

## Highlight Report – SFR Pension Transfer – Project Phase: In Delivery

<b>Date of Report:</b>	21 July 2021	<b>Upcoming Milestones</b>		
<b>Project Lead</b>	Chloe Painter	<b>Item</b>	<b>Due</b> (* = estimated)	<b>Status</b>
<b>Prepared by:</b>	Chloe Painter	Test data extract	21/07/21	Complete
<b>Project RAG Status</b>	<b>Green</b>			
<b>Project Scope</b>				
<p>The administration of Surrey Fire and Rescue Service (SFRS) is to transfer from Surrey County Council to XPS Pensions Group (XPS) effect from 1 September 2021. Aquila Heywood has been engaged and will be providing a detailed implementation study, extracting member data (including all pensioner payroll data) and image documents from Altair to transfer to XPS.</p> <p>The scope of this administration transfer includes;</p> <ul style="list-style-type: none"> <li>• Migration of all SFR pension administration to XPS, including pensioner payroll and all historic payroll data</li> <li>• Transfer of all work in progress for both admin and payroll to new provider</li> <li>• Financial reporting in line with current requirements</li> <li>• Ensure XPS provide continue to run payroll in line with current payroll schedule</li> <li>• Delivery of all annual scheme / regulatory events</li> </ul>		Parallel run 1	22/07/21	On schedule
		Test data loaded to XPS	26/07/21	On Schedule
		Live extract – Start of P06	25/08/21	On Schedule
		Parallel run 2	26/08/21	On Schedule
		Live extract of data from SCC and upload to XPS	30/08/21	On schedule
		Go Live	01/09/21	On Schedule

### Project Summary

The first test data extract of the Surrey Fire Pension Schemes member data and documents was taken from Surrey County Council Altair on 21 July by Heywood, and securely uploaded to XPS in order to run the test parallel payroll run. Data reports are also being run and sent to XPS in order to ensure all data from SCC systems match what is input into XPS system. From July to August, any changes to scheme member records that affect payroll (bank changes, address changes, payable values, deaths, suspensions, tax codes, deduction changes etc) will need to be collated and shared with XPS weekly to ensure their system mirrors ours, ensuring the parallel running goes smoothly and both systems balance ready for Go Live.

To accompany the transfer of administration, a new PAYE reference is required for the Fire Scheme Members. The standard HMRC P350 process (new PAYE references from 6th April) will not work because it would require both XPS and Surrey County Council to co-administer the PAYE for the remainder of the 2021/2022 tax year. In light of this, a formal request has been made to HMRC Complex Case Team for an “in year P350” in order split out the Fire Scheme members onto a new PAYE reference. A response from HMRC is due week commencing 26 July.

Finance have granted approval for the financial reporting process currently in place to be transferred to XPS, which will see the development of the same GL report into the XPS Altair system. This will ensure that finance processes remain the same going forward and remove any risk associated with adopting any new processes for this area.

Over the coming weeks, the next steps are:

- XPS to provide SCC letter templates to send to scheme members informing them of the change in pension administrator
- Finalising the access required by XPS to ensure payments are made to members through the SCC bank account
- August parallel payroll run
- Live on XPS admin from 1 September 2021

**Key Risks & Issues**

Item	Detail	Action/Update
<b>Unit4 system implementation</b>	Due to the move from SAP payroll system to Unit4, Orbis payroll team have raised a risk of resource as there is a SAP development freeze resulting in resource issues to develop the necessary payroll and finance reports.	It has been agreed with both XPS and Orbis that the monthly employer data report will not be required at migration go live and can be created after unit4 has been implemented to ease resource issues within Orbis. The agreement to mitigate this risk will see the reports being developed between XPS and Surrey Payroll in 2022 and an annual employer data report to be submitted for the end of year process. This is an acceptable mitigation as current the employer data is sent annually, so follows current process.
<b>SFR Project Manager resource</b>	The current Project Manager within the fire service has now left which will impact on the current service projects timeline and rectification of any data issues prior to the transfer until a new PM is appointed.	Recruitment to commence for a new Project Manager, however this will remain an issue for at least two months due to recruitment and selection timeline.