

**Annex 1b – Response from the Section 151 Officer to the Chairman of the Surrey
Local Pension Board**

Dear Nick

Thank you for your email of 22 July 2019 on behalf of the Surrey Local Pension Board, and apologies for the delay in sharing this response. I am grateful for your collaborative approach and the positive support being shown to address the current pensions administration issues and transform the service into one which demonstrates assurance, resilience and excellence.

The Service Improvement Plan has been established as a programme of work being delivered by the Pensions Administration Team with support from across Surrey CC where needed. There is clear project governance led by diverse and senior representation and the LPB receives highlight reports as part of meeting papers. Progress is good, particularly with:

- BAU stabilised as a result of 3 key leadership appointments, the recruitment of 9 trainees and the restructure to specialist teams.
- First stage of backlog clearance progressing to plan with 3,232 Surrey cases sent for processing by JLT.
- A successful end of year exercise and the delivery of Valuation data to the actuary on 26 July.
- Benefit Statements being generated and on plan to complete ahead of the 31 August deadline.
- The milestone actions in response to the findings of the Internal Audit are being delivered to agreed times, with a follow up audit being planned for October 2019.

As discussed at the Service Improvement workshop, there are also many opportunities to improve the efficiency and effectiveness of the service in the next phase, which are being assessed as business cases and planned in for the coming months.

As the Service Improvement Plan has developed, further analysis shows the additional projects to be done in order to complete the backlog at pace and build a service which is resilient for the future.

The additional projects were introduced in the Improvement Plan discussed at the LPB and is attached to my response so everyone has sight of it. In particular, the recommendations of greater use of external resource to address the backlog, service resilience by growing expertise and key technical appointments, and robust reporting. With staged delivery, our target, subject to planning, is to complete the new projects within 2 years from commencement.

We are committed to working through the proposed next actions urgently in order to verify the analysis, and agree what assurances are appropriate in support of the work by 9th August. The due governance process will be followed for full visibility and approval of the funding needed. The Pensions Administration Team will complete the work and have a detailed plan in good time for the LPB meeting on 24 October with support from Fund and Surrey CC Officers. The second attachment shows the current programme plan on a page and continues with a timeline of how we will progress with the additional projects to form and set the new Service Improvement Plan.

I'm aware that Andrew Marson has organised two update sessions to keep you and the LPB involved and informed of our progress, the first on 4 September, aligned to PFC on 13 September and the second on 9 October, aligned to LPB on 24 October.

I hope that my response provides you with the necessary reassurances of our commitment to Surrey Pension Fund and the provision of a highly valued pensions administration service.

Leigh Whitehouse
Section 151 Officer