

Barnet Active Benefit Statement Testing Schedule

Purpose of tests

The enhanced testing, which is detailed in this testing schedule, was performed by Capita’s technical team, is to ensure:

- a) any additional manual activity to support the production of the annual benefits statements has been carried out correctly; and
- b) the data upon which the calculation routines rely on is of sufficient quality as to produce accurate output on the annual benefit statements.

Enhanced testing encompassed three core areas:

1. **Calculation routine tests** – were performed on the calculation routines employed in the production of the annual benefit statement data to ensure that the routines produced the expected outcomes
2. **Tolerance tests** – were applied to the input data to ensure that the data used in the calculation routines was reasonable
3. **Exception tests** – were employed to ensure that data output used in the population of the annual benefit statements was reasonable and produced the expected outcomes. The annual benefit statement is made up of 5 sections and the data output to each of these sections was tested.

1. Calculation routine tests

Routine tested	Test run	Comments
CARE balance at 01/04/2018	Revaluation correctly applied to initial CARE pension recorded and total of all revalued CARE lines output to data extract.	A range of members was sampled including mid-year joiners where no CARE pension should be recorded unless the member completed an interfund adjustment. For all cases tested the pensions were correctly increased and the total was pulled through to the extract. Additionally, those mid-year joiners who had a CARE balance at 01/04/2018 had completed an interfund.

CARE balance at 01/04/2018	Late retirement increases are applied from normal pension age if the member was over normal pension age.	A targeted sample group of members over the Scheme's normal pension age was tested and the late retirement increase due had been included for all members checked.
Final salary benefits	A final salary pension and lump sum is calculated in respect of any reckonable pensionable service attributable to an Earlier Scheme in which service counts at an 80 th accrual.	The targeted sample on the calculation routine showed that the correct pension and automatic lump sum were being output. Although exception tests revealed some data issues in member records, these data issues did not impact the calculation routine which produced the expected output for the pension elements stored.
Final salary benefits	A final salary pension is calculated in respect of any reckonable pensionable service attributable to the 2008 Scheme in which service counts at a 60 th accrual	The targeted sample on the calculation routine showed that the correct pension was being output.
Final salary benefits	The late retirement increase due on any final salary benefits from age 65 is calculated if the member is over age 65.	The targeted sample on the calculation routine showed that the correct late retirement increase due on the pension and automatic lump sum was being output.
Additional pension	The correct proportion of the extra years or pension bought by the member or employer is output.	The targeted sampling of the methods used by a member or employer to provide additional pension were tested and the expected outputs were returned.
CARE balance at 31/03/2019	Each pension element listed in section 8 of the report is correctly captured in the output produced.	A range of members was sampled including mid-year joiners where no revaluation should have been applied to first year's CARE accrual (statement date 31/03, revaluation applied 01/04). For all cases tested the revaluation on the CARE pension was correctly applied and the total pension, after the addition or subtraction of the various pension elements, was pulled through to the extract.
Total pension at NPA	CARE pension is projected to normal pension age for members under normal pension age on 1/49 th of the member's annualised CARE pay if they were in the Main section at 31 March 2019 and on 1/98 th if the	Sample testing of members with a range of service (including mid-year joiners) in the 50/50 section and the Main section showed that projections were being calculated at the correct accrual rate for the period between 1 April 2019 and the

	member was in the 50/50 section.	member's normal pension age on the member's annualised CARE pay. NB no members who joined the Scheme in 2018/19 took up 50/50 membership so this element of the calculation routine was not tested.
DIS lump sum	DIS lump sum is three times annualised CARE pay	A range of members with long service and short service (inc mid-year joiners) were tested and in all cases tested the routine produced either three times CARE pay or, in the case of mid-year joiners, three times annualised CARE pay.
% LTA used	Figures populated are equal to 20 times pension plus lump sum divided by £1,030,000 times 100	Agreed
Survivor benefits	The survivor benefit output reflects the correct proportion of the final salary and CARE pension built by the member	A range of members, including those with final salary pension counting at 1/80 th and 1/60 th accrual, were tested and the routine correctly determined the proportion of the member's pension that should count towards the member's survivor's pension for all members tested.

2. Tolerance tests run

Input data tested	Test run	Comments
CARE Pay v Final Pay	CARE Pay is commensurate with Final Pay and vice versa having regard for the member's working pattern and non-contractual overtime.	There were 12 cases identified where we felt the pay reported should be queried with the Scheme employer because the difference between the CARE pay and the final salary pay did not appear to be consistent with or could not be explained by the EOY data provided or the data held in the member's record. Annual benefit statements will be produced once the data queries have been adequately answered. For the remainder of the exceptions identified through targeted

		sampling, the difference between pays could be adequately explained by the data held in the member's record.
Total pension at 31/03/2019	The pension built is commensurate with the length of time the member has spent in the scheme	We targeted and sampled members who had built up a low level of pension or a high level of pension by reference to their length of pensionable service to see if the pension built was reasonable for the length of time the member had been in the Scheme. We found that low pension build up related to members who had not worked full-time during their final salary membership or who had low pensionable pay. Members with higher pensions generally had long service and/or high pensionable pay. Additionally, members who had been in the Scheme for a short period, such as new members joining in March 2019, only built high pensions, in comparison to their period of pensionable service, if they had transferred in earlier service.
Total pension at NPA	Differences between total pension at 31 March 2019 and normal pension age are commensurate with member's age and pensionable pay.	We targeted and sampled members who showed a small or large increase in their total pension between 31 March 2019 and normal pension age. We found that small increases related to members who were low waged or close to their normal pension age. Large increases were attributable to high earners or young members who were projected to remain active members for a long period.
Final salary benefits at NPA and 31/03/2019	For members under age 65 at 31 March 2019, the final salary pension and lump sum at normal pension age is greater than the final salary pension and lump sum at 31 March 2019.	Agreed and difference is attributable to late retirement increases applied between age 65 and normal pension age.

3. Exception tests run

Section 1

Personal Details

Field on Statement	Test Done	Comments
Name	All rows populated with members' title	Findings <ul style="list-style-type: none"> 43149184 incorrectly populated with Zmis instead of Miss 45123683 incorrectly populated with Zms instead of Ms Actions taken <ul style="list-style-type: none"> Titles corrected
Name	All rows populated with members' initials	Findings <ul style="list-style-type: none"> 100% populated Actions taken <ul style="list-style-type: none"> N/A
Name	All rows populated with members' surname	Findings <ul style="list-style-type: none"> 45179060 first name only showing Actions taken <ul style="list-style-type: none"> This member has insisted in being known by one name only and to comply with equality rights only one name shown – no action taken as record correctly reflects member's name
Date of Birth	All rows populated with correctly formatted date of birth	Findings <ul style="list-style-type: none"> Agreed Actions taken <ul style="list-style-type: none"> N/A
Date of Birth	All dates prior to date joined scheme and age not less than 16 at date of joining	Findings <ul style="list-style-type: none"> Agreed Actions taken <ul style="list-style-type: none"> N/A

Date of Birth	All dates of birth produce an age that is less than 75	Findings • Agreed
		Actions taken • N/A
Member reference number	All rows populated with 8 digit reference number	Findings • Agreed
		Actions taken • N/A
Employer at 31 March	All rows populated with valid employer name	Findings • Agreed
		Actions taken • N/A
Date joined scheme in employment	All rows populated with correctly formatted date joined scheme	Findings • Agreed
		Actions taken • N/A
Date joined scheme in employment	All dates of joining produce an age between 16 and 75	Findings • Agreed
		Actions taken • N/A
Section of Scheme at 31 March	Value showing in col Q is either 'Main' or '50/50'	Findings • Agreed
		Actions taken • N/A
Section of Scheme at 31 March	A value is present in at least one of Main Section Pay (col AR) or 50/50 Section pay present (col AS)	Findings • Agreed
		Actions taken • N/A
Normal Pension Age	All populated with SPA	Findings • Agreed

		Actions taken <ul style="list-style-type: none"> • N/A
Final Salary Membership from date	All dates pre 01/04/2014	Findings <ul style="list-style-type: none"> • Agreed
		Actions taken <ul style="list-style-type: none"> • N/A
Final Salary Membership from date	All blanks have date of joining after 31/03/2014	Findings <ul style="list-style-type: none"> • Agreed
		Actions taken <ul style="list-style-type: none"> • N/A
Final Salary Membership date to	All dates populated are 31/03/2014, unless no 'from date' present, in which case, no 'to date' present.	Findings <ul style="list-style-type: none"> • A number of fails were found, with the exception of 42916784, all fails were due to: <ul style="list-style-type: none"> ○ a transfer of service before 01/04/2014 ○ an aggregation or interfund adjustment containing service which ended before 01/04/2014 ○ an earlier period of service ending before 01/04/2014 recorded as non-pensionable (to show not refundable)
		Actions taken <ul style="list-style-type: none"> • 42916784 transferred in final salary service to 31/08/2014 from another public service pension scheme. Only the LGPS in England & Wales reformed to CARE in 2014 so final salary end date for transferred in service is correct – no action taken
Final Salary Membership date to	All blanks have a date of joining after 31/03/2014	Findings <ul style="list-style-type: none"> • Agreed
		Actions taken <ul style="list-style-type: none"> • N/A
CARE scheme date from	All populated with dates after 31/03/2014	Findings <ul style="list-style-type: none"> • Agreed
		Actions taken <ul style="list-style-type: none"> • N/A

CARE scheme date from	No CARE pension recorded before 'date from' if no pensionable service before 'date from' unless an interfund adjustment or aggregation of earlier benefits that included earlier CARE pension has taken place	Findings <ul style="list-style-type: none"> 43055037 joined 01/10/2015 but has CARE pension for period from 01/05/2014
		Actions taken <ul style="list-style-type: none"> Member had a non Club transfer in after joining which bought earned pension – no action taken, record correct
CARE scheme date to	All dates later than CARE scheme date from	Findings <ul style="list-style-type: none"> Agreed
		Actions taken <ul style="list-style-type: none"> N/A
CARE scheme date to	No dates later than scheme year end	Findings <ul style="list-style-type: none"> 44804504 date to is after scheme year end
		Actions taken <ul style="list-style-type: none"> Correction made

Section 2

Summary of total benefits at 31 March 2019

Field on Statement	Test Done	Comments
Annual Pension	Figures populated for all members and value greater than £0.00	Findings <ul style="list-style-type: none"> Agreed
		Actions taken <ul style="list-style-type: none"> N/A
Annual Pension	Value of pension agrees with sum of pension quoted in sections 3 and 4	Findings <ul style="list-style-type: none"> Agreed
		Actions taken <ul style="list-style-type: none"> N/A
Automatic lump sum	Value only present if date joined scheme is before 01/04/2008	Findings <ul style="list-style-type: none"> A large number of members were found to have an automatic lump sum even though the date they joined the scheme was

		<p>not before 01/04/2008. All except four members had done an interfund or amalgamated previous earlier service which contained service before 01/04/2008.</p> <p>Actions taken</p> <ul style="list-style-type: none"> • 41965250, 41965252, 41965258 – employer augmentation incorrectly recorded in 2009 – Contract code updated • 43051092 contained an incorrect benefit code which resulted in 60th final salary service (i.e. service between 01/04/2008 and 31/03/2014) as being coded to produce 80th final salary benefits – Service lines updated to show correct benefit type
% of LTA used	All populated with value greater than £0.00	<p>Findings</p> <ul style="list-style-type: none"> • 45187669 % of LTA used showing as zero <p>Actions taken</p> <ul style="list-style-type: none"> • New entrant in March 2019 with £22.50 CARE pay, £0.46 CARE pension which rounds to zero on calculating % LTA used – no action taken as output is correct
% of LTA used	Value represents % of capital value of pension and lump sum showing in section 2 against LTA of £1.03m	<p>Findings</p> <ul style="list-style-type: none"> • Agreed <p>Actions taken</p> <ul style="list-style-type: none"> • N/A
DIS lump sum	All populated with value greater than £0.00	<p>Findings</p> <ul style="list-style-type: none"> • Agreed <p>Actions taken</p> <ul style="list-style-type: none"> • N/A
DIS lump sum	Value represents 3 x CARE pay	<p>Findings</p> <ul style="list-style-type: none"> • Agreed with the exception of new entrants during scheme year <p>Actions taken</p> <ul style="list-style-type: none"> • New entrants during scheme year correctly reflect 3 x annualised CARE pay. This is correct so no action required.
Annual survivor's pension	All populated with value greater than £0.00	<p>Findings</p> <ul style="list-style-type: none"> • Agreed

		Actions taken <ul style="list-style-type: none"> • N/A
--	--	--

Section 3

CARE benefits at March 2019

Main Section pensionable pay	If section of Scheme at 31 March is 'Main' value present and greater than £0.00	Findings <ul style="list-style-type: none"> • Agreed
		Actions taken <ul style="list-style-type: none"> • N/A
50/50 Section pensionable pay	If section of Scheme at 31 March is '50/50' value present and greater than £0.00	Findings <ul style="list-style-type: none"> • Agreed
		Actions taken <ul style="list-style-type: none"> • N/A
CARE pension account balance at 01/04/2018	Figures populated are the sum of the member's CARE account to 31/03/2018 plus revaluation of 3%	Findings <ul style="list-style-type: none"> • Agreed
		Actions taken <ul style="list-style-type: none"> • N/A
Revaluation	Annual benefit statement template updated so that '3%' revaluation is output on all statements	Findings <ul style="list-style-type: none"> • Agreed
		Actions taken <ul style="list-style-type: none"> • N/A
2018/19 Main Section	If Main Section pensionable pay populated value present and equal to 1/49 th of pensionable pay	Findings <ul style="list-style-type: none"> • Agreed
		Actions taken <ul style="list-style-type: none"> • N/A
2018/19 50/50 Section	If 50/50 Section pensionable pay populated value present and equal to 1/98 th of pensionable pay	Findings <ul style="list-style-type: none"> • Agreed
		Actions taken <ul style="list-style-type: none"> • N/A

Additional Pension Bought	Figures populated less than Annual Pension	Findings
		<ul style="list-style-type: none"> Agreed
Transfers in	If member has received a transfer value in scheme year a value is present	Actions taken
		<ul style="list-style-type: none"> N/A
Pension Sharing Debit	Figures less than Annual Pension	Findings
		<ul style="list-style-type: none"> Agreed, only one member with a CARE pension debit
Scheme pays debit	Figures less than Annual Pension	Actions taken
		<ul style="list-style-type: none"> N/A
		Findings
		<ul style="list-style-type: none"> Agreed, only two members with a scheme pays pension debit
		Actions taken
		<ul style="list-style-type: none"> N/A

Section 4

Final salary pension benefits

Field on Statement	Test Done	Comments
Final salary pay	Figures populated for all members with date joined scheme before 01/04/2014	Findings
		<ul style="list-style-type: none"> Agreed
Annual Pension	Figures populated for all members with date joined scheme before 01/04/2014	Actions taken
		<ul style="list-style-type: none"> N/A
		Findings
		<ul style="list-style-type: none"> 41996598, 41998504, 41996597, 41998474, 43496679, 41998247, 43438447, 41996569, 41991890, 43035705, 41996492, 42780527, 41998247 these members all showed a start date in the 2008 Scheme but showed as having no
		Actions taken
		<ul style="list-style-type: none"> N/A

		<p>reckonable service before 01/04/2014</p> <p>Actions taken</p> <ul style="list-style-type: none"> • 41996598, 41998504, 41996597, 41998474, 43496679, 41998247, 43438447 and 41996569 are all zero hour contractors who have no hours worked before 01/04/2014 so no final salary pension due – no action taken as record is correct • 41991890 no pensionable service prior to 1 April 2014, first contribution paid after 1 April 2014 so no final salary pension due – no action taken as record is correct • 43035705 & 42780527 members joined after 31/03/2014 and transferred in a non Club earlier pension entitlement which bought earned pension service credit so no final salary pension due – no action taken as record is correct • 41996492 member opted in 01/11/2013 and record set up 29/01/2014 to show member as a zero hour contractor. However, member was in full-time employment and paid contributions. Service line corrected to show as pensionable • 41998247 this member opted into the scheme 01/02/2013, set up as a zero hour contractor, payroll opted the member out 01/04/2013 but record left active and contributions notified in the end of year return for the period from 01/02/2013 were added to the pension record although no pensionable service recorded. Looks as if the member was actually working full-time term-time – contacted payroll to confirm actual pensionable service for period 01/02/2013 to 31/03/2014
<p>Additional pension bought</p>	<p>Figures populated less than Annual Pension</p>	<p>Findings</p> <ul style="list-style-type: none"> • Agreed <p>Actions taken</p> <ul style="list-style-type: none"> • N/A

Pension Sharing Debit	Figures less than Annual Pension	Findings <ul style="list-style-type: none"> Agreed, debit present for known cases
		Actions taken <ul style="list-style-type: none"> N/A
Scheme pays debit	Figures less than Annual Pension	Findings <ul style="list-style-type: none"> Agreed, no Scheme Pays debits before 01/04/2014 for active members
		Actions taken <ul style="list-style-type: none"> N/A
Automatic lump sum	Figures populated for all members with date joined scheme before 01/04/2008	Findings <ul style="list-style-type: none"> Agreed
		Actions taken <ul style="list-style-type: none"> N/A
Automatic lump sum	No figures populated for members with date joined scheme after 31/03/2008	Findings <ul style="list-style-type: none"> A large number of members were found to have an automatic lump sum even though the date they joined the scheme was not before 01/04/2008. All members, except four, had an interfund or amalgamated previous earlier service which contained service before 01/04/2008.
		Actions taken <ul style="list-style-type: none"> 41965250, 41965252, 41965258 – employer augmentation incorrectly recorded in 2009 – Contract code updated 43051092 wrong benefit code used in service history record – Service lines updated to show correct benefit type
Automatic lump sum		Findings <ul style="list-style-type: none"> 41991159 member showing with reckonable service before 01/04/2008 but no corresponding lump sum or 80th pension
		Actions taken <ul style="list-style-type: none"> Member joined after 31/03/2008 and transferred in earlier service from another pension arrangement which purchased a 60th pension service credit – no action taken as record correct

Less pension sharing debit on automatic lump sum	No figures populated for any members with service that is solely in respect of service after 31/03/2008	Findings <ul style="list-style-type: none"> Agreed, debits correctly recorded
		Actions taken <ul style="list-style-type: none"> 41969435 – lump sum debit present, member has service before 01/04/2008 41991368 – no lump sum debit, service before 01/04/2008 was transferred in on non Club basis and bought 60th service credit

Section 5

Pension Payable from your NPA

Field on Statement	Test Done	Comments
NPA	All populated with SPA	Findings <ul style="list-style-type: none"> Agreed
		Actions taken <ul style="list-style-type: none"> N/A
Total Pension @ NPA	Figure greater than £0.00 for all members	Findings <ul style="list-style-type: none"> Agreed
		Actions taken <ul style="list-style-type: none"> N/A
Total Pension @ NPA	Agrees with total of Final Salary + CARE benefits inclusive of appropriate late retirement increases	Findings <ul style="list-style-type: none"> Agreed
		Actions taken <ul style="list-style-type: none"> N/A
Projected CARE pension	Populated with same value showing in section 3 plus CARE pension projected on annualised CARE pay and current accrual rate for period to NPA	Findings <ul style="list-style-type: none"> Agreed
		Actions taken <ul style="list-style-type: none"> N/A

Projected Final Salary Pension	Value only present if member joined the Scheme before 01/04/2014	<p>Findings</p> <ul style="list-style-type: none"> • A large number of fails found but, with the exception of 43051092, all fails due to: <ul style="list-style-type: none"> ○ a transfer of service before 01/04/2014 ○ an interfund adjustment ○ aggregation of an earlier period of service <p>Actions taken</p> <ul style="list-style-type: none"> • 43051092 wrong benefit code used in service history record – pension record corrected
Projected Final Salary Pension	Populated with same value showing in section 4 plus late retirement increases applying to final salary pension for the period between normal pension age of 65 and State Pension age (where SPA is greater than age 65)	<p>Findings</p> <ul style="list-style-type: none"> • Agreed <p>Actions taken</p> <ul style="list-style-type: none"> • N/A
Pension Sharing debit	Populated with sum of debits showing in sections 3 and 4	<p>Findings</p> <ul style="list-style-type: none"> • Agreed <p>Actions taken</p> <ul style="list-style-type: none"> • N/A
Scheme Pays debit	Populated with sum of debits showing in section 3	<p>Findings</p> <ul style="list-style-type: none"> • Agreed <p>Actions taken</p> <ul style="list-style-type: none"> • N/A
Total Lump Sum @ NPA	Agrees with automatic lump sum figure in section 4 plus late retirement increases applying to automatic lump sum for the period between normal pension age of 65 and State Pension age (where SPA is greater than age 65)	<p>Findings</p> <ul style="list-style-type: none"> • Agreed <p>Actions taken</p> <ul style="list-style-type: none"> • N/A
Pension sharing debit on lump sum	Populated with sum of debits showing in sections 3 and 4	<p>Findings</p> <ul style="list-style-type: none"> • Agreed <p>Actions taken</p> <ul style="list-style-type: none"> • N/A
% of LTA used	All populated with value greater than £0.00	<p>Findings</p> <ul style="list-style-type: none"> • Agreed

		Actions taken <ul style="list-style-type: none"> • N/A
% of LTA used	Value represents % of capital value of pension and lump sum showing in section 5 against LTA of £1.03m	Findings <ul style="list-style-type: none"> • Agreed
		Actions taken <ul style="list-style-type: none"> • N/A
Prospective survivor's pension	All figures greater than £0.00	Findings <ul style="list-style-type: none"> • Agreed
		Actions taken <ul style="list-style-type: none"> • N/A
Pension sharing debit on survivor's pension	Debit on survivor's benefit correctly calculated	Findings <ul style="list-style-type: none"> • Agreed
		Actions taken <ul style="list-style-type: none"> • N/A

Notes

1. Pension debit and credit members additional steps taken.

During testing a lower than expected number of pension credit members and pension debit members were found. In consequence, an audit was run to determine whether the numbers found were reasonable. There are two casetypes used to record cash equivalent transfer values (CETV) requested by members and one casetype for recording any pension sharing order (PSO) that is received. A report was run through Hartlink to identify the requests made on these casetypes. The results revealed that since 1 March 2014 over a hundred members have made an enquiry in respect of a divorce CETV/PSO. Four of these cases have progressed to a PSO and all of these debit members are pensioners except for one member who is still an active member. Based on these numbers and experience we are not unduly concerned that there is only one pension debit member in the legacy active member data as there were only six pension debits applied in the period 1 December 2000 to 28 March 2014; four of these debits relate to pensioner members and one relates to a deferred member.