

# Address Tracing: Summary Report

## Background and information

Over recent years, The Pensions Regulator (TPR) has outlined and increased the importance of accurate member data and regular data maintenance in order to effectively administer the pension scheme. Holding accurate addresses on an ongoing basis is an essential data item to ensure the efficient running of the Scheme and for communicating with members.

TPR code of conduct outlines, 'schemes should attempt to make contact with their scheme members and, where contact is not possible, schemes should carry out a tracing exercise to locate the member and ensure that their member data is up-to-date.'

In order to ensure member addresses are accurate on the administration system, ITM were appointed to carry out a member tracing exercise on members who have an entitlement to a deferred benefit, but for whom a current address is not held on the Altair administration database. The results of which will provide an increase in data quality which will allow for more efficient member communications and pension administration.

The ITM tracing was split into two phases:

1. **Mortality Screening and Electronic Trace** - Members with a last known address are checked against financial and credit data. This is a non-intrusive process with no contact being made with the member. Any members identified as deceased in the mortality screening do not go forward in the electronic tracing.
2. **Full Trace** - Where an address has not been able to be validated during the Electronic Trace or no previous UK address is available, these members have a full trace carried out using data sources such as GRO indexes, credit databases and historic electoral rolls. This is priced per category of result from the electronic trace, regardless of successful result in the exercise.

## Data

The East Sussex Pension Fund had a total of 7,764 deferred members which were in scope for the member tracing exercise.

Where a member does not have a last known address listed on the administration system, these automatically are required to undergo the full trace. Members with an address that is not within the United Kingdom are not eligible for the electronic trace.

The below table breaks down the data for the electronic trace.

Category	Number of cases
Member with address history	7,742
No address held	22
Total	<b>7,764</b>

ITM were securely transferred data from Altair on the 7,742 members of which had address data on their record. These cases then went forward for the mortality screening and electronic trace phase.

## Mortality Screening

The mortality screening process identifies members who have died within the last 11 years. The data for the in scope population were compared to the Disclosure of Death Registration Information (“DDRI”) data from the General Registry Office (“GRO”) to identify any recent deaths. The results are summarised below:

There is a standard cost of £0.20 per member for the mortality screening.

Category	Number of Cases
Excellent Match	3
Good Match	33

An excellent match is a case where all admin and DDRI data items match, leaving ITM in no doubt that the member is deceased. A good match will be generated where all data items match except the postcode or all data items match with the exception of the address but ITM have confirmation that the individual was living in the same area.

All 36 cases identified in the mortality screening process were sent onto the pension administration team to ensure scheme member data is correct and any action required is carried out. These cases were then excluded from the electronic tracing exercise.

### Electronic Trace

Excluding the 36 cases identified in the mortality screening, 7,706 members were then eligible for the electronic trace. However initial data analysis performed by ITM on the member data supplied highlighted that:

- There were 123 members with overseas address

These 123 members were therefore ineligible for the electronic trace.

7,583 members were then taken forward to the electronic trace. This is a multi-stage process made up of:

- Comparing known addresses against the Royal Mail’s Postcode Address File (“PAF”) in order to pick up any missing postcodes and to correct addresses where possible.
- Then the data undergoes an automated comparison against the Electoral Roll to obtain additional forenames and verify continued residence.
- Where continued residence is not obtained, ITM perform a check on financial and credit data to locate the member. This is a non-intrusive process with no contact being made with the member.

The results of the electronic trace are summarised below:

Trace Result	Number of cases	Next steps
Traced Same <3 Months	389	No further action
Traced New <3 Months	4,294	Update member address on admin system
Traced Same >3 Months	6	Full trace required to verify address
Traced New >3 Months	757	Full trace required to verify address
Person Matches	1,084	Full trace required
No Matches	1,053	Full trace required
	<b>7,583</b>	

There is a cost of £1.25 if ITM were successful in tracing a member to a new address within the last three months. There is no further cost if the member cannot be traced to a new address or is verified at the same address during the electronic trace.

The cost to the East Sussex Pension Fund for the mortality screening and electronic address tracing work is:

	Cost per case	Cases	Total Cost
Mortality and Electronic Trace	£0.20	7,742	£1,548.40
Traced to new address within the last 3 months	£1.25	4,294	£5,367.50
			£6,915.90
		VAT 20%	£1,383.18
			<b>£8,299.08</b>

Of the 7,583 members included in the electronic trace, ITM successfully located 4,683 of these members to either the same address held on the administration system or a new address. This is a 61.76% successful trace rate on the electronic trace exercise. All newly identified addresses were then updated on the pension administration database, as agreed by the Fund.

### Full Trace

Where an address has not been able to be validated during the Electronic Trace or no previous address is available, ITM carried out an in depth full trace using various data sources such as GRO indexes, credit databases and historic electoral rolls. The data sources are interrogated by skilled analysts to identify a possible address which is then identified via direct communication with the member.

There were two categories that made up the full trace:

1. Members with no address history on Altair. These cases could not be included in the electronic trace.
2. Members who were unsuccessfully traced in the electronic trace, either due to the address being unverified outside of the last 3 months or no matches on the data results.

The pricing for the full trace is based on the member category.

Full trace category	Price per case
New address verification ( outside of 3 months)	£5.25
No matches from the Electronic Trace	£7.00
No last known address	£7.50

The below summary of results outlines the quantity of members per category and the number of positive trace results.

Full trace category	Cases in category	Positive trace result	Result percentage
New address verification (outside of 3 months)	763	436	57.14%
No matches from the Electronic Trace	2,137	1,192	55.78%
No last known address and Abroad address	145	28	19.31%
Totals	<b>3,045</b>	<b>1,656</b>	<b>54.38%</b>

All newly identified addresses were then updated on the pension administration database.

The cost to the East Sussex Pension Fund for the full trace is:

	Cost per case	Cases	Total cost
New address verification (outside of 3 months)	£5.25	763	£4,005.75
No matches from the Electronic Trace	£7.00	2,137	£14,959.00
No last known address and Abroad address	£7.50	145	£1,087.50
			£20,052.25
		VAT 20%	£4,010.45
			<b>£24,062.70</b>

### Summary of project

In total ITM carried out a trace on 7,764 members and were able to identify addresses for 6,339 of these members. Based on these figures, the success rate of this exercise is 81.65%.

The project was delivered in accordance with defined timescales and agreed budget.

Overall the project to trace deferred members addresses can be seen as a success due to the number of successful trace results. Furthermore the exercise has been completed in line with TPR code of conduct, ensuring the scheme are compliant with regular data maintenance and holding accurate common data. By carrying out this exercise data quality and accuracy has been improved and will provide benefits in the efficient running of the Scheme and communicating with members.

Where a new address was identified by ITM, the 'gone away' indicator was removed for these members on Altair at the point the address was updated on the system. Furthermore an indicator has been included on the members Altair record for audit purposes, confirming the address was updated as part of the ITM address tracing exercise.

### Future work

It is the recommendation of the Orbis pension service that this work is added to the annual events calendar and contract be put in place with ITM to carry this work out annually. The service also recommend adding status 9 members to the scope of this annual exercise, to ensure these cases can be processed. This will keep the East Sussex Pension Fund in line with TPR code of conduct and act as a common data quality exercise on a regular basis.