

WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD

17 February 2022

PENSIONER PAYROLL DATABASE RECONCILIATION PROJECT UPDATE

Purpose of the Report

1. The purpose of this report is to provide for the Board's consideration, a further update on the detailed, and ongoing reconciliation project between the pension administration system (Altair) and pensioner payroll system (SAP).

Background

2. This paper provides an update on how the situation has developed since the last quarterly meeting and the current situation on outstanding cases across each stage of this project.

Current situation

Rectification project

3. The current situation of the rectification project is as follows, for the cases in scope:

Membership type	Stage 1: GMP reconciliation with HMRC records	Stage 2: Altair consistency between initial and current pension values	Stage 3: Cross comparison between Altair/SAP at an initial individual record level review	Stage 4: Peer review complete and rectification complete/in progress
Pensioners with a state pension age before 2016	Complete	<30 cases remain	Complete	400 cases outstanding
All other pensioners	Complete	Complete	35 cases outstanding	85 cases outstanding
Dependants	Complete	69 cases outstanding	60 cases outstanding	Not started yet
Totals	Complete	c100 cases	c100 cases	c485 cases

4. The following notes provide some additional context to the numbers stated above:
 - a). Only cases where the initial analysis suggested a payment discrepancy of £5 per month or more are currently in scope. Officers are currently considering a proportionate approach for cases with discrepancies below this threshold and will present a recommendation to the next admin focussed Committee for approval.
 - b). Scheme members are given around 2 months notification of any change to their payment amounts (with some exceptions for very small differences) to allow the member

time to manage their financial circumstances and in line with national guidelines, therefore there is a delay between completing a case and the payment amounts being changed.

c). For cases where SAP is correct and Altair is incorrect, these are being prioritised behind those cases where SAP is incorrect, with the largest differences being dealt with first for all SAP payment issues. Some of the cases at stage 4 have a final conclusion that the current payment was correct.

d). Officers have received a small number of Internal Dispute Resolution Procedures (IDRPs) so far in relation to this exercise, but below initial expectations.

Considerations for the Board

4. Officers have continued to take a highly cautious approach to going through cases to try to limit the chance of errors being made as part of this review; in many cases, there is a large amount of information to review and consider to reach a final view point and hence the timeframes for the completion of this project have become relatively long and difficult to predict. It is possible that corrections could continue up to May 2022 or June 2022 but an early completion date is being targeted.
5. There are currently two members of staff working on stage 4 cases on a part-time capacity (around 1.6 FTE in total) although two other members of staff are supporting where possible. It is also estimated that there is another 2 FTE of staff being spend on completing stage 2 and stage 3 cases and in overall management of this project.
6. In addition to the completion of this project, officers are also currently identifying ways to align the set up of records across both Altair and SAP to facilitate greater ease of reconciliations, improved controls, improved PI processes and identification of issues. This work will be beneficial as preparation for an integrated payroll system as well as for the movement to the SAP replacement system.

Environmental Impact

7. There is no environmental impact from this report.

Financial Considerations

8. There are no financial considerations related to this update paper.

Risk Assessment

9. There are no new risks related to this paper.

Legal Implications

10. There are no new legal implications related to this paper.

Safeguarding Considerations/Public Health Implications/Equalities Impact

11. There are no implications at this time.

Proposals

12. Officers ask the Board to consider the information held within this paper to provide any comments or recommendations that it may have.

Jennifer Devine

Head of Wiltshire Pension Fund

Report Author: Andy Cunningham – Pensions Administration Lead
