

SURREY COUNTY COUNCIL

LOCAL PENSION BOARD



DATE: 11 NOVEMBER 2022

LEAD OFFICER: ANNA D'ALESSANDRO, DIRECTOR OF FINANCE,
CORPORATE AND COMMERCIAL

SUBJECT: TRANSFORMATION PROGRAMME UPDATE

SUMMARY OF ISSUE:

On 1st 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:

1. 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 ESCC and 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) Transition of Helpdesk from Business Operations to Surrey Pension Team planned to go live on 28th November 2022
 - b) Customer insights works continuing jointly between Helpdesk and Communication leads with sponsorship from Head of Service Delivery
 - c) Transition of Banking controls from Business Operations to Surrey Pension Team planned to go live in November 2022 and training of team underway
 - d) New induction for Pensions staff launched
 - e) Training strategy in development
 - f) Three extended leadership team events have taken place the aim of which has been to embed the new culture and bring the one pensions team ethos to life
10. Customer Relationship Team update:
- a) Completed activity:
 - i- Engagement with existing Helpdesk staff ongoing with staff included in Whole of Pensions communications and invited to Whole of Pensions meetings.
 - ii- All relevant IT systems in place ready for transition on go live date
 - iii- Recruitment for replacement Helpdesk Team Leader, ESCC and SCC

- agent vacancies complete
 - b) Planned activity:
 - i- Transition of Helpdesk from Business Operations to Surrey Pension Team planned to go live on 28th November 2022
 - c) Risks/dependencies:
 - i- None for escalation
11. Customer Insights update:
- a) Completed activity:
 - i- Customer insights works continuing jointly between Helpdesk and Communication leads with sponsorship from Head of Service Delivery
 - b) Planned activity:
 - ii- Engage an external partner to survey a sample of each of our customer and stakeholder groups in order to understand how we can best meet their needs and inform the next stage of works
 - c) Risks/dependencies:
 - i- None for escalation
12. Banking controls update:
- a) Completed activity:
 - i- Training activity underway so that team have the required skills and knowledge to undertake work once transitioned
 - b) Planned activity:
 - i- Complete training activity
 - ii- Transition from Business Operations to Surrey Pension Team during November 2022
 - c) Risks/dependencies:
 - i- As a result of implementation of Unit 4 being further delayed, the decision was taken to not wait for Unit 4 to be fully implemented before transitioning and to instead complete the transition during November 2022. Whilst this will result in the team having to learn a new process associated with banking controls it was felt this presented less of a risk than the work continuing to sit outside of the Pension Team
13. Culture and training update:
- a) Completed activity:
 - ii- eLearning rolled out to all staff including Pensions Helpdesk
 - iii- Three Extended Leadership Team events taken place with great success and positive feedback
 - iv- First in-person Whole of Pensions Team meeting has taken place since the teams came together as a fully integrated team
 - v- New Pensions Training Officer has started in role
 - b) Planned activity:
 - i- Training strategy in development to include roll out of skills based training to all staff utilising Hymans LGPS Online Learning Academy and customer service training
 - ii- Quarterly in-person Whole of Pensions meetings and Extended Leadership Meetings to maintain “one pensions team” ethos
 - c) Risks/dependencies:
 - i- None for escalation

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

This page is intentionally left blank