GDPR: The difficult questions about data

It's now little over a month until GDPR comes into effect on 25 May 2018. If you haven't yet started addressing GDPR don't panic: put a plan in place and prioritise the key actions. In this article we try to address a few of the difficult questions

How long can I keep pension data?
Under GDPR, data must be kept only as long as necessary. But what does this really mean? There is no clear cut answer but what is clear is the need to have a transparent data retention policy setting out how long each category of pension scheme data is to be kept.

Historically many pension schemes have simply kept all their data forever. We certainly find this approach helpful for benefit rectification work when reconstructing and recalculating individuals' benefits. Conversely some pension schemes have deleted or lost data along the way, sometimes due to records being closed to reduce licence fees. This can lead to difficulties, particualrly when tying up the membership for GMP reconciliations. There will no doubt be exercises in future when further benefit rectification work may be required, for example GMP equalisation. There is therefore good justification to keep the majority of pension data for the long term.

There are however some data items that are only needed for shorter periods, e.g. medical records for the purpose for making a decision on ill-health retirement (unless the member's health is periodically reviewed).

Also consider how long to keep data for 'no liability' members such as those who transfer out. You will want to keep at least skeletal data to prove that they had a benefit in the scheme and subsequently left, but it may be possible to delete some of the detail. Don't get carried away though – it's theoretically possible that you will want to do a benefit rectification exercise and recalculate their transfer value at some point in the future.

How do I minimise the data held?
Under GDPR, the data kept must be limited to what is necessary for the purposes for which it is processed. Start by considering the personal data you're currently collecting. You need to strike a balance between gathering the information you need and not having more personal data than required. Once you have ensured that your current processes are compliant, you can then get on with the much bigger challenge of reviewing the data you have already amassed.

You may well hold data that is no longer current such as historic addresses, out-of-date nomination forms (which may implicitly infer a member's sexual orientation, which is classed as sensitive) and old bank account details. Much of this can certainly be deleted. There may also be data that has never been needed and acquired inadvertently, for example the employer providing too much information when a member joins the scheme.

You also need to consider data held by other organisations processing data on your behalf. Check what data these organisations are holding, consider whether it is still required and if not request that they delete the data.

How do I identify and delete the unwanted data?
Deleting data is easier said than done. Historic data may be on microfiche, in which case start by scanning it but doing so intelligently, i.e. scanning in such a way so that you can firstly find data and then secondly delete selected data items. The same principle applies to scanning paper records. For data that isn't required on a daily basis but which you'd like to keep 'just in case', consider securely archiving such data and document your approach.

Data may be stored in a multitude of places on computer networks, databases, cloud storage and more. There are various data discovery tools on the market that you can deploy to search for personal data and it's worth engaging your IT specialists in these areas.

There may be some areas where the cost is prohibitive and disproportionate to the attached risk in which case you may decide to take a pragmatic course of action. In this case make sure you have documented your approach and reasoning.

In summary, review what personal data you hold, determine whether or not you need it and if so how long to keep it for, delete any data that is no longer required and document everything.

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