

LGPS National Insurance Database: Privacy Notice

February 2020

1. Overview

Sharing information between partner organisations is vital to the provision of co-ordinated and seamless services and the protection of public funds. The sharing of information also helps to meet statutory and local initiatives.

The Local Government Pension Scheme (LGPS) is a statutory pension scheme run to provide a retirement income primarily for those employed in local government in the UK. This is administered by 'administering authorities' in England, Wales, Scotland and Northern Ireland (mainly Local Authorities).

In 2015 a Database was created for the purpose of better management of the LGPS and to protect public funds. This was revised in 2019, with the Database now exclusively used by Scottish LGPS Funds to share information.

2. Purpose and Benefits of the Database

The Purposes of the Database is to enable information sharing to:

- monitor and prevent duplicate death grant payments;
- check for previous LGPS membership when a member re-joins the LGPS with a view to automatically aggregating that membership as required by the LGPS Regulations;
- check if a member has any other LGPS benefits that would either prevent payment of or need to be taken into account when assessing eligibility for:
 - \circ a refund of contributions
 - a trivial commutation or de minimis payment
- check if a member a statutory right to transfer benefits out of the Scheme in accordance with the Pensions Schemes Act 1993;
- trace lost members;
- maintain the central Database that will allow administering authorities to identify members with any other additional LGPS pension records by the sharing of National Insurance (NI) numbers of members of the LGPS administering authorities;
- to provide an audit trail of the lawful measures adopted to share and secure the Database and ensure that data can only be seen by those with a legitimate need to use the Database;

The benefits of the information sharing are:

- Increased adherence to the regulatory requirements for the payments listed.
- Increased adherence to the regulatory requirements in relation to the aggregation of previous LGPS benefits when a member re-joins the LGPS.
- The prevention of any potential overpayments made through incorrectly paid multiple death grants,
- The prevention of unauthorised payments made by paying incorrect refunds, trivial commutations, de minimis payments and transfers out.
- Improved efficiency in the administration of the LGPS and a reduction in the costs thereof.

- Increased adherence to the Pension Regulator's Code of Practice 14.
- A further instance of collaboration in the sector demonstrating that the LGPS is making continued inroads to improve the Scheme's administration by working together.

3. What data is shared?

For each member of the LGPS, the Database contains a short entry containing:

- The individual's National Insurance Number
- A number to denote the individual's membership status
- The last calendar year that the membership status changed
- A four digit number confirming the LGPS pension fund where that member's record is held.

Each successful search by administering authorities will inform them of:

- the individual's membership status,
- the calendar year of the last membership status change,
- the name of the administering authority who holds the record,
- a contact email address for the administering authority, and,
- a contact phone number for the administering authority.

Members who use the public search facility in the Database will, for each successful search be informed of:

- the name of the administering authority that holds the record,
- a contact email address for the administering authority, and
- a contact telephone number for the administering authority.

4. Who hosts the Database?

The Database is hosted by South Yorkshire Pensions Authority (SYPA), an LGPS pension fund. When the Database was first established in 2015 for all UK Funds, SYPA hosted the system. For continuity, the Authority remained hosts when the Database changed to Scottish only Funds. A data processing agreement is in place with SYPA.

5. How will the data held on the Database be processed?

The data held on the Database will be processed in accordance with the Data Protection Act 2018 and other relevant legislation.

6. Are there any other purposes that the Database will be used for?

An extract of the membership information contained in the Database will periodically be shared with the Department for Work and Pensions (DWP) so that the LGPS can join the <u>Tell Us Once service</u>. Tell Us Once is a service offered in most parts of the country when an individual registers a death. When the LGPS joins Tell Us Once and the death of an LGPS member is registered, the DWP systems will ensure that the LGPS pension fund is informed of the death, meaning that the member's records can be processed more quickly and simply than would otherwise be the case.

7. Who is the data shared with?

Other Scottish LGPS pension funds. These are all public bodies named in legislation as administering authorities of the LGPS within Scotland. For the Tell Us Once service, an extract of the Database containing individuals' NI Numbers will be securely shared with DWP every month so that they may maintain an up-to-date record of the LGPS's membership.

8. How long will this data sharing be undertaken for?

For as long as

- a.) the relevant regulatory requirements remain, and
- b.) the LGPS participates in the Tell Us Once service.

In the event that neither of the above apply, the data sharing will cease to be undertaken

9. Can I opt out of this sharing?

No. As this data sharing is partly being undertaken to comply with a legal requirement, it is not possible for scheme members to opt out of the data sharing.

Contact Us

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