

**THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA**  
PENSION BOARD 24<sup>th</sup> JULY 2019

**REPORT FROM THE DIRECTOR OF HUMAN RESOURCES**

**DATA CLEANSING IN PREPARATION FOR THE TRIENNIAL VALUATION**

This report details the number of pension data inconsistencies and inaccuracies identified and the action being carried out to review and correct them in preparation for the triennial valuation of the fund.

**Submitted for review and comment**

**1. INTRODUCTION**

- 1.1 The revised Employers Contribution rates will commence on the 1<sup>st</sup> April 2020 following the Triennial valuation of the fund.
- 1.2 This report summarises the work being carried out to cleanse pension records in preparation for the valuation.

**2. BACKGROUND**

- 2.1 The data for the next triennial valuation will be cut from the Surrey County Council (SCC) Pension Administration System (Altair) on the 31<sup>st</sup> July 2019 and sent Barnett Waddingham (BW).
- 2.2 The role of BW is to perform a valuation of the whole Pension fund income against the current and projected liabilities using a series of sophisticated industry-recognised algorithms.
- 2.3 In May 2019 the RBKC pensions data was sent by SCC to BW for data accuracy analysis.
- 2.4 The analysis ascertained and quantified the historical data inaccuracies and inconsistencies that were inherited from Capita that still remain, and what others have been subsequently created by BT and other payroll providers.
- 2.5 The results of this analysis are being used to inform a programme of data cleansing which is being carried out jointly between SCC and the Retained HR Pensions Team.
- 2.6 The aim is to ensure that the data that is submitted to BW is of good quality which in turn will ensure that Employers' rates are calculated as accurately as possible.
- 2.7 The results from the BW analysis have been received and the actions prioritised. As many data inaccuracies and inconsistencies that influence the results of the valuation as possible will be corrected before the data cut is sent to BW on the 31<sup>st</sup> July 2019.

### **3. PROGRESS WITH CORRECTING THE DATA INACCURACIES AND INCONSISTENCIES**

- 3.1 Due to the amount and complexity of data inaccuracies and inconsistencies found, following a proposal from SCC, a 3<sup>rd</sup> party provider (JLT Group) has been commissioned by SCC to further analyse and correct data.
- 3.2 As at 9<sup>th</sup> July 2019, 735 high priority queries have been identified by BW of which 466 have been sent to JLT.
- 3.3 Out of the 466 JLT have completed and verified 105. The client has received back from JLT 343 with requests for additional information to enable them to cleanse the data, the remaining 18 are in process.
- 3.4 The Retained HR Pensions Team have provided the data to resolve a further 179 out of the 735 total leaving 90 untouched and still to address.

### **4. FUTURE STRATEGY**

- 4.1 Resources within the Retained HR Pensions Team, SCC and JLT are currently deployed to clear as many of the 735 as possible before the data is sent to BW on the 31<sup>st</sup> July 2019.
- 4.2 If any of the 735 remain after the data is sent to BW work will continue to clear them all, along with all the additional lower priority queries that had been identified by BW.
- 4.3 It is recognised that to totally clear all the high priority and low priority queries may take most of this financial year.

### **5. FINANCIAL AND PROPERTY, LEGAL, SUSTAINABILITY, RISK, HR AND/OR EQUALITIES IMPLICATIONS**

- 5.1 None.

### **6. RECOMMENDATION**

- 6.1 That the Pension Board notes the content of this report.

Debbie Morris  
Director of Human Resources

**Appendices:** None

**Background papers:** None

**Contact officer:** Debbie Morris, Director of Human Resources

**Tel:** 020 7361 2136

**E-mail:** [Debbie.Morris@rbkc.gov.uk](mailto:Debbie.Morris@rbkc.gov.uk)