

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 continue to address areas raised.
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 not yet been 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.

<p>5 We have issues with reporting in the cash system</p>	<p>We had some issues with gaining the correct system and user access which led to a backlog in processing Contributions and Transfers In.</p> <p>The posting process for Treasury cash transactions was not created until September – leading to balances remaining unallocated on the Balance Sheet. These balances have now been cleared.</p> <p>Reports have still not yet been created for cashbook – the current workaround involves updating from the bank account directly.</p> <p>Reports have not yet been created for Actuary data submissions; current standardised reports are not fit for purpose. A request for new SPF reporting escalated to DB&I Report Writing Team, due date tbc.</p> <p>There are issues of Intercompany transactions between SCC and SPF in MySurrey within the Banking process. An Autopost process has been implemented, whereas there should be no such process. Separate project to rectify this has commenced October 23.</p> <p>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. Also, not all Cash Receipts are being imported to correct Account Codes causing reconciling errors.</p>
<p>6 There are some issues with parallel running of payroll systems</p>	<p>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.</p> <p>Breakdowns are required from Surrey County Council to allocate contributions. These have not yet been provided.</p>
<p>7 Accounts payable and receivable configuration issues</p>	<p>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.</p> <p>Invoices can theoretically now be raised in batches rather than as originally configured to be only raised individually – but this has yet to be successfully progressed.</p>
<p>8 Delayed processing remains a risk</p>	<p>Delayed processing remains a risk, due primarily to ongoing access or configuration issues.</p>

-
- 9 **Risk register impact risk score 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 original 'Severe' impact risk score was reduced. The risk score has subsequently been reappraised and given ongoing issues increased to 'Major' from the 'Moderate' score. This will, of course, remain under review.
-
- 10 **Service Delivery feeling the impact but seeking resolution to mitigate issues**
- New starter information, change of details and full leaver information has not been supplied since May 2023 for Surrey CC members as per the iConnect monthly process.
- Whilst a work around has been implemented to receive key leaver information for retirements, death and redundancy, the lateness of this is causing delays in processing member benefits.
- When data is then supplied, it often has a high sense of urgency due to the time delays, leading to cases being fast tracked, which ultimately impacts other members awaiting their benefit and service performance levels.
- With the cases facing delays, it has increased member contact with Surrey Pensions seeking an update, requiring further investigations to understand the issues by Surrey Pensions and determine the root cause.
- To provide focus and support with a view to find suitable resolutions, Surrey Pensions Team have set up a joint working group with Surrey CC Payroll. The provision of reports and vital data has agreed time frames to deliver this (end of October) and, this support will remain over the coming months. The support offered will come in the form of testing, data validation and education.
-

This page is intentionally left blank