

**SURREY COUNTY COUNCIL****LOCAL PENSION BOARD****DATE: 29 JULY 2022****LEAD OFFICER: ANNA D'ALESSANDRO, DIRECTOR OF FINANCE, CORPORATE AND COMMERCIAL****SUBJECT: TRANSFORMATION PROGRAMME UPDATE****SUMMARY OF ISSUE:**

On 1 May 2022 the newly integrated Surrey Pension Team, combining administration with all other Fund activities went live and as such marks completion of the "Turnaround Programme".

Going forward the focus moves from "turnaround" to "transformation" and the ongoing programme will oversee the following:

1. **Customer Relationship Team** – to successfully transition the Pensions Helpdesk from Business Operations to the Surrey Pension Team and to assess the capability and functionality
2. **Customer Insights** – to develop a customer insights strategy and implement improvements in line with our Vision and Mission
3. **Banking Controls** – To successfully transition Banking Controls from Business Operations to the Surrey Pension Team
4. **Culture and Training** – To continue embedding the culture and training required in line with our Vision and Mission

This report provides the Surrey Local Pension Board (the Board) with an update on the Transformation Programme.

**RECOMMENDATIONS:**

It is recommended that the Board:

Note the content of this report and make recommendations to the Surrey Pension Fund Committee (the Committee) if appropriate.

**REASON FOR RECOMMENDATIONS:**

The Public Sector Pensions Act 2013 requires Local Pension Boards to assist the Scheme Manager in securing compliance with the Local Government Pension Scheme (LGPS) Regulations and requirements imposed by the Pensions Regulator. This report provides the Board with insight into the activities of the Surrey pension function and furthers the successful collaboration of the Committee and Board in managing risk and compliance and promoting effective governance.

**DETAILS:**

## Background

1. As a result of a review of the Orbis partnership between East Sussex County Council (ESCC) and Surrey County Council (SCC), it was recommended that management of pension administration revert to the sovereign control of both councils.
2. SCC retained legacy responsibility for managing the administration of Surrey fire fighters pension scheme, as well as 4 London Borough LGPS funds (Kensington & Chelsea; Westminster; Hammersmith & Fulham and Hillingdon). After failing to agree on a revised pricing model, these have all now exited Surrey's management.
3. A pension Turnaround Programme was established with Phase 1 overseeing the dissolution of the Orbis pension partnership, along with reversion to sovereign authorities and London Borough fund relationships and Phase 2 overseeing the Organisation redesign. A three year roadmap has been developed as follows:



4. Phase 1 comprised the following six projects:
  - a) Dissolution of the Orbis pension administration.
  - b) SCC sovereign return.
  - c) ESCC sovereign return.
  - d) Systems procurement.
  - e) Exit of London Boroughs.
  - f) Exit of Surrey Fire and Rescue service (SFRS).
5. Phase 2 comprised the following workstreams:
  - a) Organisation re-design

- b) People & Recruitment
  - c) Process & Technology
  - d) Culture & Training
  - e) Communication & Engagement
6. All workstreams of the Turnaround programme are now complete. In order to successfully deliver the outstanding items outlined within the three-year roadmap the focus shifts from “Turnaround” to “Transformation” delivering the following workstreams:
- a) Customer Relationship Team – to successfully transition the Pensions Helpdesk from Business Operations to the Surrey Pension Team and to assess the capability and functionality
  - b) Customer Insights – to develop a customer insights strategy and implement improvements in line with our Vision and Mission
  - c) Banking Controls – To successfully transition Banking Controls from Business Operations to the Surrey Pension Team
  - d) Culture and Training – To continue embedding the culture and training required in line with our Vision and Mission
7. This report provides an update on the progress of the Transformation Programme.
8. The Chairman of the Pension Fund Committee and the Local Pension Board are provided with an update on the progress of the Transformation Programme on a monthly basis.

#### **Transformation programme update**

9. Executive Summary:
- a) Existing helpdesk staff engaged, and ongoing sessions have been held to field questions from staff
  - b) IT engaged to enable Helpdesk technology to be set up to ensure a seamless transition
  - c) Recruitment for replacement Helpdesk Team Leader and East Sussex agents underway
  - d) Customer insights discovery works underway to define scope of works
  - e) Banking controls processes reviewed incorporating assessing resourcing requirements
  - f) New induction for Pensions staff due to launch and development underway for a new customer service training programme
  - g) New modular training being developed alongside the creation of a ‘High Performing Teams’ development day is also underway for extended leadership team to assist in embedding the new culture and bringing the vision and mission to life which is due to be delivered early August
10. Customer Relationship Team update:
- a) Completed activity:

- i- FAQs documented circulated to staff
- ii- Fortnightly sessions with Business Operations staff set up to field any ongoing questions
- iii- PID completed by IT&D for works associated with transitioning/separating IT and telephony
- iv- Weekly project meetings set up between Pensions, Business Operations and IT&D to ensure visibility of all workstream activity
- v- Recruitment underway for Helpdesk Team Leader
- vi- Recruitment underway for ESCC Helpdesk agents.

b) Planned activity:

- i- Complete statement to satisfy Equality Impact Assessment
- ii- Complete any necessary Data Protection IA
- iii- Continue staff engagement
- iv- Continue IT&D works to transition/separate IT and telephony
- v- Complete selection for Helpdesk Team Leader
- vi- Complete selection for ESCC Helpdesk agents.

c) Risks/dependencies:

- i- Recruitment of new Team Leader for the existing Helpdesk and recruitment of ESCC resource could delay transition timelines
- ii- Transition timeline dependent on relevant technology being in place. BT is the Cisco telephone support system supplier who are known for slow response times to change requests.

11. Customer Insights update:

a) Completed activity:

- i- Discovery works continuing reviewing all current practices both internally and externally

b) Planned activity:

- i- Discovery works to be completed by mid August

c) Risks/dependencies:

- i- None for escalation

12. Banking controls update:

a) Completed activity:

- i- End to end discovery works complete
- ii- Recommendations for delivery of the plan submitted and approved

b) Planned activity:

- i- Commence works for delivery of the plan
- ii- Complete recruitment of Accounts Processing Officer
- iii- Complete new process flows

- c) Risks/dependencies:
  - i- Timeline for transition is dependent on implementation of Unit 4 as plan is to complete transition once Unit 4 is fully implemented rather than during implementation

13. Culture and training update:

- a) Completed activity:
  - ii- eLearning induction 99% complete
  - iii- Outline and content of first extended leadership development day in progress
- b) Planned activity:
  - i- Roll out of induction eLearning to all Pensions staff including Helpdesk
  - ii- Pre-work for extended leadership team in preparation for development day
  - iii- Progress roll out of skills based training to all staff utilising Hymans LGPS Online Learning Academy
  - iv- Agree ongoing plan for skill based and engagement/collaboration for Cabinet, extended leadership and whole of pensions
- c) Risks/dependencies:
  - i- Resource assigned to development of eLearning from central HR&OD has delayed planned roll out of induction eLearning

**CONSULTATION:**

14. The Chairman of the Local Pension Board has been consulted on this report.

**RISK MANAGEMENT AND IMPLICATIONS:**

15. Risk related issues have been discussed and are contained within the report.

**FINANCIAL AND VALUE FOR MONEY IMPLICATIONS**

16. The performance of the pensions function does present potential financial and value for money implications to the Pension Fund. The Transformation Programme seeks to address this.

**DIRECTOR OF FINANCE, CORPORATE AND COMMERCIAL COMMENTARY**

17. The Director of Finance, Corporate and Commercial is satisfied that all material, financial and business issues and possibility of risks have been considered and addressed.

**LEGAL IMPLICATIONS – MONITORING OFFICER**

18. There are no legal implications or legislative requirements.

**EQUALITIES AND DIVERSITY**

19. Equality or diversity issues are addressed in this report.

**OTHER IMPLICATIONS**

20. There are no other implications.

**WHAT HAPPENS NEXT**

21. The following next steps are planned:

- a) Further updates will be provided to the Chairman of the Board on a monthly basis and to the Board at its next meeting.

---

**Contact Officer:**

Neil Mason, Assistant Director - LGPS Senior Officer

**Consulted:**

Local Pension Board Chairman

---