WILTSHIRE COUNCIL

WILTSHIRE PENSION FUND LOCAL PENSION BOARD
11 February 2025

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Integrated Payroll System Update

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Purpose of the Report

1. To update the Board on the Integrated Payroll System following the Fund's migration of Pensioner Payroll from SAP to Oracle and then Oracle to Altair.

Background

2. The Council formally migrated from SAP to Oracle in April 2024 and payment was successfully made on 25th April to all pensioners and dependants.

3. This was followed by a period of close working between the Council's Payroll Team and the Fund to ensure Altair and Oracle were aligned.

Migration from Oracle to our integrated Payroll System

4. WPF received a cut of Oracle payroll data from the Council, which was shared with Heywood Technologies and loaded to a pre-production environment.
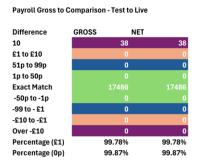
5. A series of parallel run tests were carried out and the October parallel run produced the following results:

Payroll Gross to Net Comparison

Difference	GROSS	NET
£10+	0	9
£1 to £10	0	1
51p to 99p	0	0
1p to 50p	0	0
Exact Match	17524	17501
-50p to -1p	0	2
-99p to -51p	0	0
-£10 to -£1	0	1
Over -£10	4	5
Percentage (£1)	99.98%	99.91%
Percentage (0p)	99.98%	99.90%

	Oracle	Altair	Difference
GROSS	£ 8,648,045.89	£ 8,647,879.65	-£ 166.24
NET	£ 7,229,369.93	£ 7,234,863.17	£ 5,493.24

6. The 4 gross differences were all Oracle payroll paying incorrect amounts. WPF had previously instructed the Council to suspend the pension for 3 potential deaths. The Council had stopped the Basic Pension element but incorrectly continued to pay the Added Years element. The fourth pensioner has a recovery of pension in place. The Council had set this up as a negative recovery, i.e. an additional payment to the member.

7. The 18 net differences included the 4 gross discrepancies (above), plus 14 who had YTD adjustments and tax refunds that weren't notified to us by the Council Payroll Team. We obtained this revised data and ensured that these payments reconciled before processing the October payroll. These were manually calculated individually using the HMRC PAYE calculator tool to verify all payments in the October payroll.

8. This was regarded as a successful and clean parallel run and it was agreed to go live.

9. When running live payment for 25 October 2024 the following discrepancies were found:

Payroll Gross to Comparison - Test to Live

Difference	GROSS	NET
10	38	38
£1 to £10	0	0
51p to 99p	0	0
1p to 50p	0	0
Exact Match	17486	17486
-50p to -1p	0	0
-99 to -£1	0	0
-£10 to -£1	0	0
Over -£10	0	0
Percentage (£1)	99.78%	99.78%
Percentage (0p)	99.87%	99.87%

- 38 members where the gross payment did not match, amounting to £16,247.54
- 4 of these members were suspended on Oracle and contacted the Fund so could be reinstated in the October payment
- 32 members were paying back previous overpayments and the repayment had been incorrectly ceased on Oracle; these were corrected on the first payment from Altair
- 2 members were paid incorrectly due to data migration issues and were corrected

10. The Fund successfully migrated all pensioners and dependants held on Wiltshire Council's Oracle system to the Fund's own Integrated Payroll System on Altair in October 2024.

Issues experienced during and following the payroll migration

11. The October payment had to be paid in two instalments. Those pensioners already on the Altair payroll (pensions that commenced from October 2024 onwards) were paid as normal from Altair Live and the migrated membership were paid from the test environment. This was had not been intended or anticipated by the Fund and only came to light as the payment was due to made. This was the result of Heywood needing to merge the two sets of records to enable submission of the RTI Tax information to HMRC. However, this did not work and we had to make a manual payment to HMRC. All subsequent payments to HMRC have had to be manual while a fix is awaited in Heywood's next system release. This fix has been tested in the test environment and is working as expected.

12. Changes to member details that occurred after the final data cut were not passed to the Fund from the Council payroll team. This resulted in a higher number of queries relating to incorrect addresses and in some cases bank details. The Council also maintained a suspended pension list but without access to SAP/Oracle we were not aware that it was not very up to date, so more suspension cases emerged. The Fund is reviewing its current suspension process.

13. There were delays in the first month (October) for our overseas pension payments, made through Convera. A key piece of the process, expected by Convera, had not been communicated to the Fund, perhaps compounded by the main contact there being new in post. The situation has subsequently improved and the Fund's Payroll Manager now has at least quarterly meetings with Convera. The Fund is reviewing different possible options for uploading data to Convera and the team access for this.

14. We were informed by Heywood without much notice that any multiple records for one individual would need to be merged before migration otherwise they could never be

merged thereafter. Around 270 members were identified as affected and a strong whole Fund response ensured these were all completed in time.

15. Some pensioners existed on both SAP/Oracle and the Fund's pre-migration Altair payroll. These crossover records cannot be linked within Altair payroll, as multiple records for an individual normally would be, as Main and Subsidiary records, and so will always have separate payments, BACS files entries, payslips, P60s. They are linked on the admin side of Altair so updates to contact details etc. will come through on all their records and they can view all on My Wiltshire Pension. It is acknowledged it is an unusual situation for a fund to have such overlap and not be moving an entire cohort cleanly from one system to another but overall we felt we could have been better informed and supported by Heywood in this area. The Fund will update processes and training to ensure any future retirements are attached to existing payroll records as Main/Subsidiary.

16. The Fund has experienced various issues with making Immediate Payments and the reconciliation of these. The reconciliation has become a time-consuming and complicated manual process, whereas it should be possible to pick up the required information through a standard Altair report. This has been raised with Heywood and more investigation is required by Fund staff. Similarly issues with General Ledger reconciliation have been raised with Heywood and this is being looked into, but they cannot confirm when this will be fixed.

17. Currently, when paying a death grant, Altair only allows for two recipients at a time. This has been raised with Heywood and other funds have also requested an increase to this capacity, so it is being considered for a future system release.

Environmental Impact of the Proposal

18. Not applicable.

Financial Considerations & Risk Assessment

19. Not applicable

Legal Implications

20. There are no material legal implications from this report.

Safeguarding Considerations/Public Health Implications/Equalities Impact

21. There are no known implications at this time.

Proposals

22. The Board is asked to note the successful outcome of the migration to our Integrated Payroll System and the steps taken to resolve any resulting issues.

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Unpublished documents relied upon in the production of this report: NONE