fund and scheme employers have a legal obligation and statutory duty to comply with various regulations, standards and guidance, including (but not limited to):

- LGPS Regulations 2013, as amended
- Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014
- The Pensions Act 1995, 2004 and 2008
- The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013
- Data Protection Act 2018
- Freedom of Information Act 2000
- TPR General Code of Practice 2024

Failure to maintain accurate records can put the Fund and scheme employers at risk of failing to meet their legal requirements to scheme members which could result in tPR or the ICO taking enforcement action.

# 3. Purpose of this Policy

The purpose of this policy is to outline the approach that the Fund takes in relation to continually improving the data that it holds.

It sets out the following:

- Key data improvement objectives
- What data and information are covered by the policy
- Activities in place for maintaining good data quality
- Approach to identifying and prioritising data improvement activities
- Monitoring of data improvement activities
- The data improvement plan that is in place

There are a number of key data identification activities already in place as outlined in Appendix A. However, this policy seeks to identify any additional data identification activities and, more critically, data improvement activities which are required to continue to maintain and improve data accuracy to the highest possible standards and comply with tPR Code of Practice 14 requirements and other overriding legislation.

In line with tPR General Code of Practice, Scheme Managers, should review their data in terms of both data gaps and quality at least once a year and, where required, put in place a plan to address any issues. The list of activities outlined in Appendix A provides an overview of current work undertaken to help identify data issues, which, when identified, are then added to the Funds' data improvement plan for prioritisation, action and monitoring. Including data improvement activities which directly relate to the tPR data scoring framework.

The data scores provided to tPR every year contain two types of data: common data and scheme-specific data.

# 4. Key Objectives

The Funds' objectives are outlined below:

- To ensure that the scheme is run in accordance with the rules; in accordance with agreed standards; and compliance with Regulations
- To deal with and rectify errors and complaints in a timely way
- To properly record financial transactions to and from the scheme
- To assess the risks associated with the management of the scheme

The main objective of this data improvement policy is to ensure that the data improvement activities for the Fund support the delivery of these objectives. The following specific objectives have also been identified:

- To ensure that the Fund complies with tPR General Code of Practice; for example, relating to the common and scheme-specific data scores and benefit statement deadlines, and are compliant with relevant legislation
- To ensure that clarity of roles and responsibilities between the Fund and its employers, ensuring all parties are committed to engagement to improve data quality and to promote accurate record keeping
- To ensure that accurate records are maintained to calculate pension entitlements and employer liabilities, ensuring data is communicated securely and accurately
- To ensure that technology and systems demonstrate best practice and are regularly updated in order to support the Funds' objectives
- To ensure that appropriate priority is given to data cleansing activities and projects in order to minimise risk and improve the integrity of the Funds' data
- To maintain data readiness for Pensions Dashboards, specifically ensuring 'Find Data' (NINO, DOB, Name) matches effectively and 'Value Data' (Accrued and Projected ERI) is calculable for all active and deferred members.

# 5. Data and information covered by the policy

This policy covers all data for the Fund. It also covers any procedures relating to carrying out the administration and communication activities for the Fund. In particular, it includes the following types of data:

## Common membership data

The common data is itemised by tPR as:

- National Insurance Number
- Surname and either forename or initials
- Gender
- Date of birth
- Date pensionable service started, membership/policy start date or first contribution date
- Expected retirement date
- Membership status
- Last status event - the date at which the membership status last changed (for example, from active to deferred - where appropriate, the reason for the change in status too)
- Address, including postcode

## Scheme-specific membership data

The Regulator does not itemise the data that should be categorised as scheme-specific data but says they will depend on factors such as the scheme type, structure or design; a member's status; and events that took place during membership.

The Local Government Association (LGA) and software providers have agreed to the following 22 data areas that LGPS funds should report on as scheme-specific data:

- Divorce details
- Transfers in
- Additional voluntary contribution details and other additional benefits
- Total original deferred benefit
- Tranches of original deferred benefit
- Total gross pension
- Tranches of pension
- Total gross dependant pension
- Tranches of dependant pension
- Date of leaving
- Date joined scheme
- Employer details
- Salary
- Career Average Revalued Earning (CARE) data
- CARE revaluation

- McCloud Remedy Data (Historic part-time hours, service breaks, and aggregation data)
- Benefit crystallisation event
- Lump Sum Allowance (formerly Lifetime allowance)
- Annual allowance
- Date contracted out
- National Insurance contributions and earnings history
- Pre-88 Guaranteed Minimum Pension (GMP)
- Post-88 GMP

## Other data

- Data required to carry out triennial actuarial valuation
- Data required for communication exercises (for example, member email addresses)
- Sensitive and personal data (for example, marital status)
- Employer data
- Data relating to Fund transactions, such as bulk transfers
- Fund bank account details
- Information provided for internal management and external reporting purposes
- Information that will be shared with or received from other agencies (for example, Tell Us Once, Target Professional Services, and the Money and Pensions Service (MaPS) for the Pensions Dashboard ecosystem).

# 6. Activities in place for maintaining good data quality

Whilst the Fund will always strive to obtain and maintain good quality data, there will be situations where the Fund may subsequently become aware of inaccurate or out-of-date data, and these inaccuracies will need to be proactively identified and rectified. This will be carried out by using the approaches below:

- Annual common and scheme-specific data scoring - in line with tPR's standard approach, the scheme member data validation report is run regularly, at least annually
- Monitoring of service level agreements and overdue processes - as outlined in the Pensions Administration Strategy, the Fund is committed to meeting service standards and ensuring the pensions administration strategy is updated and fit for purpose. The Fund will actively monitor its performance against the details contained within the strategy, and aspire to combine individual employer performance into the strategy and introduce a framework for regular monitoring of employer performance
- In-house data-cleansing exercises - regular reconciliations are undertaken between the administration system and the pensioner payroll. Data validation is undertaken annually relating to the year end project. To ensure data is Dashboard-ready, the Fund is actively prioritising the transition to monthly data collection. This automates data submission, allowing for 'right first time' validation at the point of entry and streamlining the annual benefit statement process.

- Using third-party data services - LGPS National Insurance database, Tell Us Once (TUO), mortality screening, address tracing, National Fraud Initiative (NFI). The National Insurance database mostly assists the Fund in determining whether members hold benefits with another Fund within England and Wales to prevent duplicate death grant payments occurring. The TUO service is used to identify member deaths to help minimise the risk of overpayments. Regular data extracts are also sent to the third-party mortality screening provider, Target Professional Services. Work is undertaken by the NFI annually to help mitigate the risk of overpayments
- Regular review of administration processes – to ensure best practice and efficient collection of employer data submissions

More detail about the Funds' approach can be found in Appendix A.

# 7. Prioritisation of data improvement activities

To allocate suitable resources to data improvement activities, a method of identifying activities which should be carried out first will be needed, for example, those activities that may present the biggest risk on the Fund. There will be other activities that can be carried out over time and are less urgent (i.e. not essential to the day-to-day administration or for valuation purposes).

The Fund will take the following into account when prioritising between data improvement activities. The data improvement plan which accompanies this policy uses the Red, Amber, Green (RAG) status to determine the priority and considers the following:

- Change essential for day-to-day activities
- High impact / Low complexity corrections or bulk solutions
- Increase efficiency/reduce running costs
- Improve engagement/communication
- A cause of complaints
- Impact on scheme events (benefits statements, valuations, etc)
- Prioritise pensions in payment and then members that are close to retirement
- Target the largest employers first

# 8. Monitoring

As this policy has outlined, the LGPS has become increasingly complex in recent years with oversight and scrutiny for administration and governance falling under the remit of tPR, with an increase in responsibility on scheme managers and local pension boards to ensure data is readily available and fit for purpose. The increased number of scheme employers and outsourcing of payroll providers also present the Fund with new challenges, as well as the number of large-scale legislative changes on the horizon, placing additional responsibility on Fund Officers. These issues and challenges can all affect the accuracy and availability of good

data and therefore, mean that regular and continual monitoring is imperative in order to ensure that the policy and plan are fit for purpose in line with legislation and other changes.

Progress will be monitored against specific Key Performance Indicators (KPIs), aiming for >99% accuracy in Common Data and >95% in Scheme Specific Data.

This policy will be reviewed and adopted by the Pension Committee at least every three years to take account of any new or changed legislation or business practices.

The implementation of, and progress towards, improving data quality across the Fund will be measured annually by officers and submitted to tPR within the annual scheme return.

A data improvement plan will be implemented and kept under review annually.

# 9. Further Information

If you require further information about this policy, please contact skemployers@sutton.gov.uk.

# Appendix A - Activities in place to identify data issues

| Activity | Owner | Timeframe | Reported to |
|---|---|---|---|
| Run TPR data scores report in UPM | Data, Systems and Communications | Annually | tPR in scheme return |
| Run SLA and process status reports in UPM | Data, Systems and Communications | Monthly | Service in monthly report and Pension Committee and Pension Board quarterly in administration update report |
| Checking and validation of year end and other data returns provided by scheme employers | Data, Systems and Communications | Annually (April-July) for year end returns and throughout the year for other returns | Issues reported to scheme employers |
| Investigation of all active and deferred members with no benefit statement created during the year end project | Data, Systems and Communications | Annually (September-December) | Within the service and issues reported to scheme employers as required |
| Reconciliation between pensioners and pension amounts in the pension administration system (UPM), the ledger (Business World) and the pensioner payroll (iTrent) | Governance | Quarterly | Within the service |
| Reconciliation between payment data (lump sums, death grants, transfers in/out, etc) in UPM and | Governance | Monthly | Within the service |

| the ledger on the Business World system | | | |
|---|---|---|---|
| Reconciliation between scheme employer contribution returns and the ledger on the Business World system | Governance | Monthly | Irregularities reported to scheme employers |
| Mortality screening of pensioners using Target Professional Services | Data, Systems and Communications | Monthly | Within the service |
| Address tracing for lost contact scheme members aged 50 and over using Target Professional Services. | Data, Systems and Communications | Monthly | Within the service |
| Run national fraud initiative reports in UPM and iTrent | Data, Systems and Communications | Biennially | Cabinet Office |
| Run LGPS National Insurance database reports in UPM | Data, Systems and Communications | Monthly | South Yorkshire Pensions Authority (database host) on behalf of the whole LGPS |
| Tell Us Once service for death notifications | Data, Systems and Communications | Daily | Within the service |
| Regular reporting of UPM system issues/bugs to Civica | Data, Systems and Communications | Weekly | Within the service and Civica |
| Providing robust training for pension administration staff | Shared Pension Administration Service | Ad-hoc | Within the service and Local Government Association (LGA) |
| Issue Written Improvement Notices to employers with persistent data | Data, Systems and Communications | Ad-hoc | Pension Board and Scheme Employer |

| breaches | | | |
|---|---|---|---|
| Issuing additional administration charges against scheme employers in accordance with the Pensions Administration Strategy | Governance | Ad-hoc | Reported to scheme employers |
| Target poor performing scheme employers to support them with training and guidance | Data, Systems and Communications | Ad-hoc | Within the service |
| Overseas life certificates and child pension age eligibility checks | Data, Systems and Communications | Annually | Within the service |
| McCloud Remediation & Final Query Resolution | Data, Systems and Communications | On-going but to be completed by 30 June 2026 | Within the service and to the Pension Fund Committee |
| Data Minimisation & Retention Review: Deletion of obsolete member data in line with the Funds' Data Retention Policy to reduce cyber-risk surface | Data, Systems and Communications | Annually | Within the service |