EastMidlandsSharedServices

EAST MIDLANDS SHARED SERVICES JOINT COMMITTEE

Date: Monday, 17 March 2014

Time: 10.00 am

Place: Executive Committee Room - County Hall, Glenfield, Leicester, LE3 8RB

Members are requested to attend the above meeting on the date and at the time and place stated to transact the following business

Carole Mills
Deputy Chief Executive/Corporate
Director for Resources
Nottingham City Council

Brian Roberts
Director of Corporate Resources
Leicestershire County Council

Constitutional Services Officer: Catherine Ziane-Pryor   **Direct Dial**: 0115 87664298

<u>**AGENDA**</u>   <u>**Pages**</u>

1   APOLOGIES FOR ABSENCE

2   DECLARATIONS OF INTERESTS

3   MINUTES   3 - 6
        of the meeting held on 16 December 2013 (for confirmation)

4   EAST MIDLANDS SHARED SERVICES BUSINESS PLAN UPDATE   7 - 30
        2013-2016
        Draft Business Plan Update to be considered for approval.

5   EXCLUSION OF THE PUBLIC
        TO CONSIDER EXCLUDING THE PUBLIC FROM THE MEETING
        DURING CONSIDERATION OF THE REMAINING ITEM IN
        ACCORDANCE WITH SECTION 100A(4) OF THE LOCAL
        GOVERNMENT ACT 1972 ON THE BASIS THAT, HAVING REGARD
        TO ALL THE CIRCUMSTANCES, THE PUBLIC INTEREST IN
        MAINTAINING THE EXEMPTION OUTWEIGHS THE PUBLIC
        INTEREST IN DISCLOSING THE INFORMATION

IF YOU NEED ANY ADVICE ON DECLARING AN INTEREST IN ANY ITEM ON THE AGENDA, PLEASE CONTACT THE CONSTITUTIONAL SERVICES OFFICER SHOWN ABOVE, IF POSSIBLE BEFORE THE DAY OF THE MEETING

Agenda, reports and minutes for all public meetings can be viewed online at:-
http://www.nottinghamcity.gov.uk/article/23479/Council-Meetings-and-Decisions

EAST MIDLANDS SHARED SERVICES JOINT COMMITTEE

MINUTES of the meeting held on **16 DECEMBER 2013** at County Hall, Leicester Road, Leicester from 12.04 pm to 1.26 pm

Membership

Leicestershire County Council
      Councillor Byron Rhodes
      Councillor Peter Osborne

Nottingham City Council
      Councillor Graham Chapman
      Councillor Alan Clark

      indicates present at meeting

Also in attendance:

Leicestershire County Council

Brian Roberts	- Director of Corporate Resources
Judith Spence	- Head of Corporate Finance
Liz Clark	- Assistant Director for Information and Technology
Gordon McFarlane	- Assistant Director, People and Transformation

Nottingham City Council

Jeff Abbott	- Head of Corporate and Strategic Finance
Carole Mills	- Deputy Chief Executive/Corporate Director for Resources
Rav Kalsi	- Constitutional Services

6   APOLOGIES FOR ABSENCE

Councillor Graham Chapman – other Council business

7   DECLARATIONS OF INTERESTS

None

8   MINUTES

The Committee confirmed the minutes of the meeting held on 2 September 2013 as a correct record and they were signed by the Chair.

9   EAST MIDLANDS SHARED SERVICE SERVICES - UPDATE

Jeff Abbott, Acting Head of East Midlands Shared Service Centre, presented the report updating the Joint Committee on progress to date made by the Shared Service and highlighted the following points:

(a)   the first phase of moving Nottingham City Council colleagues on low wages towards the 'Living Wage' was successfully delivered in November 2013;

(b)   the East Midlands Shared Services Recruitment Portal became operational in September 2013 and is operating effectively. This follows a successful collaborative approach with colleagues at Leicestershire County Council and will speed up the recruitment process for employers and candidates;

(c)   a series of complex patches to the Oracle system have been carried out successfully which will improve a number of system issues encountered by service users, for example a number of issues had been experienced in Accounts Payable which had affected a number of invoices. Following a series of patches, more invoices are being dealt with;

(d)   an upgrade to the Oracle operating system from version 12.0.6 to 12.1.3 is progressing well and will see an upgrade to the core system in the New Year. Service users will see a change in functionality to the system;

(e)   a number of training needs have been identified within the Finance Service Centre and are being addressed with a hands on approach. Extensive periods of training have taken place and officers are now in a position to train on delivery.

RESOLVED to note the presentation on progress update to East Midlands Shared Services.

10   ADDITIONAL ITEM – ROLE OF EAST MIDLANDS SHARED SERVICES (EMMS)

The Chair was of the opinion that this item, although not included on the agenda, should be considered as a matter of urgency in accordance with Section 100(b)(4)(b) of the Local Government Act 1972, to allow for timely consideration of the proposals with a view to advertising a permanent post in January 2014.

Gordon McFarlane, Assistant Director, People and Transformation at Leicestershire County Council presented the report outlining the key focus for the permanent role of the Head of East Midlands Shared Services and the timescales regarding recruitment. With a view to

expanding the service in the future, the job description should reflect a focus on marketing the service. The recruitment of a senior post will be managed by a recruitment agency and will include informal discussions with elected members during the selection process.

RESOLVED to:

(1) **agree the start of a recruitment exercise for a permanent post holder, ideally in January 2014;**

(2) **commission a recruitment agency to manage the recruitment process, including a search facility for the post;**

(3) **endorse the continuation of the existing interim arrangements until a permanent post holder is in place.**

Reasons for decision

The role of the Head of EMSS is a strategic and complex one, and this is reflected in the grade of the post (LCC grade 18). Proposing the use of an agency is considered appropriate given the seniority of the post and that EMSS business is also by its nature very operational, so the post holder needs to have a wide range of strategic, business and operational skills.

Other options considered

No other options were considered.

11   EXCLUSION OF THE PUBLIC

The Committee decided to exclude the public from the meeting during consideration of the remaining agenda item(s) in accordance with Section 100A(4) of the Local Government Act 1972 on the basis that, having regard to all the circumstances, the public interest in maintaining the exemption outweighed the public interest in disclosing the information, as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act. The following update contained commercially sensitive information which could compromise the Council's negotiation position.

12   FINANCE UPDATE

Jeff Abbott, Acting Head of East Midlands Shared Service Centre and Brian Roberts, Director of Corporate Resources at Leicestershire County Council verbally updated the Joint Committee on financial progress and performance to date made by the Shared Service.

RESOLVED to note the financial update.

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East Midlands Shared Services

Business Plan Update: 2013 - 2016

Delivering quality, affordable and resilient
support services to the public sector

Leicestershire County Council

Nottingham City Council

EastMidlandsSharedServices

Contents

Introduction

The East Midlands Shared Services (EMSS) Business Plan for the period 2012 to 2015 was presented in June 2012 and outlined the principles and aspirations of the new organisation. The Plan noted that further review and refinement would be necessary as EMSS moved through the early stages of operation and this document provides a formal update, considering the experience of the first full year of operation and the developments in both systems and processes that have been and will need to be delivered.

In its first year, EMSS made great progress in building a new team of over 200 colleagues from the partner councils and establishing constructive relationships with key colleagues, suppliers and customers. Through working collaboratively with our partner colleagues we designed a framework to help address operational and other issues as they arose and to effectively support our transition to new ways of working.

As we are an agile and learning organisation, this first year of operation has been strongly characterised by the need to adapt our processes to operational demands, to strengthen the knowledge and adaptability of our teams and to identify, scope and deliver improvements within the configuration of the Oracle system. Key steps within this process have included:

A redesign of the structure and processes adopted within the Finance Service Centre (FSC), in response to the first practical experiences of managing the volumes of transactions generated by the partner organisations.

The identification, improvement and correction of problematic Oracle configuration characteristics in the light of this practical experience.

Now working within our second year, we continue to build into our work the necessary internal management rigour needed to mitigate risk and achieve success. One of the key components of this management rigour is the development and application of project management methodologies and tools to deliver the complex partner and transformation projects that are the core of the EMSS principle.

The EMSS Business Plan for 2012 to 2015 outlined three key phases in the development of the EMSS service – with Phase 1 (establishing) ending with the implementation of the Oracle system in April 2013, phase 2 (stabilising) ending in March 2014 and phase 3 (growing) then continuing. However, an over-ambitious timetable, coupled with the extent to which systems and processes have needed to be adapted in the light of practical experience, has meant that the original plan needs to be re-configured. More detail of the activities being undertaken and the extent to which they are contributing to the growth phase are included later in the plan.

A key area we have identified to assist in tracking and reporting our progress is the need to review and refresh our performance management framework. Whilst we are able to track some important performance indicators (included later in this Business Plan) it could provide more in terms of strategic oversight. This new framework will be available for 2014 / 15, however to maintain transparency in our on-going performance we will still track the measures reported in this plan.

Jeff Abbott
Interim head of EMSS

Nottingham City Council and Leicestershire County Council formed a partnership in 2010 to deliver HR, payroll and finance transactional shared services. Supported by state of the art technology, the shared service offers a sustainable solution to deliver more efficient, cost effective services and a technical platform from which new ways of working can continually be developed and delivered. EMSS brings a more customer centric way of working, it adopts a more efficient approach to delivering services and by sharing the knowledge and investment, the risk of failure to each council is minimised.

Founded in a major transformational programme, EMSS is enabling both councils to respond to the challenging financial and political landscape for local government, as well as the public's expectation to deliver services that are of high quality and value for money and will enable both councils being in a stronger position to protect front line services. EMSS will also support the delivery of the following three key 'enablers' for change and transformation:

The establishment of a New Shared Services Organisation, which will deliver transactional HR, payroll and finance transactional services to both LCC and NCC. This aspect of the change also saw the launch of a Financial Service. Centre of Excellence in Nottingham and a HR and Payroll Service Centre of Excellence in Leicestershire.

Implementation of state of the art technology which includes an Oracle Enterprise Resource Planning (ERP) system. The technology enables a self-service way of working and is supporting the Shared Service Centres in standardising their processes and in becoming more efficient.

An evolution of new ways of working, which means managers and colleagues delivering services in a more efficient and effective way, supported by improved access to information to enable resource (people and finances) management.

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Our vision is for:

EMSS to be the best provider of quality, affordable and resilient support services in the public sector.

Our primary focus in achieving this vision will be on providing quality services in a cost effective way.

The challenge of 'go live' has been significant especially in light of the unanticipated issues around finance services. Within this first period of operation, they have greatly reduced the ability for EMSS to develop as originally envisaged and as stated in the original business plan. The support from the partnership has been notable, in terms of both guidance and leadership. However, clearly there has been an impact on the ability to develop our approach and the focus has very much been on improvements in delivery.

However, this launch phase is now almost at an end and work has now begun on service improvement, driving efficiency and growth. In light of this delay the subsequent phases have been re-planned to deliver on stabilisation and growth. To make up lost time these activities have been reconfigured to allow for an increased pace of change over the original plan.

The next phase includes those activities required to improve services and reduce costs, including the development of a Customer Service Strategy, reviews of processes to drive efficiency and a structured and sustainable approach to delivering savings. Work will also begin on marketing and business growth.

The final growth phase can begin in earnest during 2015 – 2016, as at this stage the partnership will be in a position to consider whether there is scope to widen the service portfolio or make any longer-term views of how EMSS can best be structured to deliver for its partners and customers.

In addition we are keen to ensure that EMSS and its services are founded on a public service ethos. This will be achieved by:

Providing services to the public sector;

Re-investing any surplus back into EMSS or into the two partners councils and their services; and

By maintaining an approach which, over the medium term, is to retain EMSS as a public sector organisation.

We will capitalise on the investment that is being made in EMSS to realise this future vision. We will do this by:

Really understanding the business;

Determining our key capabilities and how we strengthen these;

Understanding who are competitors are; and

Ensuring the business is fit for purpose.

To enable us to understand the business we will focus on:

The performance of our services, which will help us to track the **quality** of them;

Our financial performance so that we can track the **affordability** of our services.

Our USP is based on EMSS understanding our customers' business, a public service ethos and providing resilient services. As such our key capabilities and how we strengthen them need to be founded in:

The performance of our **people** in meeting customer needs;

Our current and future **investment** plans.

EMSS Development Phases

The EMSS Business Plan 2012 – 2015 established the timetable for development over a three-year period, starting in July 2012. It was an ambitious programme, not just for EMSS staff but for colleagues across the partnership, which in hindsight allowed insufficient time to absorb the impact of 'go live'. This has meant that a number of activities identified for Phases 1 and 2 are not completed.

This will not inevitably lead to a long delay in achieving the growth stage of EMSS development. The lessons learned and the maturity of the partnership will allow many of the stages to be conflated to deliver much quicker progress than the Business Plan had envisaged.

In support of this, the EMSS Business Development Plan was specifically devised to deliver a number of outstanding activities and to place EMSS in a better position on which to make progress.

The revised timetable below reschedules those activities necessary to deliver on the partnerships vision and objectives, recognising the challenges that the partnership has faced. The benefits off re-planning at this stage allows for the lessons learned to be integrated into the plan which has meant that progress can be made at a faster pace than originally estimated.

2014 – 15: Stabilisation and Development

Objectives	Measures of Success
Baseline service portfolio to ensure that this meets partnership vision	Clear service portfolio
Baseline costs	Clear pricing policy
Understand current levels of service quality and deliver continuous improvement	Service Quality Plan agreed and implemented. This will include the Customer Service Strategy and Workforce Plan.
To position EMSS in the market	Growing awareness of EMSS and increase in growth particularly for DBS checks and recruitment
Improved efficiency and effectiveness	Reduced costs realised as either savings or additional income
Ensure that technology can meet the development needs of the business	Developments in Oracle are delivered and supporting technology integrates effectively
Improved governance	Partnership is confident in the management and control of EMSS

2015 – 16: Growth and Maturity

Objectives	Measures of Success
Dynamic marketing activity	Significant growth
Review of service portfolio	Additional services are included in the offer
Increased independence	Confidence in EMSS is high and the partnership feel comfortable to allow greater autonomy

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Business Development

2013 – 2014 Review

The Business Development Team was effectively established in June 2013 on the appointment of the Business Development Manager. Since then work has begun in earnest to identify a work programme to meet the immediate needs of the partnership and also to resolve legacy issues arising from 'go live'.

A number of key areas have been identified and these are:

- **Process Reviews and improvement** – to ensure that processes are efficient and effective, especially in making sure that activities make the most of the technology available.

- **Robust Performance Framework** – the existing framework lacks structure and does not provide sufficiently transparent information to allow the partnership to make an informed decision about performance.

- **Oracle Developments** – key to the ability of EMSS to deliver is the need to develop Oracle both in terms of delivering the system as designed but also to make improvements. The ability of EMSS to meet its budget targets rests largely on improvements to Oracle.

- **Customer Service** – a central component to support the improvement of service quality and to ensure that all customers receive excellent service.

- **Marketing** – although EMSS is not currently actively seeking large customers there are actions required now to prepare the ground for expansion – especially around brand recognition.

These areas were developed in discussions across the partnership and in direct response to identified challenges.

Work completed during 2013 – 14 includes:

Review of the HR Admin service

This is completed with the handover of detailed reports on the findings and improvements that can be made. This was supplemented with a detailed activity plan for the Team Manager to deliver the improvements. A key finding was the variance from the agreed processes, and this issue has been picked up in the e-forms project.

Performance Framework

To assist in the development of SLAs there has been a review of the performance measures. Whilst the strategic basis of the framework was good, it needs to be translated to specific measures. The review also demonstrated that the business is only currently able to measure 52 of the indicators with no mechanism to record the remaining 88. It has also become apparent that the original KPIs do not offer much in the way of overall performance management. A more robust approach would be to go back to first principles and decide what the partnership would need to know to be satisfied that EMSS is performing as required.

Website developments – Phase 1

At present EMSS has virtually no presence on the internet and if the business is to grow then it needs to begin to create awareness. To this end a public website is being commissioned and the aims are to:

- Raise awareness of our services / brand.

- Provide a platform to sell the DBS service and new recruitment portal.

- Generate enquiries about other services offered.

- Develop a design template that can be reflected in other media.

- Allow the management of partners and customers intranet content through this site.

There are three phases to the website development, phase 1 to design and publish a basic website for EMSS, phase 2 to reverse engineer the recruitment portal to match the design principles of the website and phase 3 to use the website to host the EMSS' intranet content for both LCC and NCC. Phase 1 work began on the 20th January and a test site will be delivered by the 14th February for review and population with our content. The finished site will be launched in early March. The design proposal is included as Appendix C.

The domain emss.org.uk has been purchased to host the web site and this will also allow for the email addresses to become much simpler and easier for service desk colleagues to communicate to customers.

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Development Plan 2014 / 2015

A detailed plan has been restricted to the first quarter to allow the new Head of EMSS to input into development activities. The focus is on the continued stabilisation of services and efficiency. The activities detailed below, planned for April to June 2014, will create the necessary factors to grow the business and meet budget challenges.

Process reviews

Payroll Control – This work will begin in January with a full review of all processes and activities. This review will link to the work in Systems Administration to ensure that EMSS provides efficient and effective management of control functions.

Handover points – to improve the transition of information / activities as they handover from LCC & NCC to EMSS, ensuring uniformity of format of information and clarity about authorised instructors and receivers of work.

Systems Administration – The control and security of Oracle is a fundamental issue where there are known areas of weakness. Previous Audit reports have highlighted concerns around the management of access to Oracle and the responsibilities of users. This function is currently undertaken by the Systems Administration Team at EMSS. The Team was established with a wide range of responsibilities and functions many of which are crucial to the effective control of the system.

To address the areas of concern a review has been established to:

- Deliver confidence across the partnership that access to Oracle is effectively managed and monitored.

- Review the functions and responsibilities of the team, to ensure that they add value and reflect the learning and experience of the partners since 'go live'.

- Deliver a shared understanding of all control mechanisms (across the partnership) and ensure that they are effective.

It is already clear that there are a number of activities undertaken by the Team that should probably transfer back to the partners. This is especially evident for work done for one authority but not the other.

Oracle Developments

The Business Development Team lead on all technological developments on behalf of EMSS and especially in the stabilisation and improvement of Oracle. This includes a number of new initiatives to improve efficiency and to maximise the benefits of the system, including:

Payroll Portal for schools, academies and other customers without direct oracle access. At present any information going into Oracle from outside of LCC & NCC direct employees and LCC maintained schools is keyed in by EMSS staff. This is very inefficient and is counter to the key benefit of a system such as Oracle – self-service. Initially there was some work to look at an alternative payroll system for these customers but following some detailed options appraisal work this has been discounted in favour of using Oracle. EMSS urgently needs a direct web-based portal to allow these customers to maintain their own data and also have access to reporting functions. A prototype is in development and, once this is ready, a small cohort of volunteer organisations will be put together to test and refine it.

e-forms – at present only one e-form in operation populates Oracle directly. All the rest send the information submitted in an email which is then re-keyed by EMSS staff. This is expensive and inefficient. To improve this situation a programme has been initiated to convert all these forms into true e-forms. This is a very significant piece of work both in terms of IT development time, but also because many e-forms, especially at LCC, provide information to other services as well as EMSS. To meet these challenges the work has been broken down by addressing each e-form as an individual project.

Customer Service

Key to EMSS' future is the need to deliver high quality customer service. To meet this challenge a number of work strands have been developed including:

Customer Service Strategy

This work is just beginning to coincide with LCC's re-launch of its customer service standards. The Business Development Manager has been working with the Corporate Learning & Development Manager at LCC to tie together a workforce strategy and training plan to establish a customer service culture within the organisation. This work will lead towards seeking recognised accreditation such as 'Customer Service Excellence'. Key within this work is to engage the team leaders to motivate them to see the importance of customer service and encourage their staff to take the lead. Ultimately this is quite a culture change for the organisation and will mean that improvements in further customer service gain their own momentum and will not be solely driven by management.

Learning & Development have also offered to train the EMSS trainers so that they may deliver the successful customer service course developed by the Contact Centre. This would enable EMSS to quickly make significant progress in improvements.
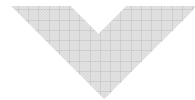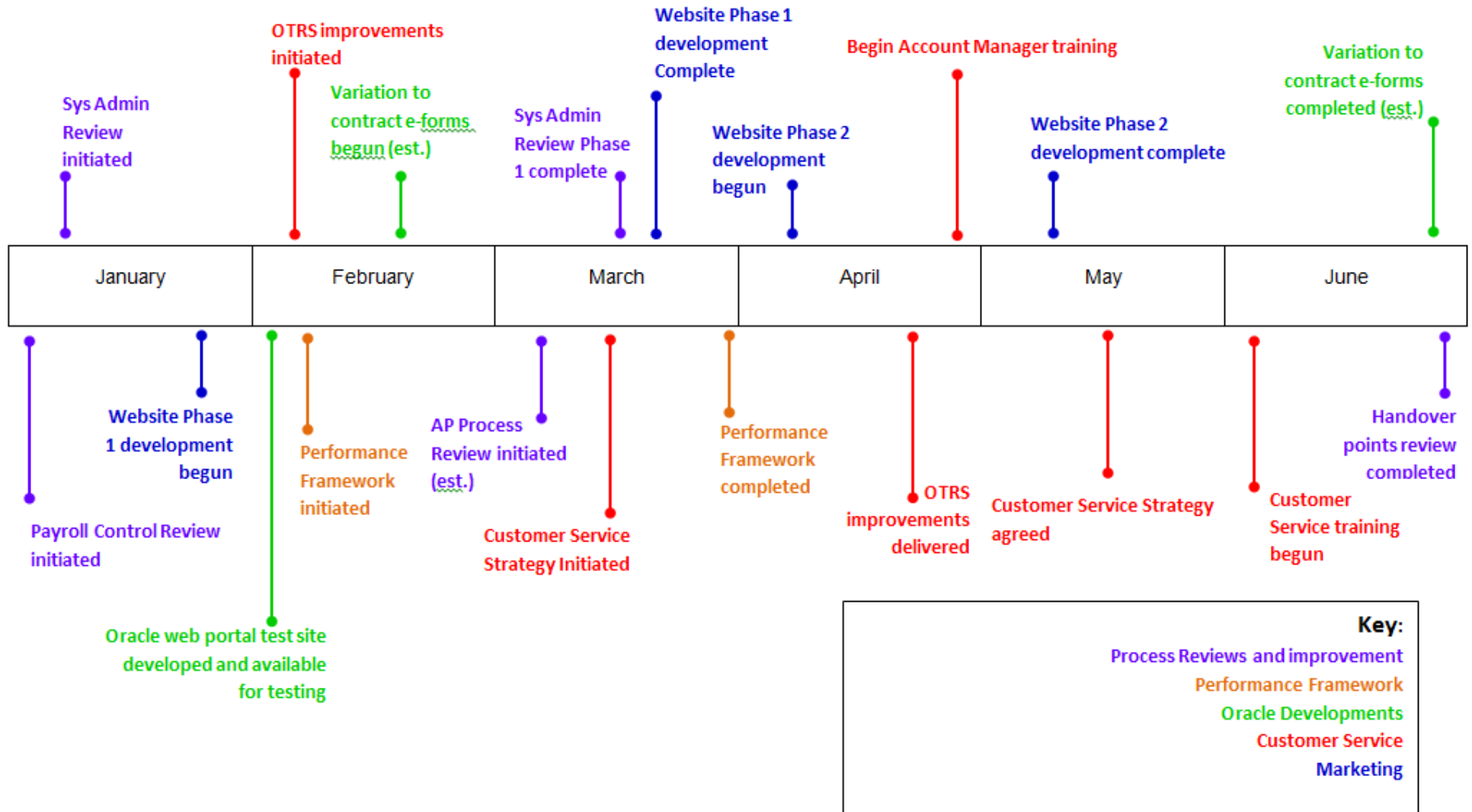
Improved customer management

A review of OTRS (EMSS' customer management software) has been completed. Current use of the system is restricted to a small number of teams who close their tickets when they hand over a customer to another team and, in this way, there is no ability to track customer queries, monitor how long it takes queries to be resolved or be able to inform customers where their issue is within EMSS. The project has looked at:

- How OTRS is currently used.

- What functionality the system offers.

- Proposals for improved use and a plan of how to achieve these improvements.

The next stage is to implement the recommendations, and this will include additional training and be completed by the end of April.

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Timeline of milestones and delivery dates: Last Quarter 13/14 First Quarter 14/15

Above the timeline:

- Sys Admin Review initiated
- OTRS improvements initiated
- Variation to contract e-forms begun (est.)
- Sys Admin Review Phase 1 complete
- Website Phase 1 development Complete
- Website Phase 2 development begun
- Begin Account Manager training
- Website Phase 2 development complete
- Variation to contract e-forms completed (est.)

Timeline months:

January	February	March	April	May	June

Below the timeline:

- Payroll Control Review initiated
- Website Phase 1 development begun
- Performance Framework initiated
- Oracle web portal test site developed and available for testing
- AP Process Review initiated (est.)
- Customer Service Strategy Initiated
- Performance Framework completed
- OTRS improvements delivered
- Customer Service Strategy agreed
- Customer Service training begun
- Handover points review completed

Key:
- Process Reviews and improvement
- Performance Framework
- Oracle Developments
- Customer Service
- Marketing

Objectives of Services

To provide partners and customers with cost effective HR administration, Recruitment and Payroll services.

To provide quality customer service that meets or exceeds the agreed expectations of partners and customers.

To work with partners and customers to continually improve our services.

To provide a high level of **Customer Service** when handling enquiries which meet or exceed customer expectations.

Details of Services Provided – General Standards

First point of contact to work with partner organisations to keep intranet material up to date.

**Second point of contact** for all HR and Payroll related enquiries.

Resolve 80% of enquiries at this first point of contact.

Record enquiries in OTRS (customer management software).

Respond within time frame targets.

Escalate enquiries to other EMSS teams or Specialist HR teams within the Partner Organisations to meet time frame targets.

Point customers towards self-serve facilities and encourage Manager/Employees to use self-serve facilities in the future.

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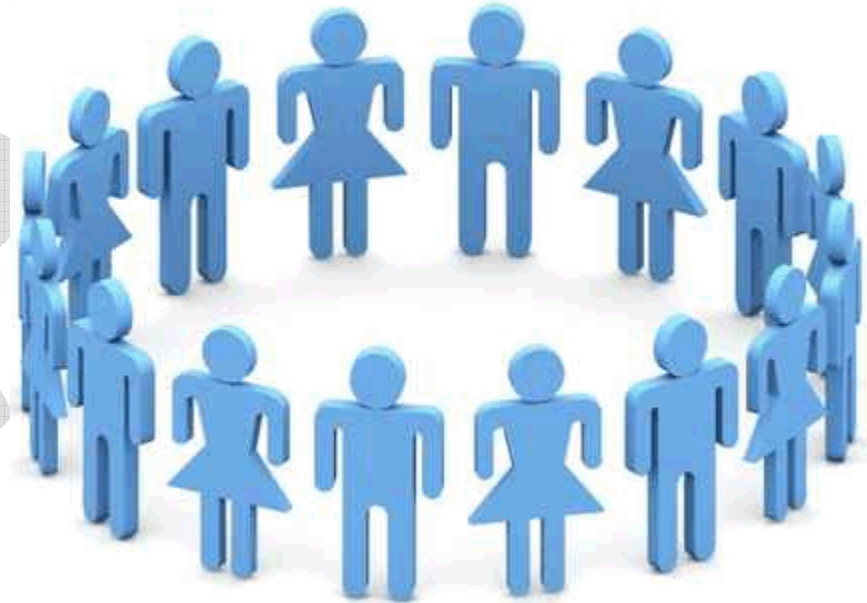
Recruitment Service

Place adverts within published timescales. All adverts placed on the LA website plus any additional requests for other websites and/or other media subject to other website/media deadlines.

Interview Notifications – Candidates to be advised of interview arrangements within two days of receipt of a notification and/or giving a minimum of one weeks' notice to the candidate.

Reference Requests – to request references for all safeguarding job roles at the same time as notifications to candidates of interviews (LCC only).

Medical Clearances – to inform the customer of clearances received.

DBS (CRB) – To administrate the on-line system for the provision of DBS disclosures.

Set up new users as requested.

Conditional Offer Letters to be issued within two days of receipt of e-form.

HR Admin Service

New starters and changes

Issue new Contracts of Employment and variations to contracts (with the exception of SLMG colleagues for NCC).Set up new records in Oracle if notification is received by the relevant deadline.

Make relevant changes to staff records in Oracle if notification is received by the relevant deadline.

Process maternity leave applications and confirm in writing to employee.

Process other miscellaneous changes, ie paternity leave, adoption leave, transfers via People Plus etc.

Paper Filing (LCC)

To ensure that relevant paperwork is filed correctly against the right employees' record.

Scanning (NCC)

To ensure that relevant paperwork is filed correctly against the right employees' record.

Payroll Service

Salary Payments – To process and ensure salary payments are made to staff on all payrolls managed by the ESC.

To issue **Emergency payments** in accordance with guidelines agreed. You issue payments at no charge if a payment is required as a result of an error within the ESC.

To **recover overpayments** in accordance with the agreed process.

> To calculate the value of the overpayment.

> To issue a letter to explain the details of an overpayment.

> To take full responsibility for the recovery of overpayments that are as a result of ESC or system error.

Produce payslips either on-line or paper in accordance with agreed process.

On request produce a copy payslip within 5 working days (fee payable by employee of £10).

Deductions
Implement tax code changes
Other statutory deductions and Court Orders
Pension payments
Salary sacrifice schemes
3rd party claims - calculate and negotiate recovery of amounts where absence has been identified as a result of third party action.

Leavers

To end salary payment in accordance with notifications received.

To action any other adjustments as notified on the leavers form.

Issue P45 to employee's base/ home address.

OTL / Timesheets

Run processes to load OTL and other timesheets into Oracle and clear errors on load.
Input manual data entry for paper-based timesheets

Expenses – run processes within specified deadlines to ensure i-expenses is loaded to the relevant payroll and clear errors on load.
Paper based claims to be manually input into Oracle

Absence- manual input of absence data including absence reasons where provided.

Resolving absence run rejections

BACS – ensuring files are processed within specified timescales to reach staff bank accounts for the relevant payroll pay days.

Monthly/Year End processing –

Monthly
Pay overs of salary deductions to third parties
RTI return to HMRC

Annual
P60
P11d
On request provide copy of P60 or P11d within 5 working days (fee payable by employee of £10)

Pensions

Enrol employees into and out of LGPS and TP Schemes in accordance with guidance given by partner organisations. Notify employees where brought into pension scheme under PAE.

Ensure Pensions Auto Enrolment reports are produced for each payroll in a timely manner.

Administration of the letters to be issued to colleagues within timeframes issued by the Pensions Regulator where colleagues change status from Entitled Worker / Non Eligible Job Holder and Eligible Job Holder and where Postponement has been applied.

Ensure **Pension Bandings** are input in accordance with the relevant employer discretions policies allowed within the relevant bandings for LGPS/TP/NHS pension scheme banding rules.

TR6 and TR8 forms – submission of forms to TPA

Make **payments to LGPS/NHS and TP** schemes within the respective scheme deadline dates.

ASR - Teachers Pensions Annual Service Return (LCC only)
Produce return within deadlines given by TP

Teacher Pensions balances submission
Produce information for submission within deadline

Service Re-organisations / Projects / TUPE Transfers / Other Bulk Staff Changes

To work with partners to deliver non business as usual activities, such as large scale contract changes or restructurings to meet their strategic objectives.

To assign a project lead when appropriate and agree a project management method

To work with customers to improve the processes and templates to ensure accurate notification of data required for non-BAU work

Implementation of annual Pay Awards as instructed by organisations who receive a payroll service.

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The ESC has continued to work hard to deliver a good quality service to partners and customers. Although there is still room for improvement services continue to develop.

Key areas identified to support improvement are the need to review processes and further develop Oracle to unlock its full potential. On top of the day to day delivery the ESC has also successfully implemented the following initiatives:

April 2013 – Commenced implementation of first phase of pension auto-enrolment statutory requirements

April 2013 -Simplified charging structure for NCC schools and academies

April 2013 - Public Health TUPE transfers into both LCC and NCC structures

April 2013 – Phase 1 go live of Oracle payrolls for Nottingham City Council. This phase included the core structure of Nottingham City Council going live on the new payroll system. This included the launch of OTL and i-expenses.

April 2013 – DBS (CRB) on-line processing – completed full roll-out across Nottingham City Council.

April – September 2013 – Procurements and planning activity to secure new 'fit for purpose' Recruitment portal system.

April – August 2013 – Planning of transition of activities and staffing transitions for Phase 2 'go live'.

July 2013 – Commenced implementation of RTI, HMRC requirements.

August 2013 – Phase 2 go live of Oracle payrolls for Nottingham City Council Schools and academies.

September 2013 – Recruitment Portal transition to new system with significantly improved functionality. EMSS branded site with the provision of micro-sites for our partners and customers.

October 2013 – Implementation of the 'living wage' Nottingham City Council.

January 2014 – Achieved full transition to target staffing model – all service activities and staff based at Glenfield, Leicester

January 2014 – Timesheet solution for NCC Schools and Academies – full launch completed

Academy conversions – during the year we have supported the transition of 24 Leicestershire and 4 Nottingham City Schools to Academy payrolls and continued to provide them with Recruitment, HR administration and Payroll Services.
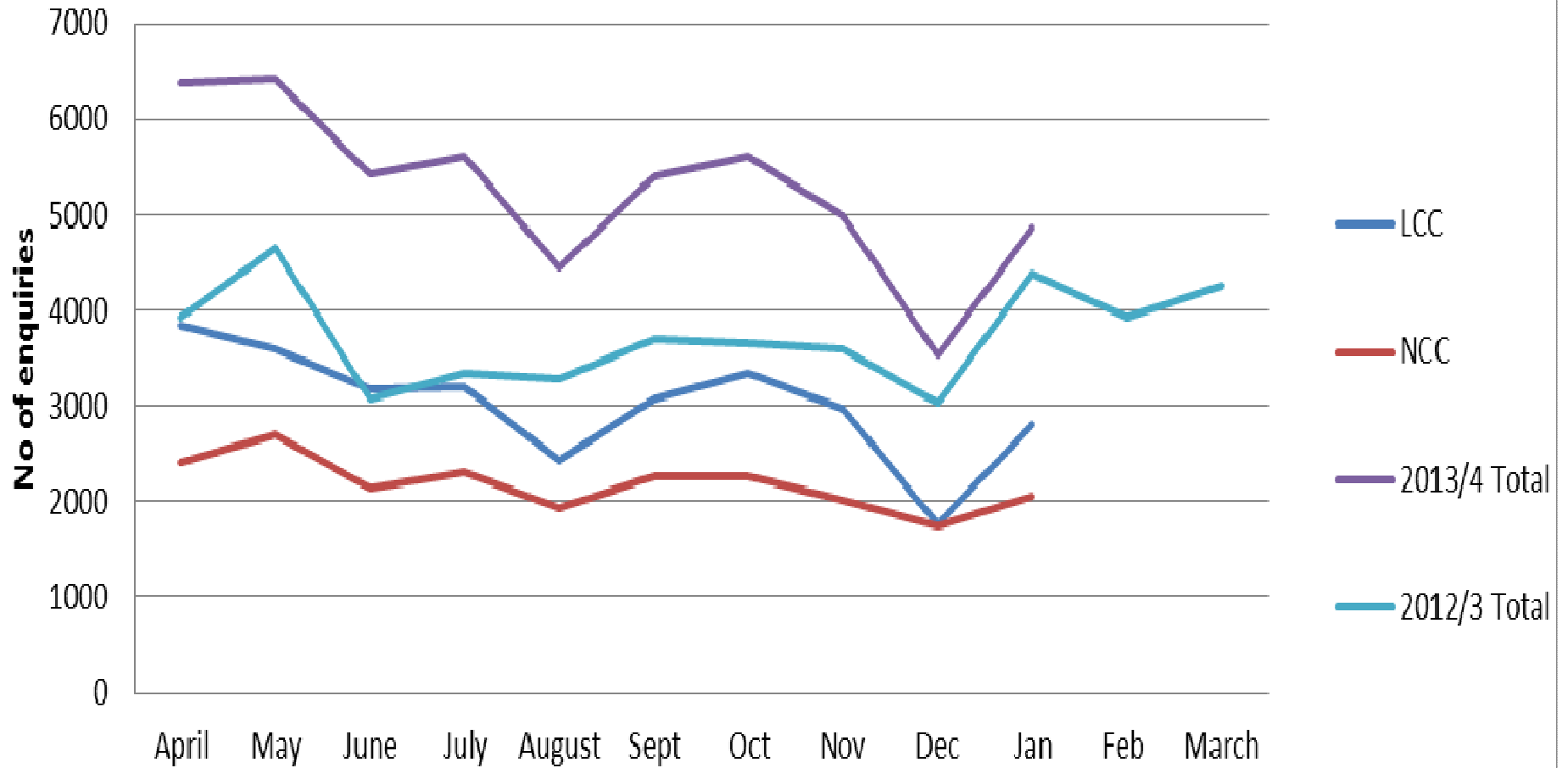
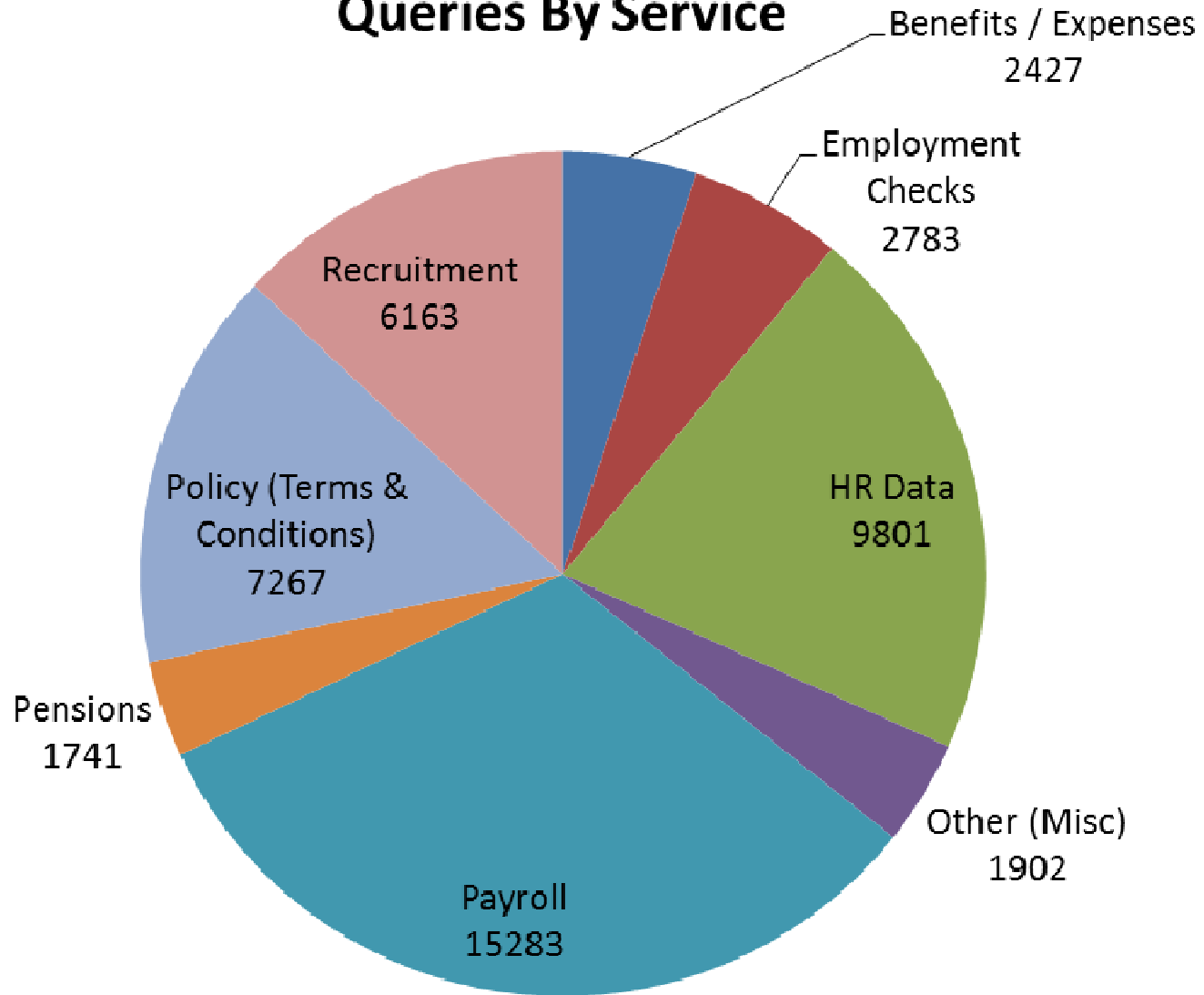96% of calls were resolved for LCC.

98% of calls were resolved for NCC.

98.53% of contracts issued were free of errors.

99.63% of payroll transactions were processed correctly.

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Service Desk Enquiry Volumes

Queries By Service

Pie chart showing Queries By Service:
- Benefits / Expenses 2427
- Employment Checks 2783
- HR Data 9801
- Other (Misc) 1902
- Payroll 15283
- Pensions 1741
- Policy (Terms & Conditions) 7267
- Recruitment 6163

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The Finance Service Centre is undergoing an extensive restructure, which includes the integration of the helpdesk function into core Accounts Payable and Accounts Receivable services.

Objectives of Services

The structure, operating model and processes adopted by the FSC have seen extensive change during this first period of operation. Decisions regarding operating principles were found to be inappropriate once the large volumes of transactional activity began to be managed.

This situation also highlighted the number and extent of system configuration errors that needed to be corrected within the new Oracle build employed by the FSC.

An ambitious and proactive approach has been taken by the FSC, and supported by the two councils, in order to overcome these issues and, as this initial operating period has progressed, resolution has largely been achieved – and this is evidenced by continually improving performance.

One of the key changes required has been to address the way in which the team was managed and structured. An extensive restructure is now almost completed and this includes the integration of the helpdesk function into core Accounts Payable and Accounts Receivable services.

Details of Services Provided – General Standards

First point of contact to work with partner organisations to keep intranet material up to date.

Second point of contact for all HR and Payroll related enquiries.

Resolve 80% of enquiries at this first point of contact.

Record enquiries in OTRS (customer management software).

Respond within time frame targets.

Escalate enquiries to other EMSS teams or Specialist HR teams within the Partner Organisations to meet time frame targets.

Point customers towards self-serve facilities and encourage Manager/Employees to use self-serve facilities in the future.

To provide a high level of **Customer Service** when handling enquiries which meet or exceed customer expectations.

Accounts Payable

Invoice Processing

Process scanned invoices received for Partner organisations to a high quality standard and within agreed timeframes for payment. Process payment schedules received from Partner organisations to a high quality standard and within agreed timeframe.

Processing of Line of Business Feeders

Ensure that Line of Business Feeds are processed accurately and within timescales agreed with Partner and customer organisations.

BACs and Cheques

To coordinate the processing of all BACs and cheque runs for Partner and customer organisations in line with business requirements, including the release of timely remittance information to suppliers and payees.

Maintenance of Supplier Database

Timely and accurate creation of new suppliers and amendments to existing suppliers on request from Partner and customer organisations. Effective maintenance and housekeeping of the supplier database in conjunction with Partner and customer organisations.

Management of Unpaid Invoices

To coordinate the resolution of non-payment of invoices for Partner organisations, working closely with Partners, customers and their stakeholders to ensure that payments are released on a timely basis.

Continuous Improvement

Provision of advice and recommendations to Partners, customers and stakeholders in Accounts Payable activities, including delivery of change where appropriate. The key aim being to improve the efficiency of the procure to pay end to end process leading to cashable savings for Partner organisations.

Accounts Receivable

Raising Invoices and Credits

Creation and distribution of invoices and credits raised by Partner and customer organisations.

Timely and accurate processing and distribution of invoice and credit requests from partner and customer organisations.

Reminders

Creation and distribution of reminder letters for certain debt on behalf of partner and customer organisations.

Payment Plans

Negotiation and implementation of customer payment plans.

Debt Management

Proactively and effectively chase debt for service functions specified by Partners and customers, using a variety of means.

Escalation of debt collection to third party debt management organisations and Legal Teams where appropriate.

Maintenance of Customer Database

Timely and accurate creation of new customers and amendments to existing customers. Effective maintenance and housekeeping of the customer database in conjunction with Partner and customer organisations.

Projects

To plan alongside LCC/NCC resource requirements and cost any additional requirements for projects/non-BAU activities/high volume changes to include planning resourcing costs.

To assign a project lead when appropriate and agree a project management method.

To work with customers to improve the processes and templates to ensure accurate notification of data required for non-BAU work.

Support in the Implementation of new or amended line of business feeds, including testing, as instructed by Partner and customer organisations.

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Key Achievements 2013/14

April 2013 – Phase 1 go live of Accounts Receivable and Accounts Payable transactional services for Partner and customer organisations.

June 2013 – Incorporated daily transactional statistics to monitor and address transactional performance issues

July – September 2013 – review of management approach and core operating principles, with the objective of improving performance and customer service standards.

September 2013 – ongoing improvements in performance begin. Week on week improvements in productivity begin and continue through to date.

November 2013 – Launch of FSC Restructure with implementation to be completed April 2014

November 2013 - Implementation of invoice holds management information for Partner organisations, allowing resolution of complex errors.

November 2013 – Supported in the delivery of full regression testing of Oracle Financials to enable the implementation of key technical changes impacting FSC and Partner organisations, allowing further improvements in performance and increased error resolution.

February 2014 – completed first wave of enhanced training in the use of Oracle Financials

March 2014 – new structure fully populated, removing reliance on temporary staff. The vacancies created by the new structure are filled from within the team, including a number of high performing temporary colleagues who have committed their future to the FSC.

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