



Your pension, your future

# **Avon Pension Fund Data Improvement Plan (DIP)**

2025

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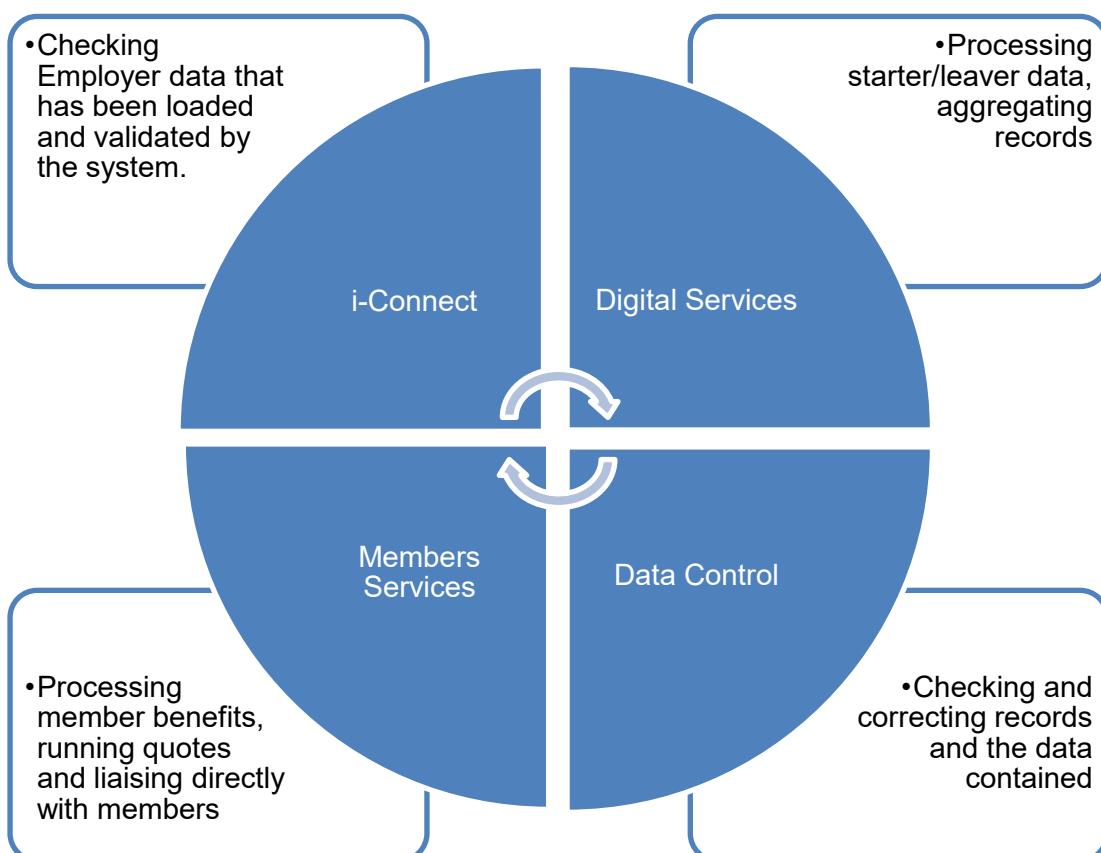
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## Introduction

Avon Pension Fund's Data improvement plan (DIP) is a document that outlines the steps taken to assess and improve the quality of data held within the current Pension System Software (PSS). This document lists the key objectives to achieve better data, and how the Fund will implement changes or projects to cleanse data. As per The Pensions Regulator's (TPR) definition of data, data is classed as either *Common data* or *Scheme Specific data*. Common data is data that is held across all pension schemes, Scheme data is specific to a scheme, so may differ between funds.

i-Connect is a portal that allows employers to upload their data directly to our PSS. Information supplied by the employer regarding members, is validated by the employer at joining as part of their employment checks. Avon Pension Fund (APF) will verify data again upon payment of benefit.

With the implementation of the Pensions Dashboard and our requirement to connect in October 2025, there is an increased need for the Fund to cleanse and check the data held on the PSS. The Fund is continuously reviewing its core data for completeness and accuracy. The data that is received from employers goes through a cycle of teams to ensure its accuracy. The below illustrates the cycle of data.



## Common data

Common data is mandatory as per TPR guidance; it is information that is consistent throughout all pension funds and is required for the everyday running of a fund. The Fund's approach to Common data is as follows:

Type of data	Information supplied by the employer
<b>National Insurance number (NINO)</b>	<ul style="list-style-type: none"><li>• A NINO is a unique identifier allocated by HMRC</li><li>• Records require a NINO, in some instances a temporary number is supplied, the Fund requests corrections of any temp NINOs from the employer</li></ul>
<b>Surname and either forename or initials</b>	<ul style="list-style-type: none"><li>• When an employee changes their name, for example through marriage, a copy of the marriage certificate is required</li></ul>
<b>Sex</b>	<ul style="list-style-type: none"><li>• A monthly consistency report is run to identify any name, title or sex are mismatched</li></ul>
<b>Date of Birth (DoB)</b>	<ul style="list-style-type: none"><li>• A monthly consistency report is run to identify anyone under 16 or over 75 and not in payment</li></ul>
<b>Address including post code</b>	<ul style="list-style-type: none"><li>• Active members – a member may update personal details via a member portal. As we also receive data via i-Connect, members are also advised to contact their employer to update their address.</li><li>• Where a member's address is not known (marked as gone away), the Fund uses tracing services to locate the member's new address. A generic letter is sent asking the member to contact the Fund to confirm their identity and update their address.</li></ul>
<b>Date pensionable service started, membership/policy start date or first contribution date</b>	<ul style="list-style-type: none"><li>• This is the date that the member joins the Fund</li><li>• Monthly consistency reports are run to identify inconsistencies between date commenced current employment and date joined Fund</li></ul>

Type of Data	Information generated by PSS
<b>Expected retirement/maturity date (target retirement age)</b>	<ul style="list-style-type: none"> <li>Automatically generated by the PSS based on date of birth.</li> </ul>
<b>Membership Status/ Last status event</b>	<ul style="list-style-type: none"> <li>Membership status is a designation that provides additional information about a member.</li> <li>The date of status change is auto generated the status options within the PSS are as follows: <ul style="list-style-type: none"> <li>1: Active</li> <li>2: Undecided Leaver</li> <li>3: Exit no liability</li> <li>4. Deferred</li> <li>5. Pensioner</li> <li>6. Widow/Dependant</li> <li>7. Death</li> <li>8. Awaiting Entry</li> <li>9. Frozen Refund</li> <li>O: Optant Out</li> <li>T: Third Tier Cessation</li> <li>A: Non-Protected</li> <li>Z: Aggregation</li> </ul> </li> </ul>

## Scheme specific data

Scheme specific data is data that has been determined by the Scheme Advisory Board (SAB) for LGPS, it is deemed as necessary by the Avon Pension Fund to have the below information to provide accurate information to the member. The list below is not exhaustive but are the main areas of data cleansing.

Type of Data	Reaction to Issue
Members Salary	<ul style="list-style-type: none"><li>• This is broken down into two categories:</li><li>• CARE Career Average Revalued Earnings, this is the actual pay a member received</li><li>• Final salary, this is the full time equivalent of a member's salary without reduction (see exclusions on our website) applicable to members with pre-2014 service</li><li>• Monthly comparisons are carried out by the i-Connect team and queried at Year End</li></ul>
Employer and Employee contributions	<ul style="list-style-type: none"><li>• Provided by the employer on i-Connect monthly returns</li><li>• Data returns are checked monthly by the i-Connect team and reconciled by the Fund's Accounts team</li><li>• Additional checks are carried out at Year End</li></ul>
Employment Records	<ul style="list-style-type: none"><li>• Records of a member's employment, dependent on service a member may have multiple records at different statuses</li><li>• Monthly control reports are run by Digital Services team to identify duplicate records that can be aggregated</li></ul>

## The Fund approach

The Fund continually reviews its data, and has the following safeguards for members:

- **Active members:** As these members are still contributing to the Fund, their data is submitted monthly by the employer. The Fund carry out regular checks for completeness and accuracy. At Year End the Fund carries out further checks that can only be done after end of the financial scheme year. Active members are issued an Annual Benefit Statement (ABS) every year and any missing addresses are dealt with via the employer.
- **Deferred members:** These members are no longer contributing to the Fund; their data remains static, except for retrospective legislation changes. Pension Increase (PI) is applied to their pension account annually and an ABS is issued. In instances where the member has their correspondence returned as gone away, they are traced via tracing services.

Regular control reports are run to identify and resolve any data issues, as detailed above.

## Data validations for active members

Requested Data	
<b>LGPS Eligibility issue – Age 75 Exceeded</b>	<ul style="list-style-type: none"> <li>Members are only permitted to contribute to the scheme until they are 74 years and 363 days old</li> <li>If a member's age exceeds this, it is queried with the employer, as they are unable to remain an active member in the scheme</li> <li>It is recommended that the date of birth of a member is checked to make sure it is correct</li> </ul>
<b>CARE pay required</b>	<ul style="list-style-type: none"> <li>CARE pay is required for every member to calculate their pension</li> <li>Queried with employer if data is missing or appears incorrect</li> </ul>
<b>Correct Address Required</b>	<ul style="list-style-type: none"> <li>Active members with gone away addresses are queried with the employer</li> <li>Members of any other status are traced via tracing services</li> <li>Required format for addresses is as follows to ensure matching for the Pensions Dashboard:</li> </ul> <p><b><i>House name/number, Street name, Town/city, Post code</i></b></p>
<b>Correct NI Number required</b>	<ul style="list-style-type: none"> <li>This is a key member identifier</li> <li>Temporary NI's are given to people that do not yet have an NI/ non-UK resident</li> </ul>
<b>Date joined fund required</b>	<ul style="list-style-type: none"> <li>Should reconcile with a member's service record</li> <li>Issues can arise when a backdated DJF is provided, due to late starter notifications or re-enrolment into the scheme.</li> </ul>
<b>Leaver form required</b>	<ul style="list-style-type: none"> <li>A leaver form is required for any member over 55 leaving the scheme or death or ill health case</li> <li>Regular checks are undertaken to ensure the Fund receives a form for all relevant leavers</li> </ul>
<b>Full Time Equivalent (FTE) (and for the McCloud underpin)</b>	<ul style="list-style-type: none"> <li>Full Time Equivalent is the amount a member earns over a 365-day period without reduction</li> <li>It is used for members that have pre-2014 service and the McCloud underpin</li> <li>This information is checked for variances with the employer at year end and any corrections are made manually</li> </ul>
<b>Correction of Forename/Surname/DOB</b>	<ul style="list-style-type: none"> <li>Forename, surnames and DOB are important for member identification</li> <li>This data is validated at the point of benefits payable</li> </ul>

## Reporting Employer non-compliance and escalation

The Fund will act and potentially issue penalty fines, if data is not submitted by an employer to the Fund in line with the Pensions Administration Strategy and service level agreement for employers.

For a more detailed breakdown of our process and penalty fines, please refer to the [Pensions Admin Strategy](#). (insert link once complete)

## Other data cleansing projects

APF will carry out ad-hoc data cleansing as and when issues arise or regulations change. The following are not an exhaustive list of all projects:

### McCloud

In 2018 the Court of Appeal implemented a remedy to remove discrimination and ensure equal rights to those whose pensions were affected by the change to Career Average Revalued Earnings scheme regulations as of the 1st of April 2014. This meant that members with qualifying service prior to 1st April 2012 with no gap in service greater than 5 years are entitled to have the service accrued between 1st of April 2014 to 31st March 2022 revalued under the final salary scheme, if found to be of higher value this forms an underpin that will be paid to the member upon retirement. A data exercise was required to ensure APF had complete service records for members for the underpin period.

### Casual hour project

Casual hour data projects are carried out to record service hours of casual members that were not previously held.

### Age 65 project

Under the McCloud ruling, it is required that any member that has qualifying service will have a Pensionable remuneration figure calculated to the day before their 65th birthday. The Fund carries out underpin checks using information already provided, and an FTE is requested where an underpin applies. For Active members, once they reach age 65 the Fund will contact the employers to confirm the pensionable remuneration figure.

### Address tracing project

Outstanding address data queries for non-active members are reviewed on a regular basis. Within the PSS, monthly data checks are run to identify changes in member

data using various external data sources. Once traced a mailing is sent to the member to validate their new data/address.

## **Pensions into payment**

When a member has reached pensionable age, their pension must be put into payment according to regulations. However, if a member address that is held is incorrect, the fund must take necessary steps to trace these members.

## **Actuary data tool**

The data tool is provided by the scheme actuary following an annual data return and consists of prioritised data that could have a material financial impact to an employer's liability in the Fund, this is dependent on the size of employer. Once received by the actuary, the data is reviewed per employer and actioned where necessary.

## **AVC reconciliation**

Members can elect to pay additional voluntary contributions (AVC) which are set up by the Fund with a third party, the current AVC provider is Legal and General. As contributions are not paid directly to the Fund, the Fund carries out additional reconciliation back to the member data held within the Fund's PSS.

## **Other ways we receive information**

Tell us once, is a government service that a member of the public can use to notify multiple government departments about a person's death. This data is received through the Fund's pension payroll department. Death certificates are not required if this service is used.

## **NI database**

The National insurance database is used for the following events:

- New Starters
- Refunds
- Deferreds
- Transfer Outs
- Interfunds
- Retirements
- Ill Health
- Deaths

Where a member has a match for qualifying service, the other LGPS is contacted for service details.