

**RESPONSES TO CLLR BOB HUGHES QUESTIONS
28 JUNE 2023**

Why were Academies given such short notice?

The provision of a payroll service by Surrey County Council (SCC) to Academies is set out within service level agreements (SLA). A notice period of three months is included as part of this contractual agreement. Although it is recognised that it will be a challenging implementation period to transition Academies to a new payroll provider by October / November 2023, this still provides a period of four to five months to complete the transition, which is more than the three-month notice period signed by both parties within the SLA.

Timings have also been impacted by contractual constraints with the SAP ERP solution which is used by SCC to process the payroll for the Academy cohort, as well as balancing the need to engage with staff on the future direction for the service in parallel with engaging with the customer cohort.

Why this timing was chosen, given that it is the end of their financial year?

The timings chosen to cease the provision of a payroll service to Academies has been driven by the contractual arrangements associated with the old SAP system that the payroll for Academies currently operates on. The current SAP contract ceases mid-December 2023; failure to exit SAP by December 2023 would result in a significant additional cost to SCC. In order to ensure closedown and archiving activities are completed, there is a need for customers to have exited payroll provision by November 2023 at the latest, although some will need to exit in October 2023 to ensure a staggered approach. This will be undertaken based on the size of the customer to be transitioned, with larger Multi-Academy Trusts requiring more work to transition compared with individual academies or small MATs.

Seeking an extension to the current SAP contract beyond December 2023 would require SCC to extend the contract for a minimum of one-year at a significant additional cost to the Authority (c. £500k). Furthermore, the data centre in which SAP is currently hosted would require further additional investment to ensure it is there is a stable technical platform, should SAP licences be extended. Combined these two costs would total around £1 million.

Once notification of a new provider is received from any MAT or individual academy, SCC will work with both the MATs and individual academies and new providers to ensure a smooth transition.

What contact arrangements will be put in place to assist them through the process?

It is anticipated that the level of support required will vary from customer to customer. A project team is being assembled to support the technical offboarding and transitioning of customers; this will comprise of a combination of project management resource with some payroll resource to support data and technical requirements. This team will become the key

customer facing resource to support customers through the process, whilst also interfacing with new providers the Academies are transitioning to.

In addition, a generic email inbox has been created that will provide customers with a central contact point to submit questions and queries in relation to their offboarding, which will be logged, assigned and responded to.

What SCC payroll clients are also affected?

All corporate SCC payroll clients, along with Surrey maintained schools, will continue to receive their service as normal via MySurrey, following go-live in early June 2023.