

Financial System Update

The new financial system for Surrey County Council was implemented in early June 2023. As with any large-scale change there have been a number of teething problems as the new system beds in.

1	Delayed processing remains a risk	Delayed processing remains a risk, due primarily to ongoing access or configuration issues. A separate SPF Working Group has been formed to address and rectify the processing delays, before transitioning to BAU.
2	Risk register impact risk score remains unchanged	<p>A risk noted in the risk register is that implementation of new financial systems leads to delayed processing, data integrity issues or financial loss.</p> <p>While there is still some work to do on several configuration elements and reporting, the risk score has remained unchanged.</p>
3	Several configuration and data population issues were experienced post go live	Several data population and access availability issues followed the initial go live date and process backlogs built up as initial issues were addressed and the team's gained familiarisation with the new system.
4	Many elements have been addressed...	The initial focus was on ensuring HR and payroll related elements were functional. This included e.g. transfer of leave balances and salary payments to staff.
5	...but issues remain	<p>Payroll related pension issues have been ongoing for some time.</p> <p>The Working Group has been successful in gaining adequate reporting from SCC Payroll to allow the Contribution Income for 2023/24 to be posted correctly to the Ledger in MySurrey. And in turn, allowed for successful Cashflow and Actuarial Reporting for 2023/24. However, production of this report / contribution form is outstanding for 2024/25. The Working Group will continue to support SCC Payroll to ensure this becomes part of their monthly processes.</p>

6 We have some ongoing financial issues

System and user access remains an issue.

The Working Group has successfully amended the SCC Data & Security Policy for MySurrey. This allows for SPF to create and amend users' MySurrey access profiles directly, not via SCC Corporate Finance Helpdesk requests. The next stage for the Working Group is to audit the role profiles in MySurrey for all non-finance colleagues in SPT to ensure system access is correct.

General report creation remains an issue. Whilst report writing and publishing is ongoing by the DB&I Team, a separate Reporting Group has been set up by SCC to share knowledge, collaborate on reports, dashboards and more complex enquiries that will be used across Finance, and SPT Finance staff are a part of this new group.

Banking system interface and reconciliation process is recommended to be transferred from SCC Banking to SPF Finance in Q3.

Invoice processing workarounds to be more fully resolved, particularly for Accounts Payable where the PO payment route is failing, leading to delays to paying Suppliers.

7 Service Delivery feeling the impact but remains committed to finding a resolution to mitigate issues

Monthly Returns via iConnect:

The March 2024 iConnect file was due to be received on the 31 May and was successfully submitted on the 5 June, providing all necessary member data between June 2023 and March 2024.

The risk rating moved to severe temporarily when the initial deadline was missed however, it returned to its original levels once the file was received. The reason for this being that the work associated with producing Annual Benefit Statements can be carried out as expected and, all new starters of the scheme in this period have been issued their new starter pack. Plans will now be drawn up to carry out all associated case work required after this submission.

After carrying out an assessment of the data in line with the standard end of year checks, there have been some queries that have been identified and returned to Surrey Payroll for investigation. These are expected to be provided back to Surrey Pensions by the end of July.

The submission of April – June 2024 files have not been received, therefore the issue of not receiving these as expected remains a problem. Whilst it does not carry the same weight of impact as the year end file, it does affect the flow of work into Service Delivery.

Leaver Notifications:

Whilst leaver reports for April and May have been received, these are not reporting the reason for leaving in all cases. A working group continues to seek solutions to these issues with a longer-term view however, information is currently being provided on a case-by-case basis in the interim.

The June report is expected by the tenth of this month to identify members who are due to receive a pension benefit such as retirement, ill health retirement.

Configuration & Data Cleansing:

MySurrey payroll system is undertaking re-configuration development and testing throughout June, to ensure its fully compliant with the pension scheme regulations and SCC's discretion policy.

Changes were expected to be effective from the July payroll, along with retrospective adjustments to member pension contribution deductions where relevant. This

deadline was not achieved as expected and has been moved to the August payroll of this year.

Data rectification is still required on certain members to ensure the accuracy of the contribution information supplied by SCC. This applies to AVC deductions as well. At present it is not clear when this work will be fully completed, with resources deployed on correcting reports and configuration testing.

To support members due their benefits, the process is still in place whereby Service Delivery will calculate the pension using the latest data we hold where possible, with a view to recalculate once the revised data is received.
