

Data Testing and Cleansing

When installing a pension scheme on a computer system, it is essential to get it right for the future smooth running of the scheme. The same principles apply to the periodic review of data.

Barnett Waddingham LLP fully understands these principles and the need for data accuracy. We have systems and procedures in place to ensure that data is checked thoroughly on installation and on subsequent audit.

There are several distinct parts in the process:

- understanding the data
- resolving queries
- data cleansing
- conversion
- testing
- timing

These processes overlap and are dependent upon one another. Any issues not tackled at this early stage may develop into much larger problems in the future.

Understanding the data

Our foremost priority is to understand the data being processed. Therefore, where data is taken on from an external source, a full specification from the ceding system, together with statistics summarising the data, is required to enable us to analyse the content.

Supporting documentation such as sample member prints and benefit statement summary reports are useful documents when reviewing data. Sometimes data may be supplied from more than one source and understanding how it fits together is very important.

Data mapping then takes place from the old system to the new, field by field. This is a meticulous process in order to document that all data is correctly identified and accounted for.

Resolving queries

Any queries over the data are raised and resolved with reference to the client or, where appropriate, the previous administrator. These can be simple queries such as “what is this data item?”

We also reproduce calculations according to the scheme rules which may lead to more complicated queries.

Data cleansing

‘Clean data’ is the term we give to data that is easy to understand and passes through our import tests with minimal queries. If data is not ‘clean’, we will alert our client to our findings and suggest how to proceed.

Installation data is retained indefinitely to provide a full audit trail.

Conversion

This process runs alongside the data cleansing process and involves the physical transfer of data to our system. Incoming data is formatted into a structure that will be compatible and suitable for us to import.

We can readily accommodate data coming from all of the proprietary pension administration systems. Data from bespoke systems can take a little longer to convert, although this is largely dependent on the quality of the database specification.

Testing

The data is examined and processed in a test environment. We parallel run key processes and calculations including, where applicable, benefit statement results, pension increases, pensioner payroll results, money purchase investment cycle and leaver benefits.

If necessary, some of the previous steps may be repeated and re-tested. Only when we are entirely satisfied will the scheme be installed into our live system.

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Timing

It is important to plan the installation to coincide, where possible, with key events in the scheme's annual calendar.

This may be after production of the annual benefit statements or following a monthly payroll. Timing the data capture at an appropriate point can avoid unnecessary complications.

The Pensions Regulator's guidance on record keeping

Following the Pensions Regulator's guidance on record keeping, we can carry out data quality reporting and cleansing for trustees in line with this guidance. We encourage all of our existing clients to request this reporting and to agree a plan for cleansing the data.

Independent data testing services

All of the data and benefits reporting and services mentioned above have primarily been discussed with our existing clients in mind. However, we are now able to provide these services to other pension schemes as an independent stand alone service.

This can be of particular use for schemes wishing to obtain these services:

- as part of a larger scheme governance plan
- where a company is considering de-risking and wants an independent data report
- if a scheme has entered the Assessment Period of the Pension Protection Fund

Summary

The process of installing a pension scheme allows us to gain adequate understanding of the scheme, to fine tune our systems and services to meet the requirements of trustees, members and sponsoring employers and to ensure that data is 'clean' from the start.

This, and indeed any subsequent periodic review of data, is of paramount importance to the efficient running of any pension scheme. We take great care to ensure that these processes are efficient and, more importantly, produce accurate results.

As well as offering these services to clients, we are able to offer them independently, and companies and trustees can gain added comfort by making good use of these services.

The following pension administration brochures are also available on our website:

- An Outstanding Service
- Accounting
- Annuity Purchase Service
- BWebstream Internet Services
- Closed Schemes
- Communications
- Consultancy
- DC Arrangements
- IT and Systems
- Pensioner Payroll
- Pension Scheme Governance including Secretarial Services
- PPF Administration
- Record Keeping
- Schemes in wind-up

For further information

For more information about our services please contact your usual Barnett Waddingham contact or email: pensionadministration@barnett-waddingham.co.uk

www.barnett-waddingham.co.uk

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