



Common and Conditional Data ACT NOW

As of next year, Trustees will be required to include additional mandatory information in the scheme return in relation to their record keeping. Defined Benefit (DB) schemes will be required to disclose their schemes latest common and conditional data scores from January 2018, and for Defined Contribution (DC) schemes this comes in to effect from July 2018.

The Pensions Regulator's (TPR) decision for reporting on quality of data follows a 2016 survey of more than 530 trust-based occupational schemes that revealed little improvement in record keeping. TPR expects all schemes to measure the presence and accuracy of their data and put improvement plans in place to resolve issues where they find them.

Common Data

Common data is the data used to identify members. It includes member details common to all schemes such as names, addresses, dates of birth, and marital status. Therefore, it would be incredibly hard for a scheme to achieve a 100% common data score as a member moving home, getting married for example without informing the trustees will result in a lower score.

Conditional Data

Conditional data is specific scheme data used to calculate benefits. This will vary from scheme to scheme depending on its type, structure and design. Trustees should consider what data is required for the effective administration of their scheme. One consequence of poor conditional data is benefits not being paid to members on time.

Next Steps

- Trustees of both DB and DC pension schemes should measure the presence and accuracy of their data. Improvement plans should be put in place to resolve any issues where they find them.
- Trustees should carry out a data review exercise at least annually or more frequently if the improvement plans require it.
- By the time trustees come to complete their scheme returns for 2018, they should ensure that they have a recent set of data scores for their scheme. Trustees should now be engaging with their administrators to drive this data monitoring.

Andrew Warwick-Thompson, Executive Director at TPR, said: "By adding record-keeping measures to the scheme return, we will be able to target our interventions more specifically at those failing in their duties.

"Good record-keeping is essential to the good running of a scheme. The time to engage is now – if you don't, you run the risk of increased costs, not managing funding or risks properly, and you could even put members' benefits at risk.

"We know schemes are looking to improve members' experience and engagement through enhanced use of technology such as offering self-service access or participating in industry-wide initiatives like the Pensions Dashboard. But all this relies on good data, and good data security."

For further information please contact your 44 Consultant.

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