Financial System Update

The new financial system for Surrey County Council was implemented in early June. As with any large-scale change there have been a number of teething problems as the new system beds in.

1	**Go live was in June**	The cutover was actioned in early June. There is no period of double running of the main ledger and MySurrey (Unit4) is now the default financial system.
2	**Several configuration and data population issues were subsequently experienced**	Several data population and access availability issues followed the initial go live date and process backlogs have built up as initial issues have been addressed and the teams gain familiarisation with the new system.
		Hard work has been underway to fix ongoing issues and help staff – the support team were experiencing high call volumes through July and August.
3	**Many elements are working…**	Many HR and payroll related elements are functional. This includes e.g. transfer of leave balances and salary payments to staff.
		Some 'processing' components have now been introduced that weren't configured at 'go live' – such as e-mail notifications for managers.
		Reallocation processes to post regular Employer Contributions are working (excluding Payroll)
4	**…but issues remain**	There has been pressure on server capacity at various times – this has usually been quickly rectified.
		There are several configuration and reporting issues that are ongoing. There have been some 'display' errors of national insurance or LGPS contributions on staff payslips – these have not affected correct payments but will be rectified. Dashboards for employees and line managers are not yet live.
		Specific accounting reports for the Pension Team such as trial balance have been requested but not yet delivered.
		We are awaiting resolution of leaver notification processes – this is a material issue and needs payroll action to rectify. Proposals are in train for progressing a solution to this.

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5	**We have issues with reporting in the cash system**	We had some issues with gaining the correct system and user access which led to a backlog in processing Contributions and Transfers In.
		The posting process for Treasury cash transactions has not yet been created – leading to balances currently unallocated on the Balance Sheet.
		Reports have not yet been created for cashbook – the current workaround involves updating from the bank account directly.
		Electronic Banking System (importing data from HSBC to MySurrey) undertaken by Surrey County Council presently, due to be taken over by Surrey Pension Team when additional training is provided.
6	**There are some issues with parallel running of payroll systems**	For Schools processed by Surrey County Council Payroll, this can only be processed in SAP, but this data has not been imported into MySurrey. This means a degree of manual processing with consequent risks and delays.
		Breakdowns are required from Surrey County Council to allocate contributions. These have not yet been provided.
7	**Accounts payable and receivable configuration issues**	Requisitioning did not go live until 2 weeks after 'Go Live' and pension fund suppliers were incorrectly set up in MySurrey. This has taken some time to resolve.
		The Invoice Register available in MySurrey has not yet been set up for the Surrey Pension Team.
		Invoices can currently only be raised individually rather than in batches – we require suitable access to the batch template.
8	**Delayed processing remains a risk**	Delayed processing remains a risk, due primarily to ongoing access or configuration issues.
9	**Risk register very high impact risk score reduced but remains under review**	A risk noted in the risk register is that implementation of new financial systems leads to delayed processing, data integrity issues or financial loss.
		While there is still some work to do on several configuration elements and reporting, as noted to the Board at the last meeting, the 'Severe' impact risk score has been reduced. A moderate impact is still likely due to process and/or configuration backlogs. This risk score will, of course, remain under review.

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