

	<h2>Local pension Board</h2> <h3>11 February 2019</h3>
<b>Title</b>	<b>Data Quality Report</b>
<b>Report of</b>	Director of Finance
<b>Wards</b>	N/A
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	Appendix A – Hymans Data Quality Report
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### Summary

The Council commissioned Hymans Robertson to provide the Scheme Manager with an update on the quality of data held by Capita. Hymans Robertson will present their findings to the Board.

### Recommendations

The Board are asked to note the content of the Hymans Data Quality Report (Appendix A).

## **1. WHY THIS REPORT IS NEEDED**

- 1.1 The report set out in Appendix A provides comments on the quality of data held by Capita.
- 1.2 The Council commissioned Hymans Robertson, the Scheme actuary, to provide the Scheme Manager with an update on the quality of membership data which will be required for the upcoming 2019 valuation.
- 1.3 The quality of membership data is central to the valuation process. Should the quality of data not be to the standard required by Hymans Robertson then there could be delays to the valuation process.
- 1.4 The results show a significant number of 'critical errors' that the administrators, Capita, will be required to address before actuarial calculations can begin.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 Membership data needs to be fit for purpose so that the valuation can proceed. At present, the data held by Capita is not to the required standard meaning that the valuation process cannot commence.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 Not applicable in the context of this report.

## **4. POST DECISION IMPLEMENTATION**

- 4.1 Not applicable in the context of this report.

## **5. IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance**

- 5.1.1 The Local Pension Board supports the delivery of the Council's strategic objectives and priorities as expressed through the Corporate Plan 2015 – 2020 by assisting in maintaining the integrity of the pension Fund by monitoring the administration and compliance of the Fund.

### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

- 5.3 As discussed in the report, having satisfactory data quality is necessary to complete the 2019 triennial valuation. Incomplete or suspect data may delay the valuation or require the Actuary to make assumptions that impact on employer contribution rates. Similarly, data issues can lead to delays or errors in benefit awards.

### **5.4 Social Value**

5.4.1 Not applicable in the context of this report.

## **5.5 Legal and Constitutional References**

5.5.1 The LGPS Regulations 2013 place responsibility for the local administration of pensions and other benefits under these Regulations on the administering authority, which is the London Borough of Barnet. The Local Government (Amendment) (Governance) Pension Scheme Regulations 2015 requires inserts regulation 106 into the Local Government Pension Scheme Regulations 2013 which the Council to establish a Pension Board, whose role is to assist the Council in securing compliance with legislation, regulation and best practice, including as set out in the Pension Regulator's Code of Practice to ensure the effective and efficient governance and administration of the Scheme and any connected scheme.

## **5.6 Risk Management**

5.6.1 Risk management is central to the LGPS. LGPS pension funds are in themselves risk management tools, managing the risk that future employer income streams will be able to meet future pensions liabilities by creating a reserve from which future liabilities will be met. Good governance is essential to managing the risks of the pension fund.

## **5.7 Equalities and Diversity**

5.7.1 Pursuant to the Equalities Act 2010, the Council is under an obligation to have due regard to eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advancing equality of opportunity between persons who share a relevant 'protected characteristic' and those who do not share it; and fostering good relations between persons who share a relevant 'protected characteristic' and persons who do not share it. The 'protected characteristics' are: age, disability, gender reassignment, pregnancy, and maternity, race, religion or belief, sex and sexual orientation.

5.6.2 The rules governing admission to and participation in the Pension Fund are in keeping with the public sector equality duty. The Public Sector Equality Duty requires public authorities in carrying out their functions, to have due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010. Good governance arrangements will benefit everyone who contributes to the fund.

## **5.8 Corporate Parenting**

5.8.1 Not applicable in the context of this report.

## **5.9 Consultation and Engagement**

5.9.1 Where relevant, consultation and engagement is discussed in the paper.

## **6. BACKGROUND PAPERS**

6.1 None