



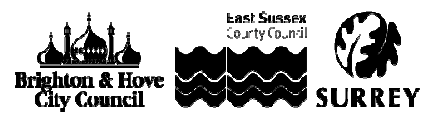
Surrey Pension Fund Pension Administration Improvement Plan



Surrey Pension Fund is a circa £4 billion fund with some 95,000 members. Pensions Administration Service has the following main operational challenges:

- Work outstanding of 26,600 cases. Made up of:

Type of work	Volume
Deferred leavers	5,331
Transfer In	1,097
Refunds	2,990
Transfer In	1,097
Other KPI work	1,402
KPI sub total	10,820
Plus,	
Unidentified leavers without tasks assigned	10,968
Non KPI outstanding work	4,771
Total work outstanding	26,559



- 18,900 BAU cases done in 2018/19 so over a years' worth of work. Membership and demand is growing.
- Service Resilience
 - LGPS experience risk – 25% of the team are at or near retirement age, equating to 45% of LGPS knowledge.
 - Performance impact of Employer activity such as admissions, cessations and restructures. Ad-hoc and unplanned events directly impact BAU.
- Data Quality
 - tPR requirements are increasingly demanding.
 - End of Year, ABS, Valuation. The main reason backlog happened.
 - Legacy queries need resolving. High risk of error and inefficient processing.
- Assurance
 - Compliance. LGPS is complex and always changing. We must have technical expertise to manage change into the service.
 - Controls are needed to evidence quality.



Approach to addressing the challenges:

- ✓ Understand the Disclosure breach position, Regulator reporting and member impact.
- ✓ Clear the backlog using an external provider

Backlog is significant but temporary. Resolving at pace requires prompt access to expertise which can also be flexed following efficiency improvements.

- ✓ Resilient BAU

Grow LGPS expertise now to mitigate future loss. Increase capacity to satisfy growing demand of members and employers.

- ✓ Data Quality

Create a dedicated data quality improvement team.

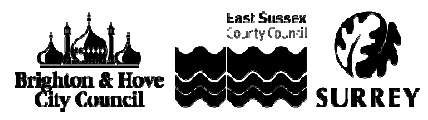
- ✓ Service Improvement Plan

Technology and process efficiency to generate BAU capacity.

- ✓ Operational Assurance and Quality

4

Procedures and Controls to evidence compliance and performance





Next steps:

- ✓ Refine the KPI reporting process so it is robust and accurate.
- ✓ Estimates of investment required have been completed but requires independent checking.
- ✓ The estimates also set out a timeline to address the historic problems and transform the service so it is future-proofed.
- ✓ Work with the Fund Officers to review the estimates in detail and agree assurances.
- ✓ Follow robust governance to achieve agreement of Officers, PFC and LPB.

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