

WILTSHIRE COUNCIL

WILTSHIRE PENSION FUND COMMITTEE
30 September 2021

PENSIONER PAYROLL DATABASE RECONCILIATION PROJECT & NEW PENSIONER PAYROLL SYSTEM UPDATE

Purpose of the Report

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

Background

2. This paper provides an update on how the situation has developed since that meeting.

Current situation

Rectification project

3. The current situation of the rectification project is as follows, for the cases in scope:
 - a). There are now around 150 cases still at 'stage 2' (where the pension administration system, Altair, is inconsistent with itself). Each case continues to take some time to correct and involves close working with the systems provider to remove complex errors. These errors need to be removed before the case can be properly assessed as part of stage 3, where a comparison is taken against SAP (the pensioner payroll system). In many, but not all cases, once the system error is resolved it is clear there is no under or over payment.
 - b). At the time of writing, officers have now initially been through all of the c1,000 cases that have already passed stage 2 and have peer reviewed around 320 of them (completing stage 3 and 4). Corrections to Altair or SAP can only take place once a case has been peer reviewed (note: not all cases result in a change being needed to SAP).
 - c). As a general rule, officers are giving members around 8 weeks 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.
 - d). For cases where SAP is correct and Altair is incorrect, these are being prioritised behind those cases where SAP is incorrect.
 - e). As anticipated, where the value of the change is relatively small, officers have mostly received no correspondence from members. For some of the larger differences, some members have expressed their dissatisfaction or their intention to make a formal complaint although only one case has now entered the formal Internal Dispute Resolution Procedure (IDRP) stage. However, it is too early to provide analysis of this in greater depth to show the likely outcome across all cases in scope.
 - f). Some member have also contacted Unison to complain, which have in turn contacted us to find out more information.

New pensioner payroll system update

4. The Committee approved the purchase of Altair Pensioner payroll and immediate payments (subject to compliance with procurement rules and contract) at its last meeting.
5. Officers are now at the stage of agreeing final contractual terms with Aquila Heywood. Once the contract is complete, an initial project plan will be drafted with an approximate go live date of late summer or early Autumn 2022. Despite the project plan not formally being in place, progressing the rectification work outlined above will help contribute to much of the data preparation work that would be needed for the project anyway, as officers were aware this would be one of the first tasks.

Considerations for the Committee

6. Officers are taking 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 are relatively long and difficult to predict. It is possible that corrections could continue up to February or March 2022.
7. Furthermore, unfortunately, one temporary member of staff who was working on the project has now left which has slowed the progress on this project. He has been replaced by moving two internal members of staff to work on it part-time; it is anticipated that these additional staff members will help keep the completion date in line with expectations and also to help keep the subsequent pensioner payroll system project on track.

Environmental Impact

8. There is no environmental impact from this report.

Financial Considerations

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

Risk Assessment

10. There are a number of material risks related to this project in general in terms of compliance risk, financial risk and reputational risk, officers have sought to manage this risk as best as is possible in the circumstances through their approach to this project.

Legal Implications

11. There is potential for a number of complaints (informal or formal), leading to quasi-legal issues resulting from undertaking stage 4 of this project. Conversely, a failure to correct known errors would also be considered a breach of legislation, creating further legal implications. Legal advice was taken on the paper presented to Committee in March.

Safeguarding Considerations/Public Health Implications/Equalities Impact

12. There are no implications at this time.

Proposals

13. Officers ask the Committee to consider the information held within this paper to provide and comments or recommendations that it may have.

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