FUTURE FOCUSED FINANCE

SYSTEMS & PROCESSES

HIRE TO RETIRE

SECTIONS

EXECUTIVE SUMMARY

- **Introduction**

This Hire to Retire (H2R) toolkit is designed to provide a high-level overview of an optimised H2R function within an NHS organisation. The toolkit specifically includes process maps for the key stages of the H2R function, key attributes of each stage, risk and controls linked to each stage, key performance indicators, technology options to optimise efficiency, and example documents that could be utilised in the H2R process.

- **Structure of Toolkit**

This toolkit is designed to be utilised in a playbook type fashion – each section is hyperlinked to relevant sections, KPI, example documents, or risk/control descriptions – allowing the user to focus on particular areas.

- **Approach**

Best practice examples provided in this toolkit are a combination of peer research documents such as the report “Operational productivity and performance in English NHS acute hospitals: Unwarranted variations” – Lord Carter of Coles February 2016 and EY internal resources. Key performance indicators are sourced from APQC databases.

- **Scope**

For the purpose of this toolkit, the ‘Source’ and ‘Develop’ aspects of the hire to retire function have been left out of scope as these differ significantly from organisation to organisation. For similar reasons, ‘Agency’ staff use and payment for has also been kept out of scope.

H2R Key Elements

The hire to retire process covers four key elements:

Manage ESR
- Manage use of Employee Self Service & Manager Self Service
- Employee events linked to payroll changes triggers tax and medical updates
- Automate interface between the Electronic Staff Record (ESR) and payroll system

Make Payroll Payments
- Perform standard checks for duplicate and under/over payments and ensure robust control for payments based on timesheets
- Test run of payroll and clearing of error log systematically
- Minimise payroll cycles through development of process

Payroll Accounting
- Automatic reconciliation between GL, Payroll and Cash
- Auto creation of accruals for missed payments
- Automate vacation accruals

Payroll Reporting

EXECUTIVE SUMMARY CONTINUED

Process Maps

- This toolkit includes process maps for key stages of the H2R function

Administration

- Process maps cover the creating and ending posts within ESR, and updating details on post, contracts and personal information
- Further sections have been included to provide best practice guidance on Establishment Control processes

Reward

- Reward process maps include pay process for substantive and bank employees, outsourced payroll process, execution of payroll, reporting and query resolution, annual pay structure review, and changes to employee contracted hours.

Retire/Separate

- Process maps for under/over payment resolution and payment of pensions

Key Risks and Controls

- Key risks and example controls (further controls included in full section) identified in this toolkit include:
- R: Timesheet – False/incorrect number of hours input
- C: Clear written instructions and procedures for all staff and managers on completing, submitting and authorising timesheets; Timesheet input form prompts employee if hours outside of ETWD directive and or/not physically possible are input
- R: Timesheet – Bank costs are applied to the incorrect department
- C: Timesheet input form restricts the departments selectable according to type of employee (e.g., Radiology not allowed to charge Bank time to wards)
- R: Overpayments – Employee change form submitted late or not at all
- C: Employees with staff management responsibility have the explicit responsibility and accountability for overpayments resulting due to not submitting leaver forms on time; Individuals should be made aware that they should flag any suspected overpayments to payroll (e.g., include at the bottom of every payslip)
- R: Record Integrity – Employee records contain incorrect information
- C: ESR self service will allow employees to check and update personal details such as address, bank details and contact details – read only access to sensitive information such as role details
- R: Duplicated Headcount – Employees that have two contracts with the organisations will be set up with two records in ESR – there is a risk that the employee is counted as two individuals for headcount related reports or payments (e.g., employers National Insurance contributions)
- C: Employees with more than one record in ESR will have the same assignment number hyphenated with a sequential number denoting the different records for the employee – in the first instance, organisations can compare the total number of unique assignment numbers in ESR against the number of employees included in the NIC calculation as a check for duplication
- R: Queries go unresolved or not within acceptable timeframe
- C: All queries are submitted using a standardised e-Form and submitted to one nominated team (e.g., pay related queries directed to Payroll); Queries are assigned to a single owner (individual or team)

EXECUTIVE SUMMARY CONTINUED

Technology Options

Technology plays an integral part of business functions in the modern environment with organisations increasingly looking to technology to help drive cost efficiency and reduce risks to their business.

Within the NHS there is great scope to improve the use of current technologies such as Electronic Staff Register which is often underutilised by organisations.

Brief descriptions of the key ESR modules that can added to the most common base HR module have been included within the Technology Options section of this toolkit. A more detailed explanation of the ESR self-service module has been included in the Example Documents section.

The Technology Options section also provides brief descriptions of popular timesheet management and e-rostering software. Organisations should use this section as a starting point to their search for solutions most appropriate for their organisation's specific needs.

Key Performance Indicators (KPIs)

KPIs included are sourced from the APQC database and the "Operational productivity and performance in English NHS acute hospitals: Unwarranted variations" report conducted by Lord Carter of Coles in February 2016. An example of what KPIs could be utilised in the Payroll report has been included in the Example Documents section.

Example documents

This toolkit also provides a number of best practice example documents for organisations to utilise when designing organisation specific versions. Example documents included are:

1. Query resolution tracker – example outlining key information to capture from queries in order to track them to resolution
2. Timesheet best practice – notes on what good timesheet processes should include
3. ESR Module Self Service Module (Full and Limited) – description of capabilities, implementation and benefits of ESR's self-service modules
4. Payroll Report KPIs– example outlining KPIs to include in Payroll Report

SECTION 1: PROCESS MAPS

ROLES AND RESPONSIBILITIES

Activity

Description

Manage ESR

- Use of Employee Self Service & Manager Self Service
- Employee events linked to payroll changes triggers tax and medical updates
- Automated interface between the Electronic Staff Record (ESR) and payroll system
- Consequences for updating ESR as soon as possible

Make Payroll Payments

- Electronic time sheets
- All staff payments should managed by Payroll
- Standard checks should be in place for duplicate and under/over payments
- Robust control for payments based on timesheets
- Test run of payroll and clearing of error log systematically enforced
- Minimize payroll cycles
- Only send electronic payslips
- Only use BACS for non routine payments

Payroll Accounting

- Automatic reconciliation between GL, Payroll and Cash
- Auto creation of accruals for missed payments
- Automate vacation accruals

Payroll Reporting

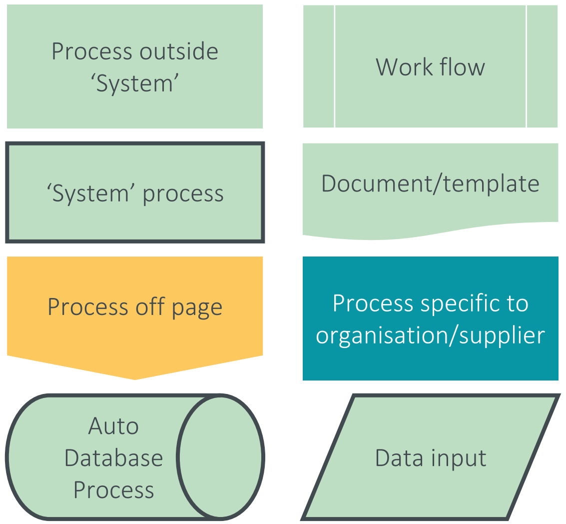
PROCESS OVERVIEW: LEVEL 2 PROCESS MAP

The Hire to Retire process begins with sourcing and developing employees, and extends to retirement or separation of employees from the business. For the purposes of this toolkit, “1.0 Source” and “2.0 Develop” are outside scope.

Process Objectives

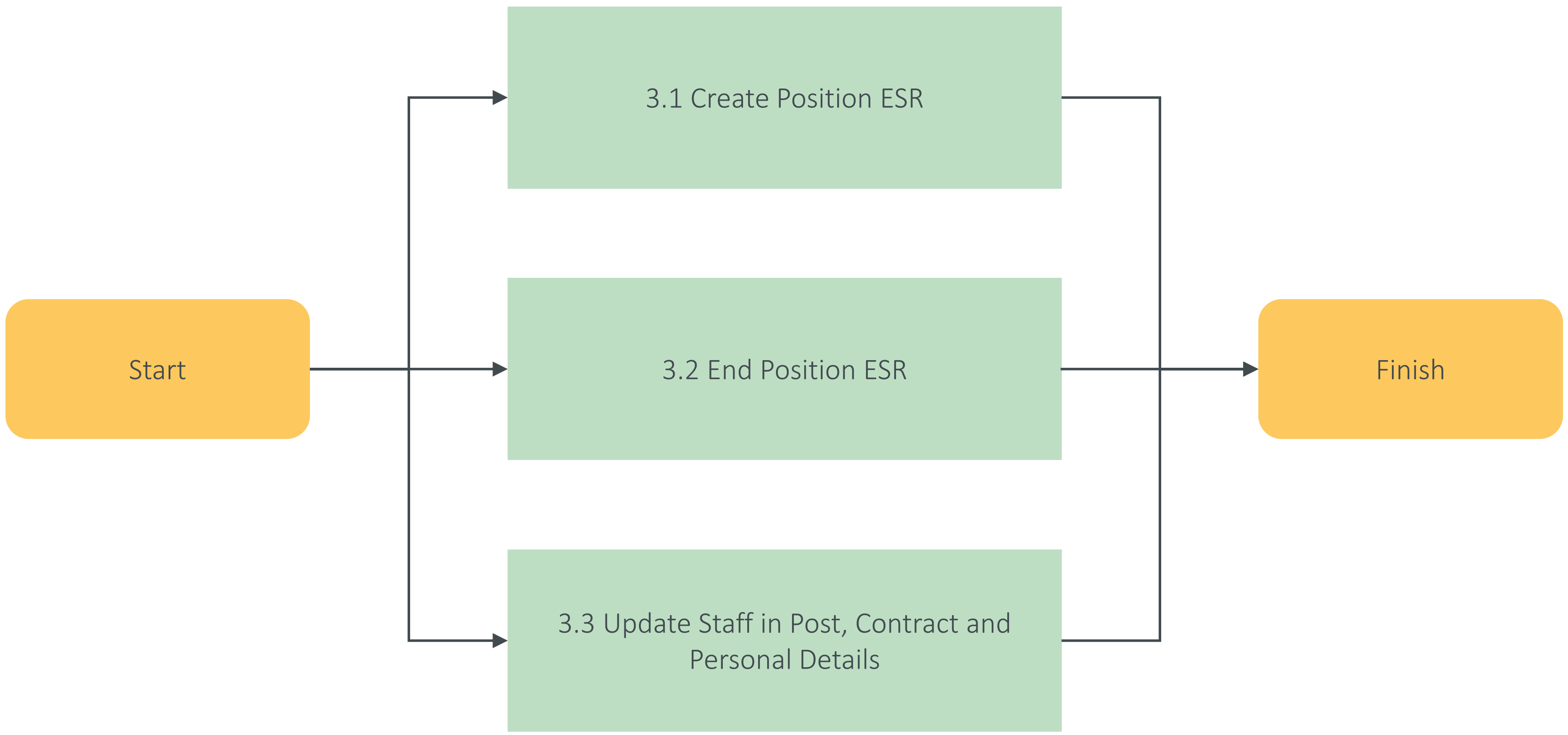
1. To complete the administration linked to employed staff
2. Minimise cost and time of the carrying out administrative tasks
3. Ensure effective controls are in place to eliminate errors, over/underpayments, and fraud
4. Reconcile ESR and General Ledger

Key



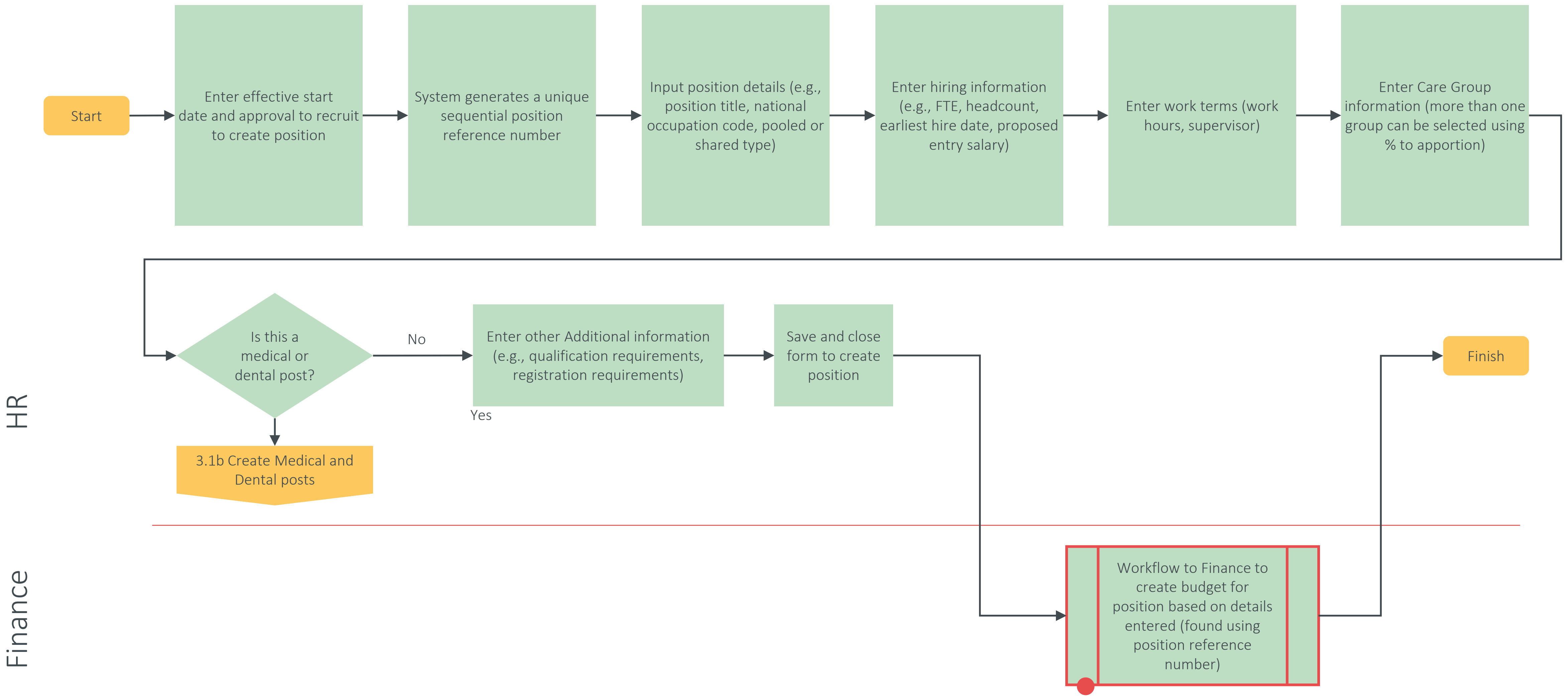
3.0 ADMINISTRATION

- Risk & control
- Policy/template
- KPI

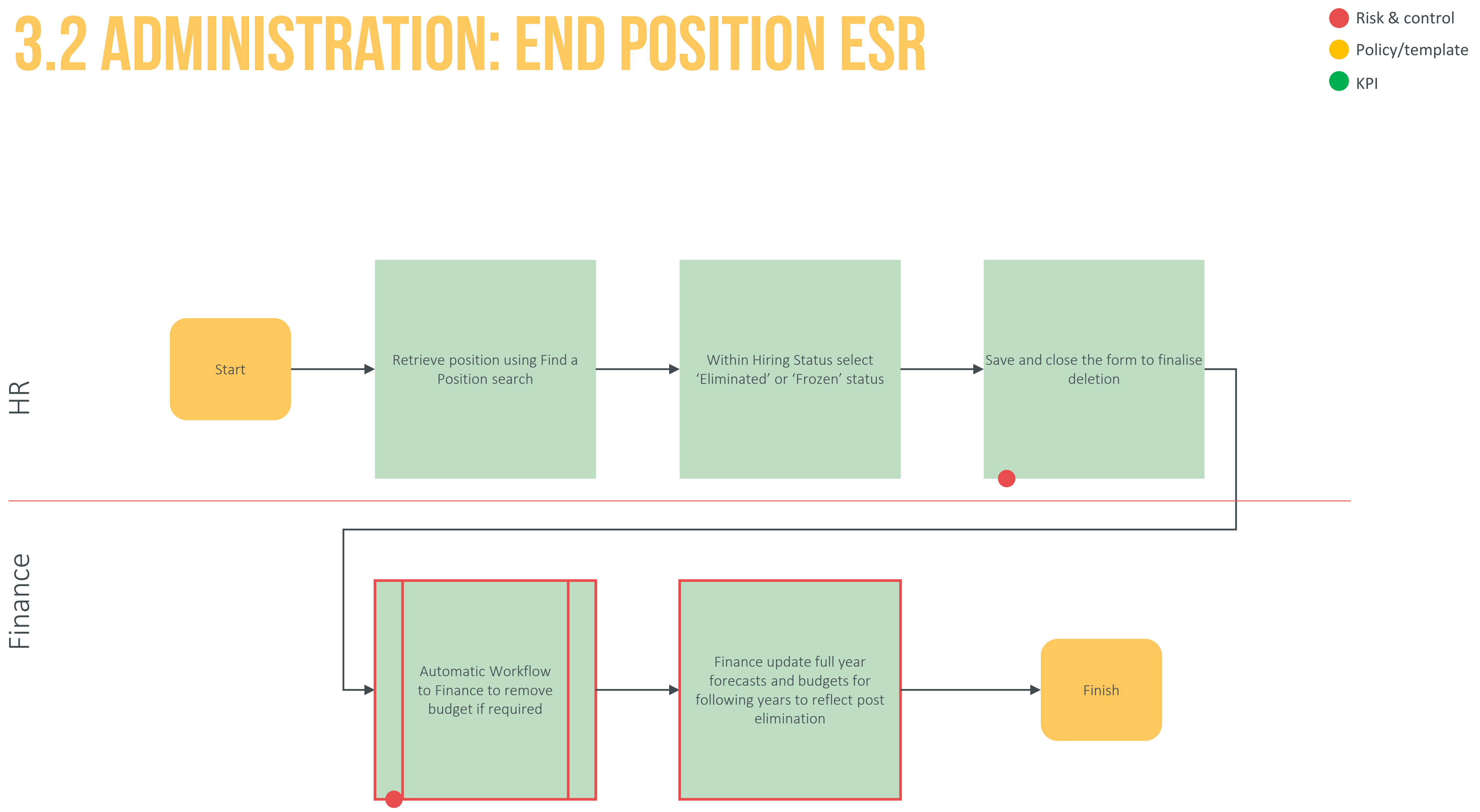


3.1 ADMINISTRATION: CREATE POSITION ESR

Risk & control
Policy/template
KPI

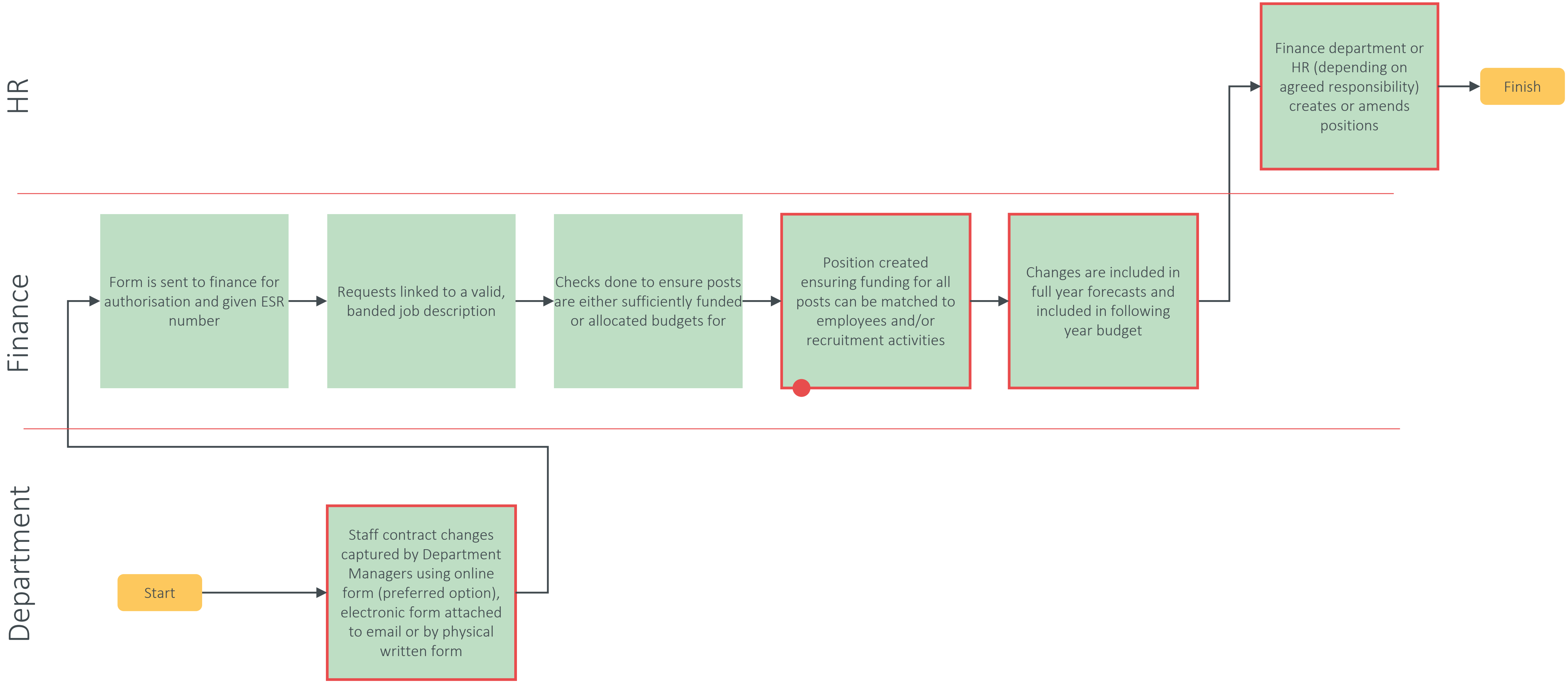


3.2 ADMINISTRATION: END POSITION ESR



3.3 ADMINISTRATION: UPDATING STAFF IN POST, CONTRACT AND PERSONAL DETAILS

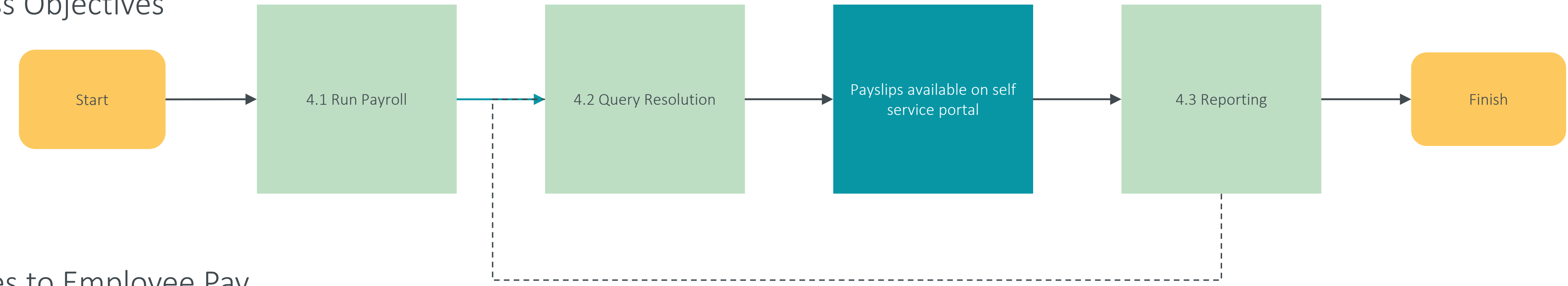
Risk & control
Policy/template
KPI



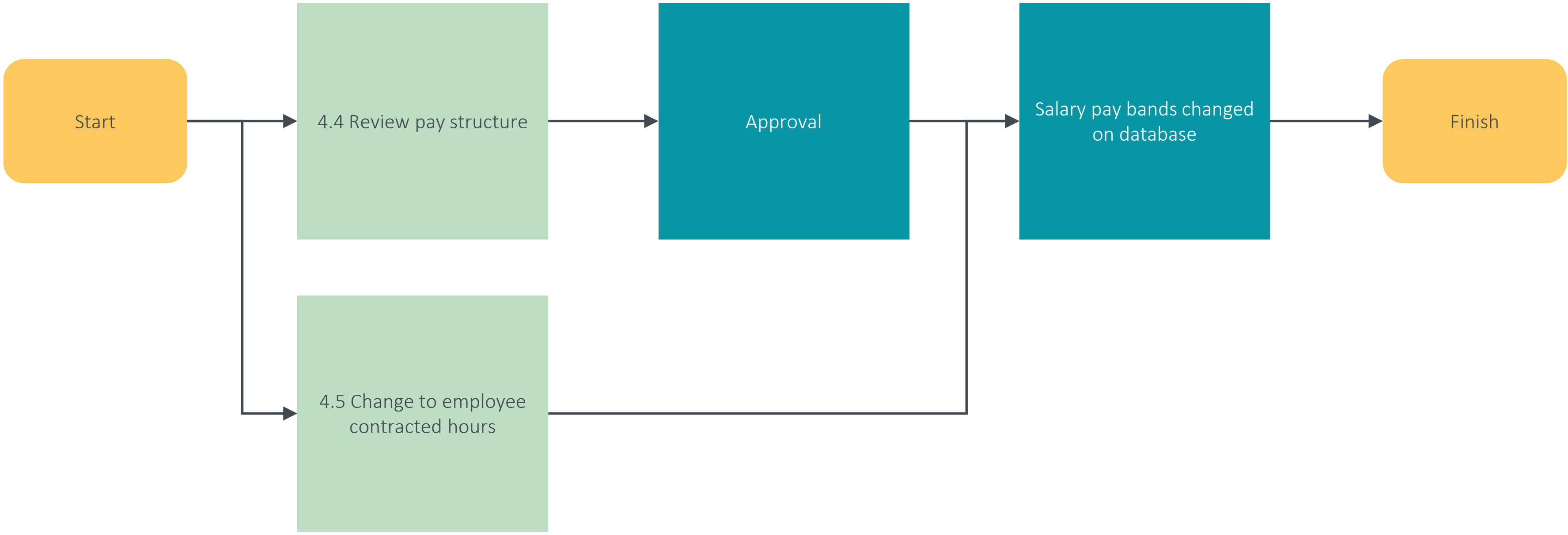
4.0 REWARD

- Risk & control
- Policy/template
- KPI

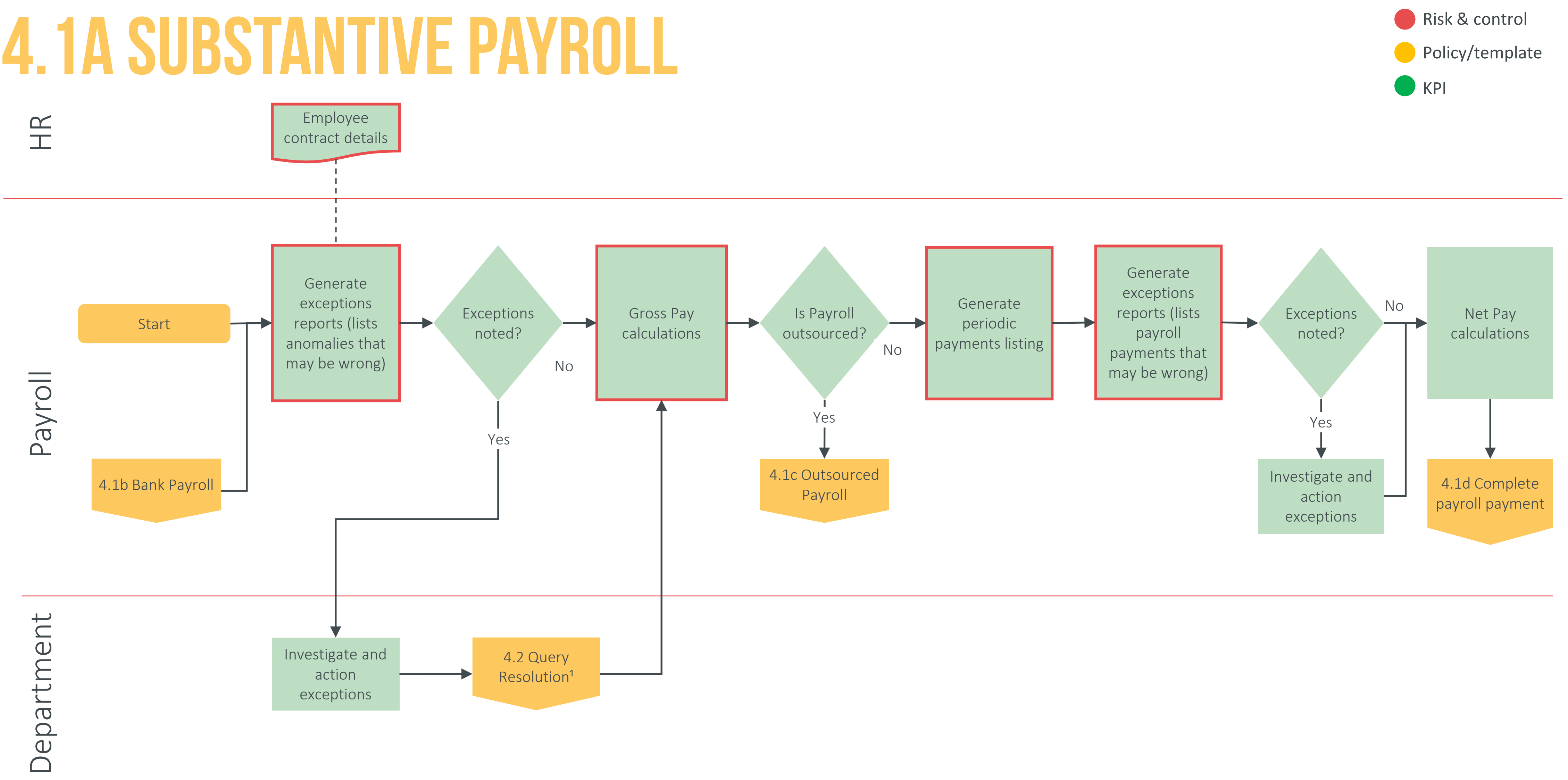
Process Objectives



Changes to Employee Pay

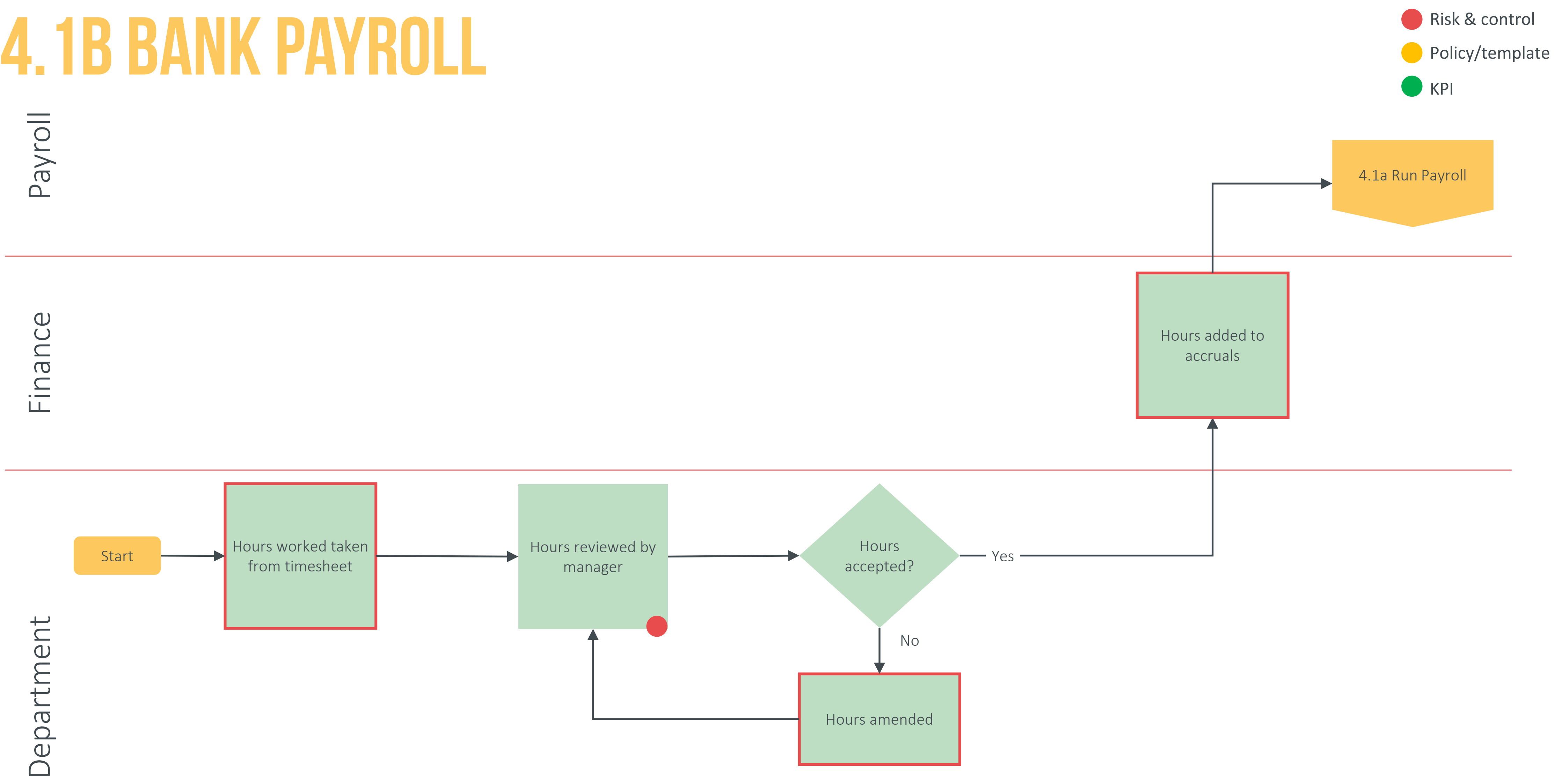


4.1A SUBSTANTIVE PAYROLL



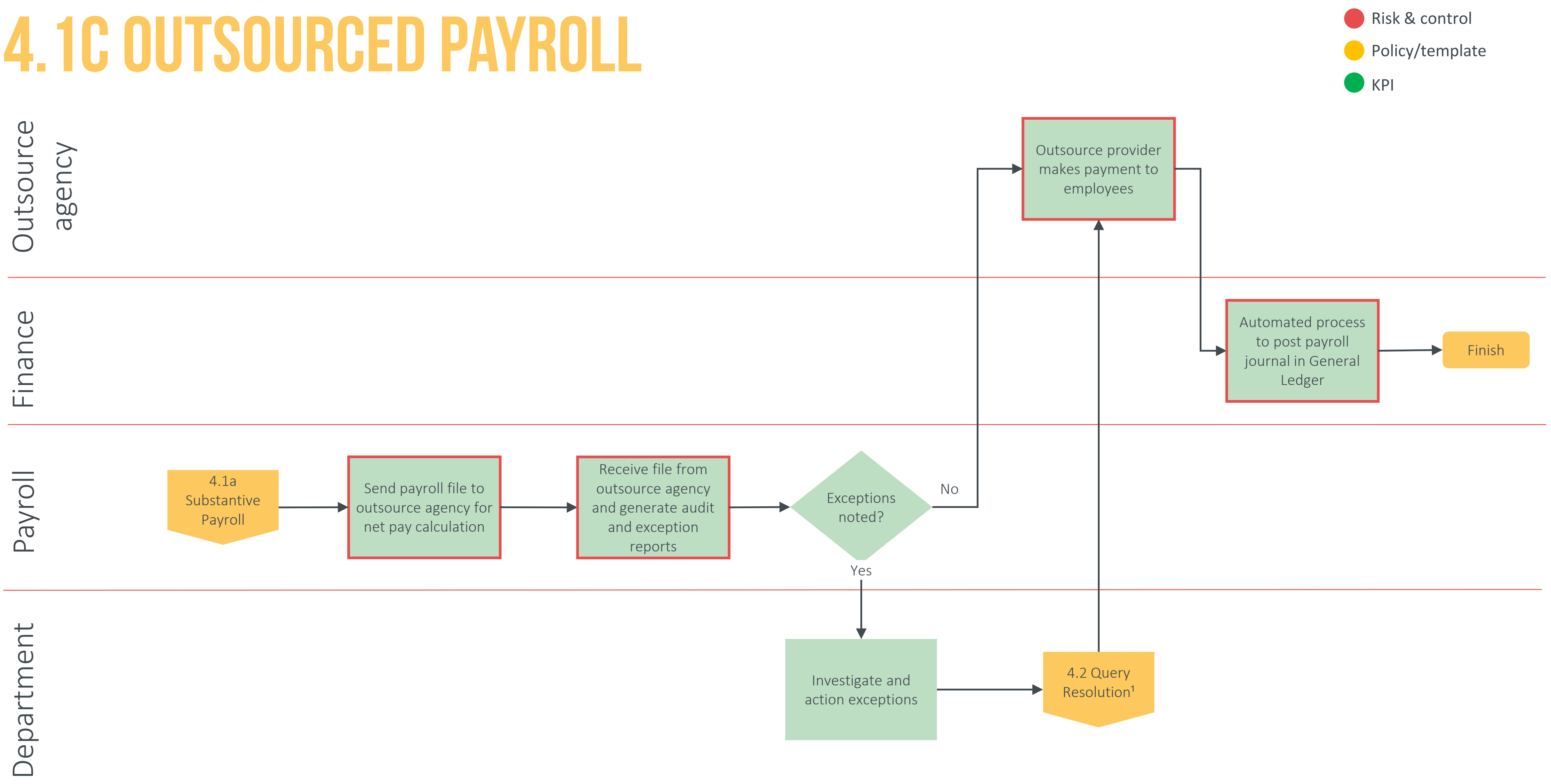
NOTE: [1] For queries that need further investigation in order to resolve

4.1B BANK PAYROLL



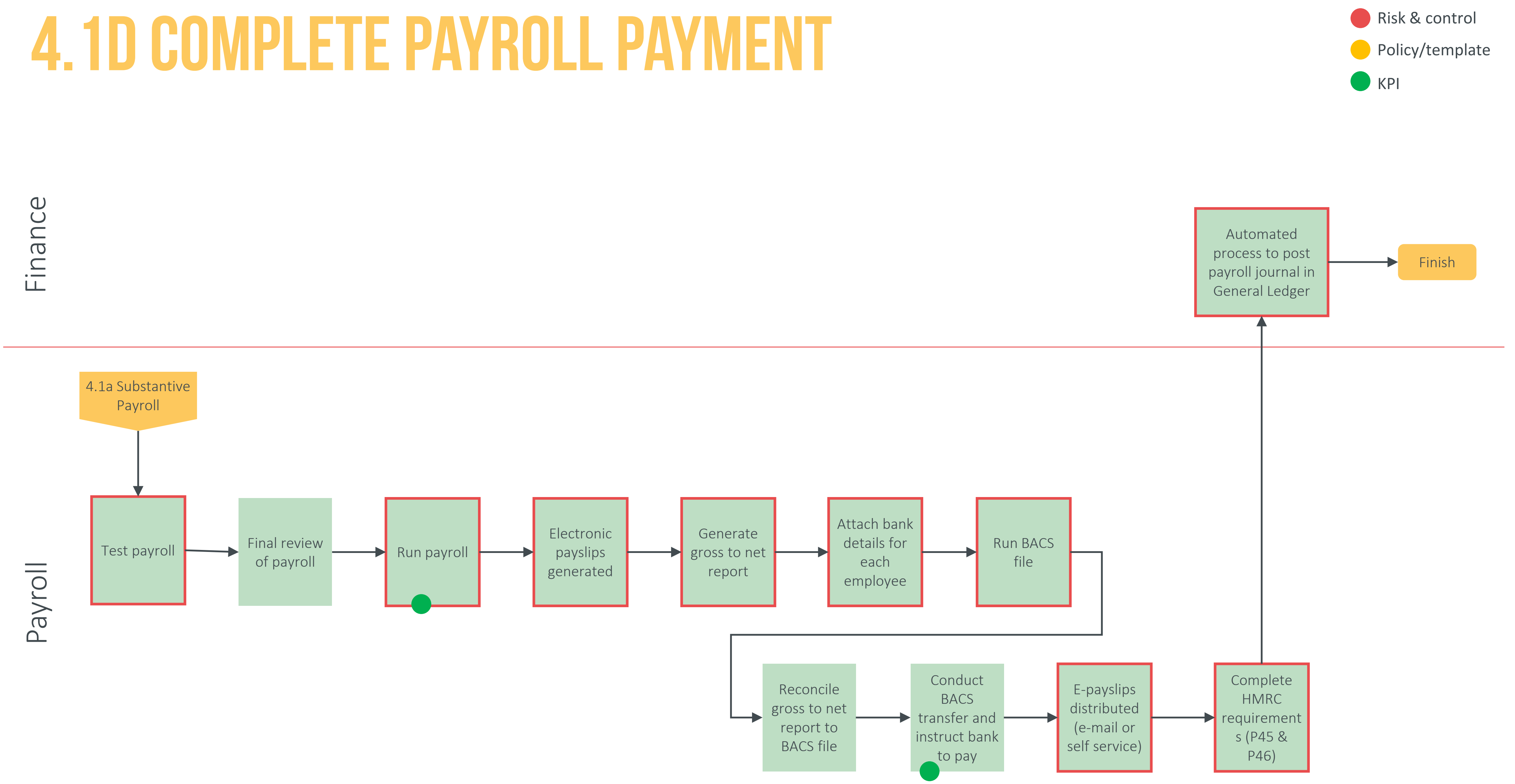
NOTE: Automated error checking takes place when employees enter timesheets – e.g., completeness checks will prompt the employee to complete all fields; Integrity checks would allow employees to only select authorising managers that are linked to the ward that the employee had selected

4.1C OUTSOURCED PAYROLL



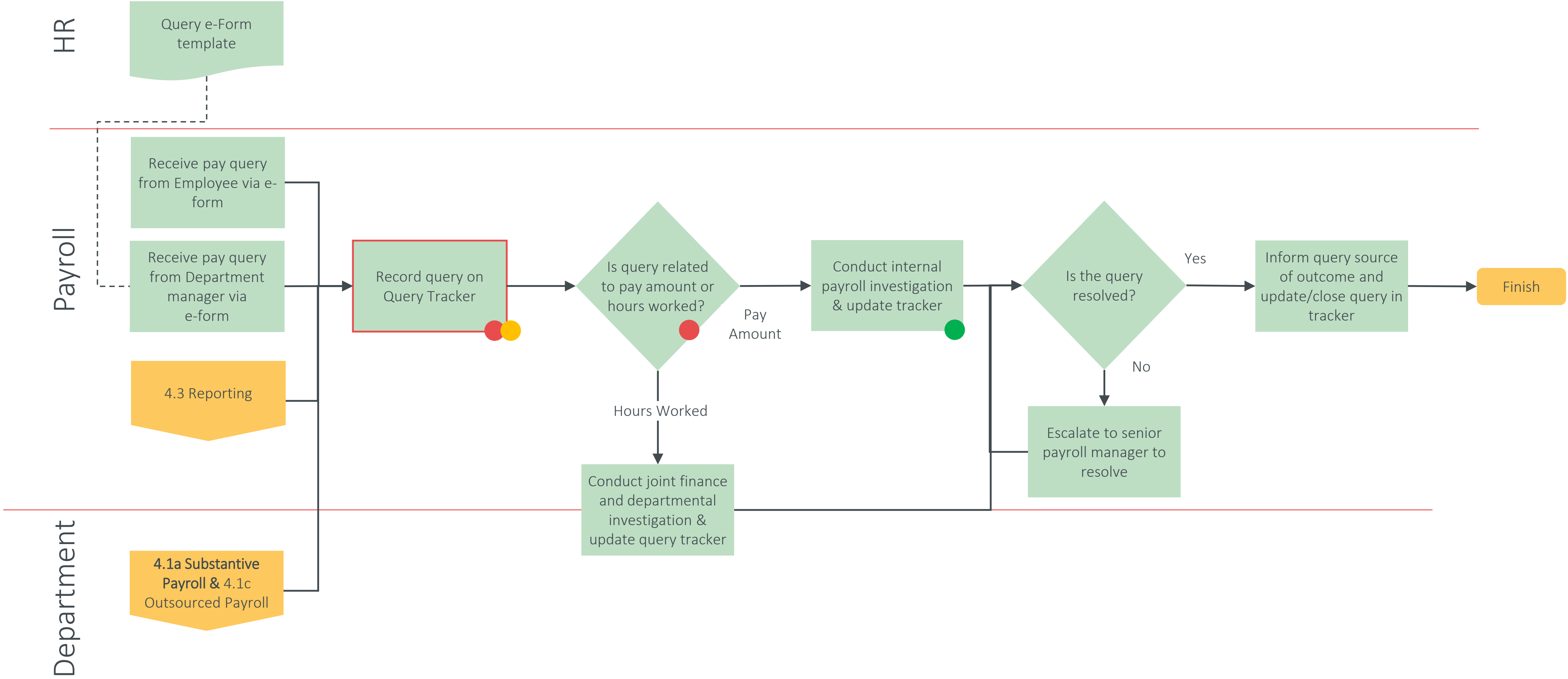
NOTE: [1] For queries that need further investigation in order to resolve

4.1D COMPLETE PAYROLL PAYMENT



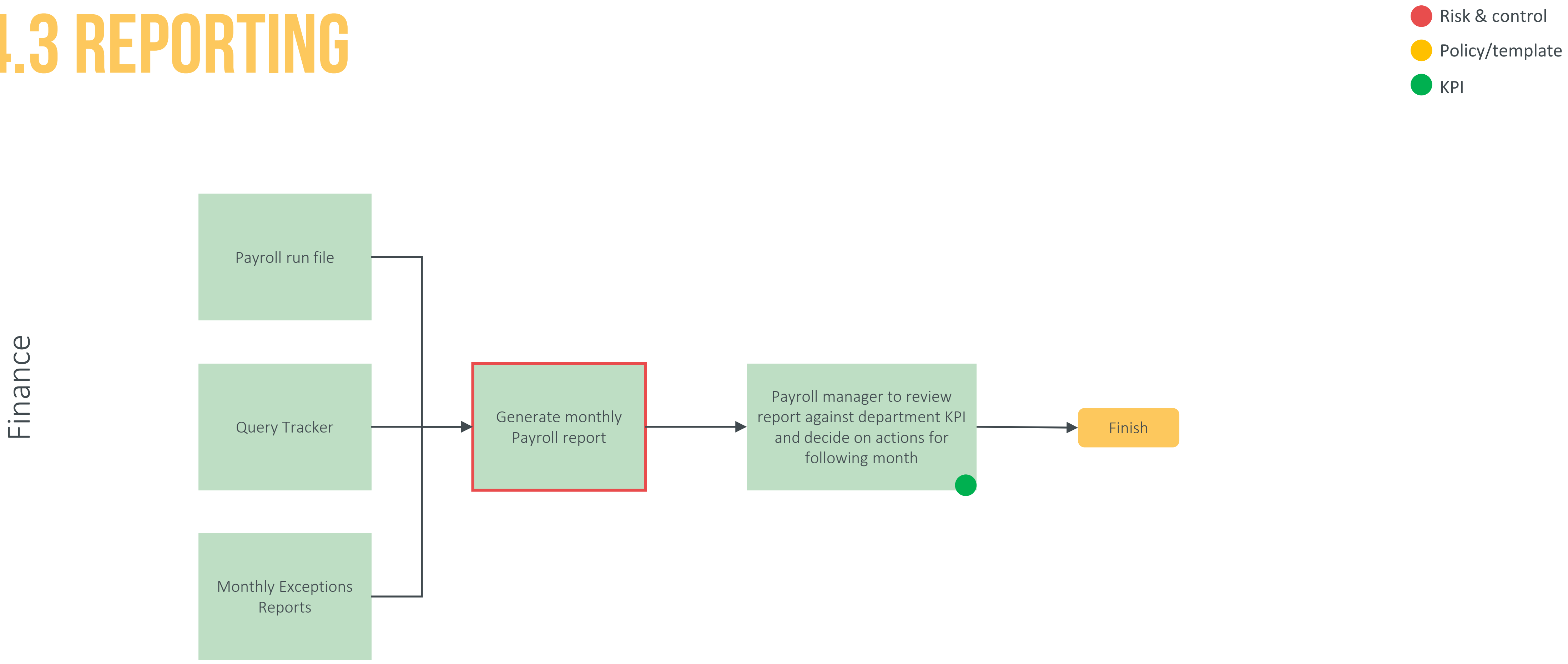
4.2 QUERY RESOLUTION

Risk & control
Policy/template
KPI



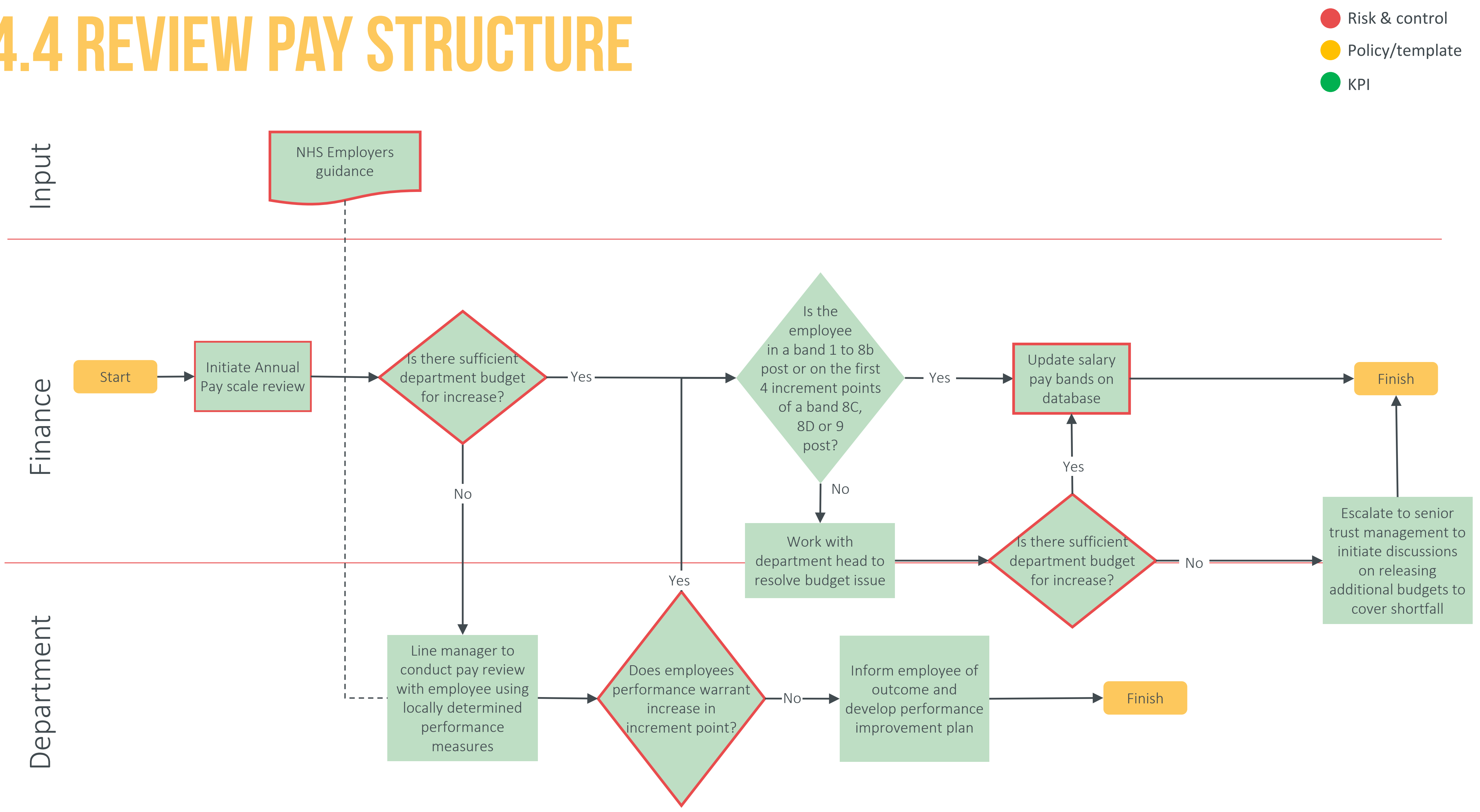
NOTE: Payroll department will own all pay queries and coordinate the investigations. Counter fraud measures should be owned my management accounts[?]

4.3 REPORTING

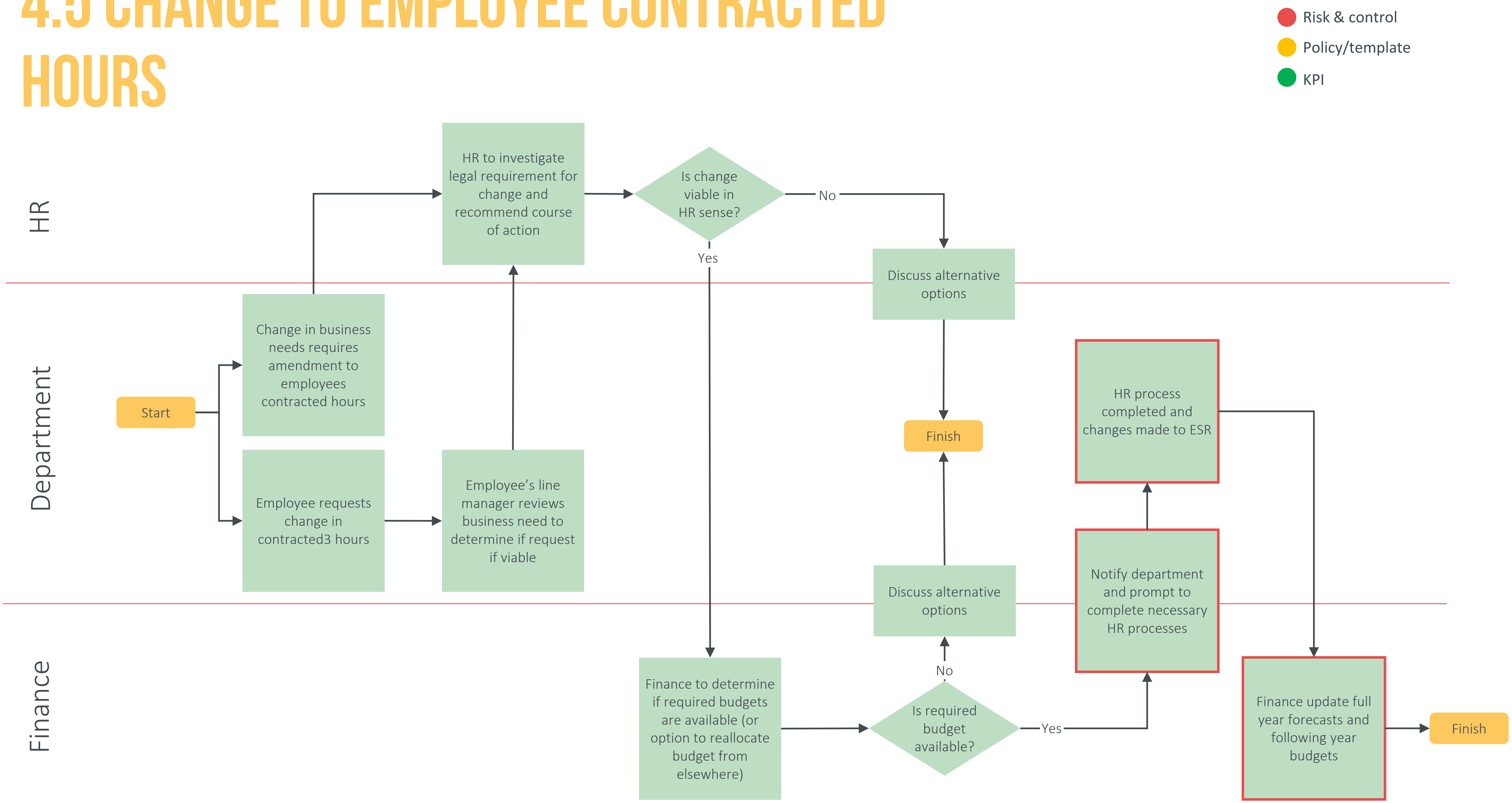


NOTE: Payroll reports could include: Overpayments in month (number and amount), number of correction journals required, payroll queries outstanding, monthly exceptions reports.

4.4 REVIEW PAY STRUCTURE



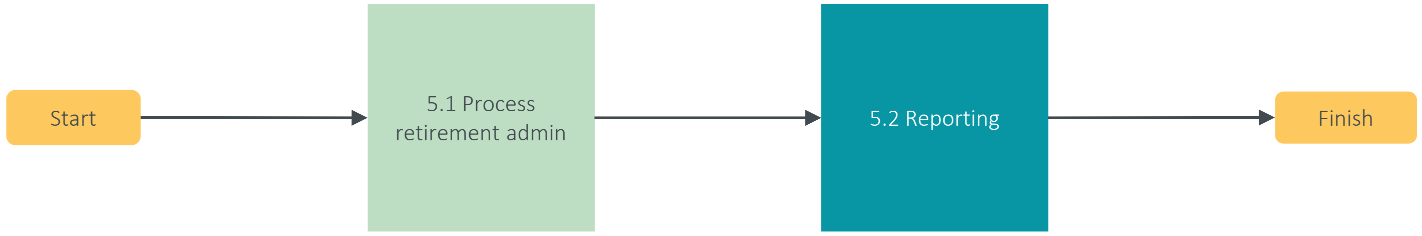
4.5 CHANGE TO EMPLOYEE CONTRACTED HOURS



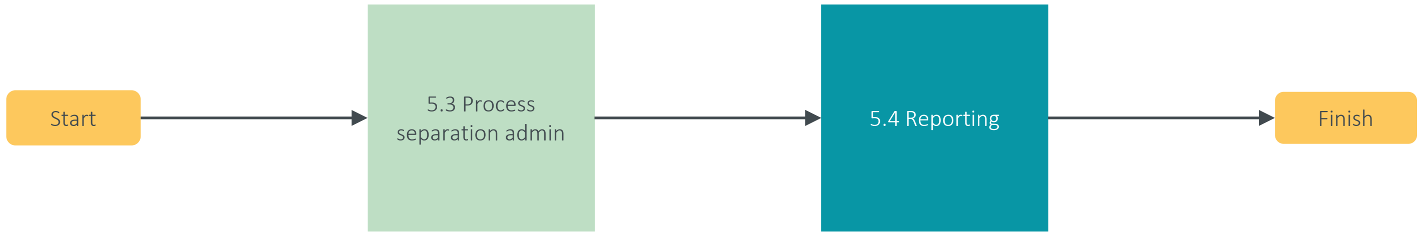
5.0 RETIRE/SEPARATE

Risk & control
Policy/template
KPI

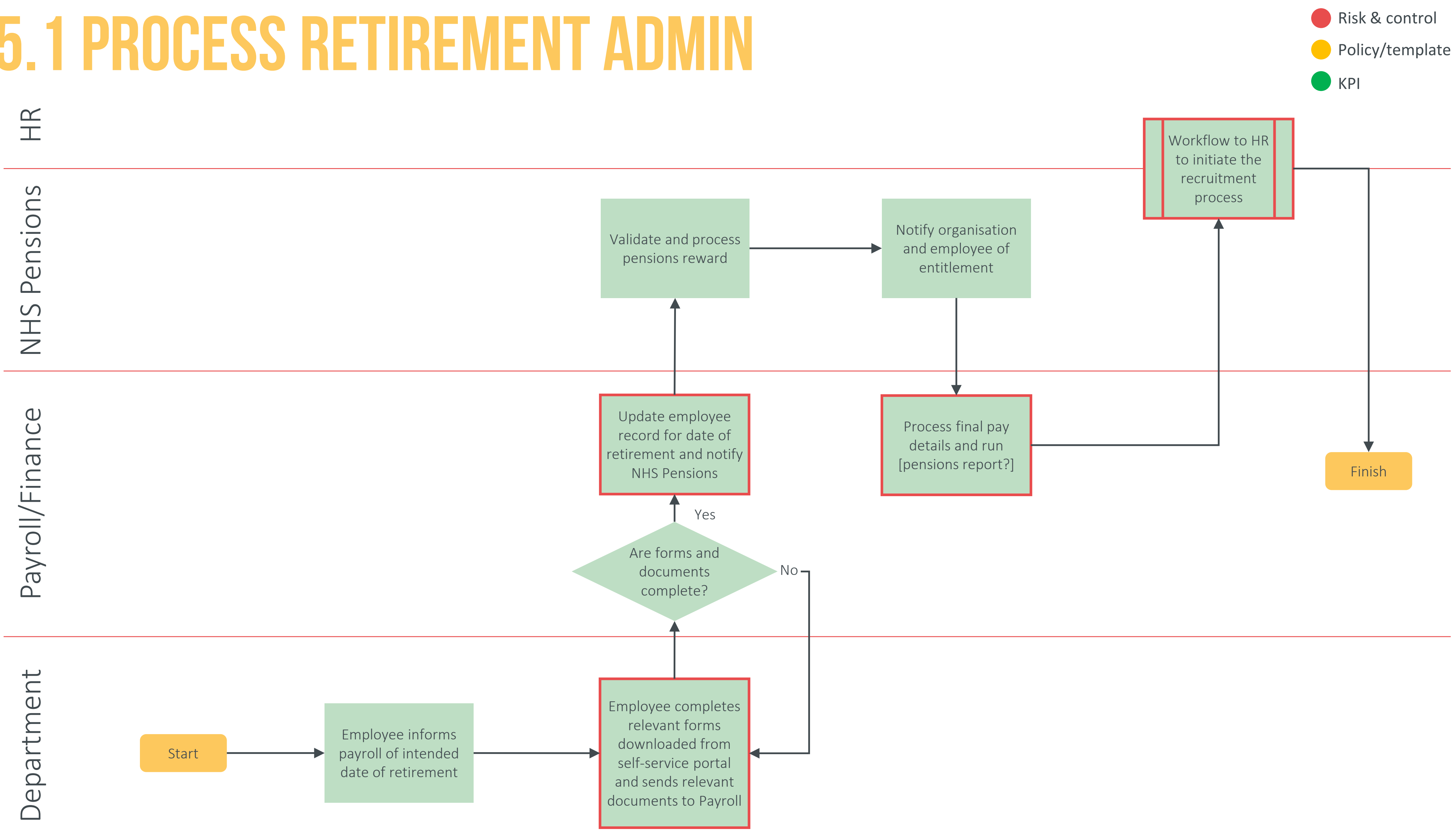
Retire



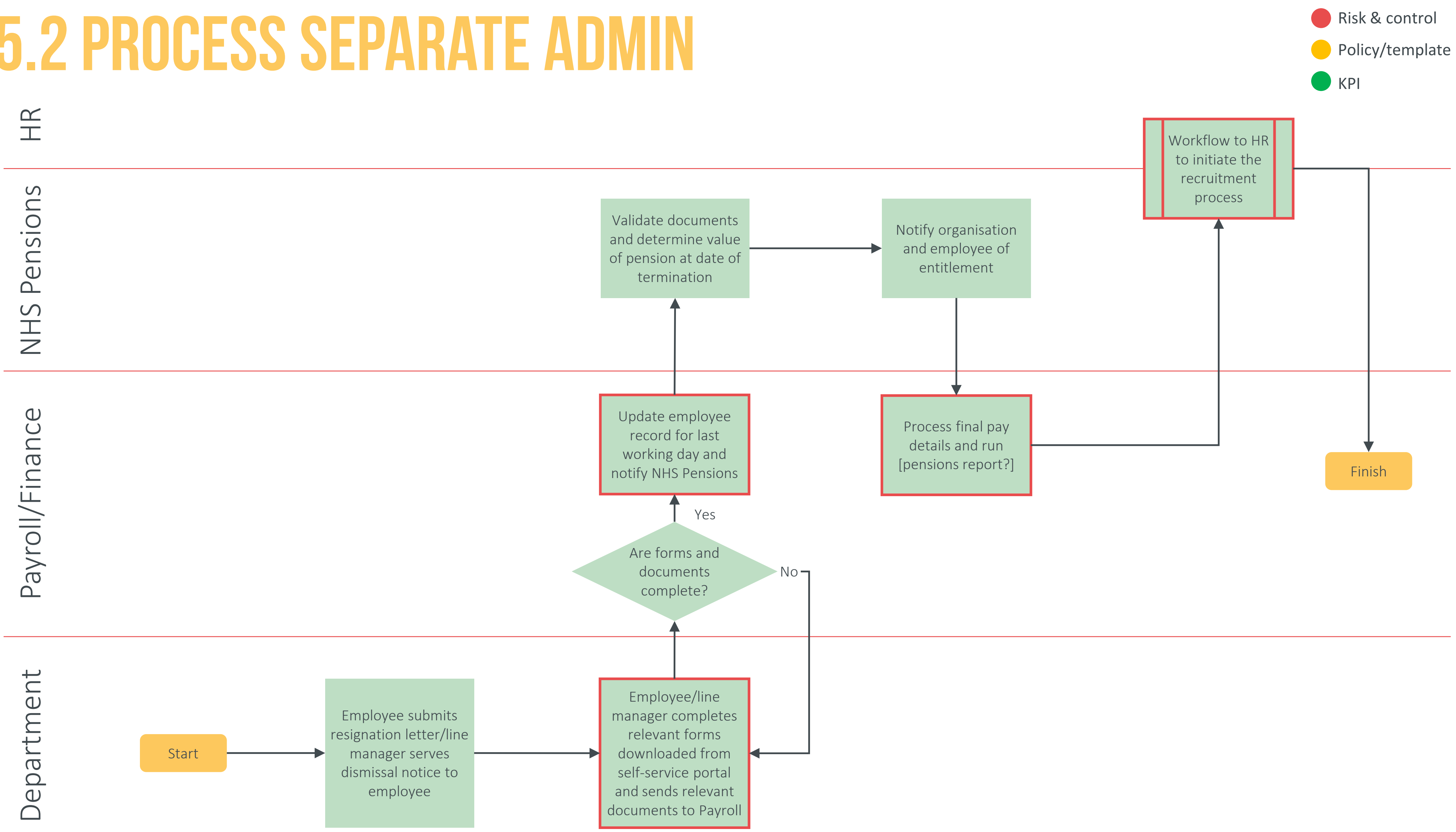
Separate



5.1 PROCESS RETIREMENT ADMIN



5.2 PROCESS SEPARATE ADMIN



SECTION 2: KEY ATTRIBUTES

3.0 ADMINISTRATION: KEY ATTRIBUTES

- Risk & control
- Policy/template
- KPI

1. Key Inputs

- Request to add post taken from department
- Position details (e.g. position title, national occupation code, pooled or shared type provided, FTE, headcount, earliest hire date, proposed entry salary) by department
- Post termination request from department
- When funded by an external body, sufficient details should be captured to ensure effective recharging can occur

2. Key Processes

- Department completes e-form to request posts to be created on ESR and submits to HR
- Post is created on ESR by HR and automatic workflow is sent to Finance to create equivalent budget
- Department completes e-form to request post to be terminated and submits to HR
- Post is 'Eliminated' or 'Frozen' on ESR by HR and automatic workflow is sent to Finance to reflect the change in budgets
- All departmental users of ESR (particularly HR, Finance and Payroll) develop lines of communication and agree specific roles that each department plays in maintaining accurate ESR and General Ledger records
- Work structures are updated to match General Ledger – cross working with HR and Finance
- Ongoing data maintenance – HR and Finance meet weekly with representatives from the business to agree which staff should be linked to their cost centres, changes are agreed and executed
- Ongoing data maintenance – Departments complete contract detail change form (ideally e-Form) and submits to finance for authorisation (Any requests should be linked to a valid, banded job description and then the position created to ensure funding for all posts can be matched to employees and/or recruitment activities). Finance or HR executes the change in ESR.
- Updating Establishment FTEs in ESR for Medical staff, split coding and honorary posts should follow outlined process in section 1.

3. Key Outputs

- ESR reconciles with General Ledger
- Effective management of establishment particularly split coding and honorary posts

4.0 REWARD: KEY ATTRIBUTES

Risk & control
Policy/template
KPI

1. Key Inputs

- Employee contract details
- Bank staff timesheets
- Query e-Forms
- NHS Employers Guidance

2. Key Processes

- Substantive post payroll – exception reports are generated to list anomalies (using 'Employee Contract Details) and payroll payments that may be incorrect – these are investigated and resolved before payment is made.
- Bank staff payroll – before these are added to the payment file, timesheets submitted by bank employees are approved by managers. Error checking when timesheets are filled ensure minimal changes or rejections are required by the manager.
- Query Resolution – queries are received from employees or managers using standardised e-Forms. Queries are owned and tracked by payroll until they are resolved. Queries relating to hours worked are jointly investigated by Payroll and the employee's department. Queries on amounts paid are investigated by Payroll internally. Queries that cannot be resolved at department level are escalated to senior management within Payroll to resolve with Head of Department (where the employee is linked to).
- Review pay structure – annual pay review is conducted by Finance. Where staff are currently in the last two spine points of a Band 8c, 8d or 9 post, a performance review with the employee is conducted by the line manager to determine if pay increase is warranted (in line with locally determined performance measures and NHS Employers Guidance). Finance will determine if sufficient budget is available for all pay increases – if there is insufficient budget Finance will work with department head to look at shifting budgets or implementing cost saving measures elsewhere. If this doesn't release sufficient budget, the matter will be escalated to senior trust management to initiate discussions on releasing additional budgets to cover shortfall.

3. Key Outputs

- Payroll file free from errors and includes verified Bank staff pay
- Effective query management where queries are owned by specific teams and clear escalation process exists
- Pay structures are reviewed and updated in line with NHS Employers Guidance

SECTION 3: RISKS AND CONTROLS

OVERALL RISKS AND CONTROLS

- Risk & control
- Policy/template
- KPI

Risk		Control
Timesheets	False/incorrect number of hours input	• Clear written instructions and procedures for all staff and managers on completing, submitting and authorising timesheets • Timesheet input form prompts employee if hours outside of EWTD directive and or/ not physically possible are input (i.e. Putting maximums on hours charged in a 24 hour period) • Timesheets are reviewed and authorised by department manager before included in payroll file
	Bank costs are applied to the incorrect department	Timesheet input form restricts the departments selectable according to type of employee (e.g. Radiology not allowed to charge Bank time to wards)
	Timesheet forwarded to the wrong manager for authorisation, potentially compromising budgetary control	Timesheet input form restricts the manager selectable according to the ward selected ensuring only the correct manager can sign off time for their ward
	Timesheets are applied to the wrong accounting period	• Timesheet deadlines are communicated to all applicable staff on a monthly basis and reminded when filling in timesheet • Policy includes a non-payment clause for timesheets submitted a certain period (e.g. 2 months) after the hours worked to avoid substantial reclaims
Overpayments	Employee change form submitted late or not at all	• Regular communication should be circulated highlighting the importance of ensuring that forms are submitted on time • Regular ESR maintenance activities will highlight employees that should not be paid any longer should the form not be submitted at all • Employees with staff management responsibility have the explicit responsibility and accountability for overpayments resulting due to not submitting leaver forms on time • Individuals should be made aware that they should flag any suspected overpayments to payroll (e.g. include at the bottom of every payslip)
	No budget created for post (post created on ESR but no equivalent budget created)	• Automated workflows to prompt Finance to allocate budget when the post is created in ESR and ensure post is included in full year forecasts and following year budgets • Regular ESR maintenance activities will highlight employees that have no or insufficient budget allocated

OVERALL RISKS AND CONTROLS CONTINUED

Risk & control
Policy/template
KPI

Risk		Control
Record integrity	Employee records contain incorrect information	ESR self service will allow employees to check and update personal details such as address, bank details and contact details – read only access to sensitive information such as role details
	Employee records updated/tampered with by unauthorised people	• Restricted access to self service options to NHS smart card or username/password only • Read only access to sensitive information such as role details
Duplicated Headcount	Employees that have two contracts with the organisations will be set up with two records in ESR – there is a risk that the employee is counted as two individuals for headcount related reports or payments (e.g. employers National Insurance contributions)	• Employees with more than one record in ESR will have a the same assignment number hyphenated with a sequential number denoting the different records for the employee – organisations can compare the total number of unique assignment numbers in ESR against the number of employees included in the NIC calculation as a check for duplication in the first instance • Regular ESR maintenance activities will highlight employees that may have been counted twice against department headcount
Queries go unresolved	Queries go unresolved or not within a reasonable time limit	• All queries are submitted using a standardised e-Form and submitted to one nominated team (e.g. pay related queries directed to Payroll) • All queries are input into a query tracker • Queries are assigned to a single owner (individual or team) • Timescales are clearly defined, agreed and tracked weekly • Organisations should have time limits built in to Service Level Agreements for query resolution with outsource providers
Risk		Control
Record integrity	Employee records contain incorrect information	ESR self service will allow employees to check and update personal details such as address, bank details and contact details – read only access to sensitive information such as role details

SECTION 4: TECHNOLOGY OPTIONS

KEY TECHNOLOGY OPTIONS – OTHER ESR MODULES AND COMPONENTS

ESR Self Service module

- ESR self service capabilities enable any staff member to access the system through a simple browser-based interface.
- ESR can also be locally configured to enable the automatic creation of user accounts for Employee self service as part of the hire process.
- All employees have the ability to view and update their personal information, such as emergency contacts and bank details. They can also view payslips, request annual leave, participate in a Development Review, browse learning opportunities and request enrolment on courses.
- Managers have access to additional functionality and controls, for example, approving employee requests maintaining assignment information (with the correct access) and maintaining personal information.

ESR Talent Management

- The Talent Management functionality of ESR provides a complete capability to manage and monitor the careers of your employees.
- ESR maintains the competencies, qualifications and experience of each staff member and manages their development reviews and training.
- Employee competencies are maintained within defined national and local frameworks.

Oracle Learning Management (OLM) component

- The Oracle Learning Management (OLM) component of ESR enables comprehensive control over all the activities associated with the learning and development of NHS staff.
- This includes the administration of available learning, e.g., classroom based and e-Learning courses, and the recording and monitoring of learning achieved or in progress for individuals.
- Learning can be linked to national competence frameworks, so that attainment of, and progress towards those competencies can be updated and monitored.

Streamlined Junior Doctor Interface

- The Streamlined Junior Doctor Interface is the technical link which enables NHS organisations and their partner LETBs, to share information about Junior Doctors (medical trainees) and their training posts.
- This process enables position information established in ESR, to be supplied to the LETB System, which in turn will permit medical trainee information to be passed back into ESR for the next rotation/appointment, creating an applicant record in the employing authority.

KEY TECHNOLOGY OPTIONS – EROSTERING

Control over workforce costs, particularly temporary staff costs, is one of the challenges of NHS management. In recent years permanent staff numbers have increased and temporary staffing costs have fallen as the health service has tried to control bank and agency spending by setting tougher rules. However, temporary staff costs still remain a significant issue. The key to greater control over staffing costs is to ensure best use is made of existing permanent staff when planning ward rotas or rosters.

A typical (usually 4 week) paper based ward roster would need to cover how many members of staff and the skills mix they need for each shift, account for absences, maternity, study and annual leave, working time regulations and the organisations flexible working policies whilst continuing to be fair to all staff. All of these complexities frequently result in ward managers having to build in a day to complete each roster.

E-rostering offers a quicker and more equitable alternative that should reduce temporary staff costs by making better use of permanent staff.

Systems available on the market, such as 'Optimize', typically allow each ward or department to set rules such as nurse numbers, skill mix and temporary staff protocols. Using computers in the ward, or sometimes over the internet from home, nurses can request particular shifts, which can be accepted or rejected by the ward manager. Once all the requests have been made, the manager can complete the roster, if necessary by moving nurses to different shifts, and see where temporary staff are needed. The time spent completing the roster is dramatically reduced – in most cases down to a few hours.

Two popular eRostering systems used widely in NHS organisations are 'Optimize' and 'SMI Staff.Care':

Optimize

- Optimize is a staff rostering system, designed for all staff working in healthcare, including nurses, doctors, and other clinical staff and non-clinical staff.
- For staff, it offers flexibility and caters for all the complex working arrangements
- For patients, it ensures that the right number of staff with the right skills are on duty at all times
- For the organisation, it provides operational benefits at all levels and dramatically reduces expenditure on bank, agency and overtime
- Optimize provides a self-service module which allows personal web based access to Optimize for all staff providing a range of information and services, such as holiday bookings and requests

SMI

- SMI Staff.Care streamlines all existing paper based administration processes including Absence Recording, Training Management, Rota Management, HR Recording, Online Wage-slips, Payroll Interface and provides a self-service portal for staff to access directly
- Staff.Care is completely web browser based, allowing both managers and staff to access Staff.Care remotely from PCs, tablets and mobile phones also allowing live data to be assessed from anywhere at any time
- Staff can log onto the Staff.Care self-service portal to view rota's, request shifts/leaves, view training bookings from any mobile device with an internet connection

KEY TECHNOLOGY OPTIONS – TIMESHEET MANAGEMENT

BigTime

- BigTime Software provides practice management tools for tracking time and managing expenses.
- BigTime's cloud-based practice management solution is designed to integrate within small and mid-sized firm's unique workflow.
- The software delivers time tracking capabilities that can be tailored to a specific industry, simple invoicing, customisable reporting and Quickbooks integration.

ClickTime

- ClickTime software allows organisations to plan, manage, and report on employee time.
- ClickTime utilises mobile and web-based apps to allow users to track time and approve timesheets.
- The software will also allow users to upload receipts, approve expenses, and manage budgets all from their mobile phone.

Replicon

- Replicon TimeAttend is a cloud-based solution that makes it easy to collect attendance and time off data to process payroll accurately and ensure labour compliance for all types of employees.
- Track time for any employee type with highly configurable and intuitive timesheets.
- Keep overtime costs in check with configurable and accurate calculation rules that improve compliance with overtime laws.
- Automate time off management with self-service request capabilities and advanced accrual rules and calculations.

SECTION 5: KEY PERFORMANCE INDICATORS (KPIS)

PAYROLL REPORT: KEY KPIS TO BE INCLUDED

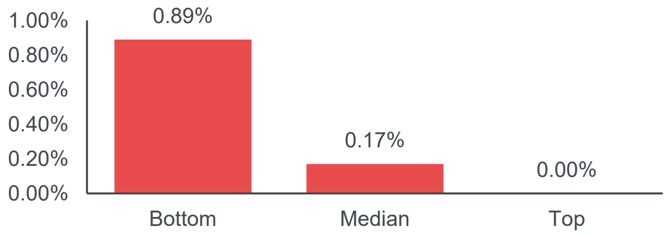
- Risk & control
- Policy/template
- KPI

KPI Name	Description
Number of employees paid per process payroll FTE	This KPI measures the efficiency of the Payroll Process. The correct use of technology, data quality as well as staff efficiency contributes to this KPI An FTE is the equivalent of one person working a fulltime workweek; FTEs are both direct and contract employees
Total number of employees paid/Total number of FTEs involved	Total number of employees paid : The number of employees in the payroll should be captured from the system. This should also include the part-time or contract employees in the payroll
Payment errors as a percentage of total payroll disbursements	This KPI measures the quality of the work performed when running the payroll.
Total number of errors per payroll run/Total number disbursements in one payroll run	Total number of errors per payroll run: Total number of errors per run should be captured as per the errors found by Payroll functions after processing the payroll (including the first time in a month) and as per the complaints and queries received from employees/bank(s)
Cycle time in business days to process the payroll	This KPI reflects the efficiency of the payroll processing.
Total number of days to process the payroll starting from the "cut-off" date till the payroll disbursement day	The start date of payroll is the cut-off day as per organisations policy. The end date will be the day of sending the Bank Transfer Letter. An average cycle time can be calculated for a given period by dividing the total time by the number of payrolls processes (e.g., 10 months)

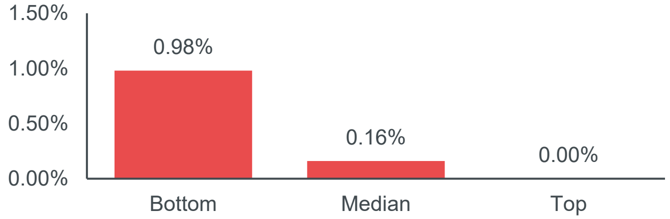
KPIS: BENCHMARK SOURCE - WWW.APQC.ORG

Risk & control
Policy/template
KPI

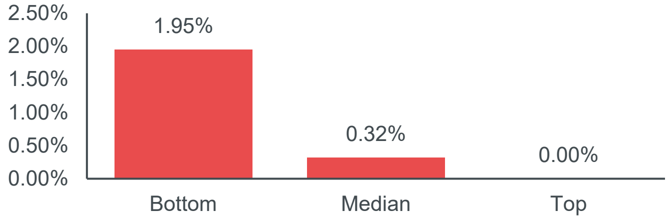
Metric Name: Percentage of payroll disbursements that are manual cheques
Metric measurement: Percentage



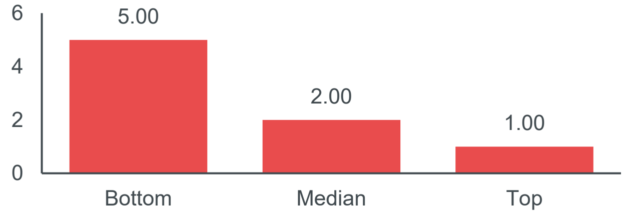
Metric Name: Payment errors as a percentage of total payroll disbursements
Metric measurement: Percentage



Metric Name: Percentage of payroll disbursements that include retroactive pay adjustments
Metric measurement: Percentage



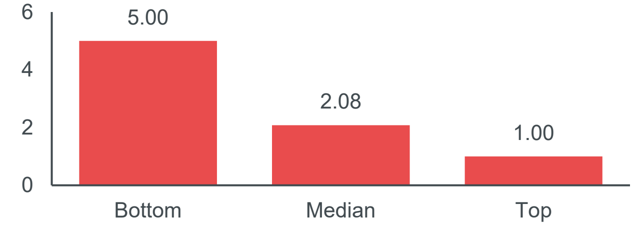
Metric Name: Cycle time in business days from the payroll system cut-off date until payments are made
Metric measurement: Business days



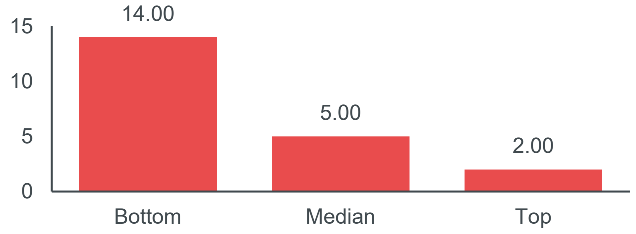
KPIS CONTINUED

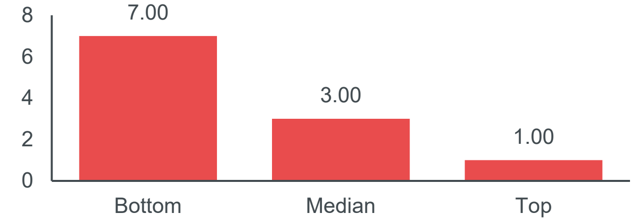
Risk & control
Policy/template
KPI

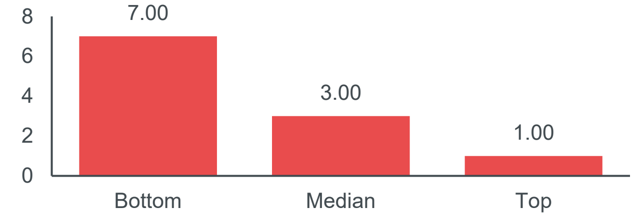
- Metric Name: Cycle time in business days to process the payroll
  Metric measurement: Business days



- Metric Name: Cycle time in business days to resolve a payroll error
  Metric measurement: Business days



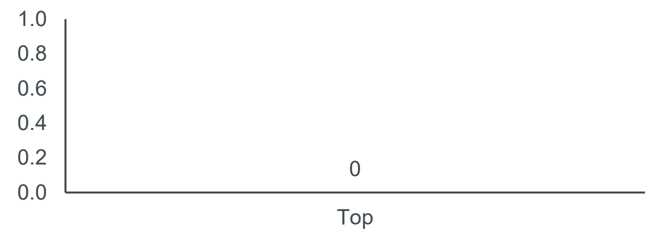




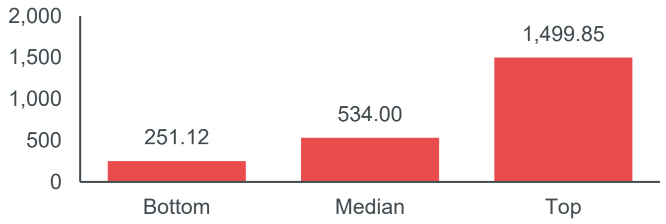
KPIS CONTINUED

Risk & control
Policy/template
KPI

Metric Name: Payroll errors resulting in overpayments
Metric measurement: Individual overpayments



Metric Name: Cycle time in business days to resolve a payroll error
Metric measurement: Business days



SECTION 6: ESR ESTABLISHMENT CONTROL

ESR ESTABLISHMENT CONTROL

- Risk & control
- Policy/template
- KPI

- Establishment Control is the formal process for matching information on funded posts to the details of the staff currently employed in those posts.
- This is made difficult due to the fact that funded posts are normally recorded and managed within a Trust's finance department using the finance information systems whereas the management of staff in post is usually managed through ESR via a Trust's HR department.
- An effective establishment control process has to be underpinned by 4 key elements. These are:

1. Good working relationships and excellent communication between Finance, HR/work force planning/recruitment, Payroll, and Operational Departments
2. Work structures must be robust and must mirror the finance general ledger and operational structure as much as possible to enable effective control and review
3. Smooth, speedy and accurate processes must be in place to ensure on-going maintenance of the data
4. Recruitment systems need to be robust and integrated

- For the purpose of this toolkit, it is assumed that the General Ledger is the preferred work structure and will be used as the source document.

ESR ESTABLISHMENT CONTROL: 1 ESTABLISH GOOD WORKING RELATIONSHIPS

- Risk & control
- Policy/template
- KPI

HR

Finance

Develop lines of communication between all departments using ESR – particularly Finance, HR, Payroll, and Operational Departments.

Departments should agree the responsibility that each department has for maintaining specific aspects of ESR

Nominate lead from each department who knows their department's role and that of the other department's. Leads should meet regularly to discuss issues and forthcoming changes

Department

ESR ESTABLISHMENT CONTROL: 2 WORK STRUCTURES TO MATCH GENERAL LEDGER

- Risk & control
- Policy/template
- KPI

HR

Organisation’s Name at level 1; ESR work structures should match the structure that should already exist within the finance general ledger

All Divisions should sit at the same level (e.g., Level 4), all Directorates should sit at the same level (e.g., Level 5 or 6) and all individual Wards or Departments should sit at the same level (e.g., Level 6 or 7).

Where departments do not fall naturally into the same level as others (due to additional sub-departments elsewhere in the structure), “Dummy” level organisations should be created where appropriate in order to ensure that all related organisations sit at the same level in the structure

Orgs at the lowest level should have a cost centre that matches the department cost centre in the GL. There should be NO HR organisations created at this level that do not have a cost centre attached.

Finance

All positions should be created and linked to organisations at the bottom level of the structure only

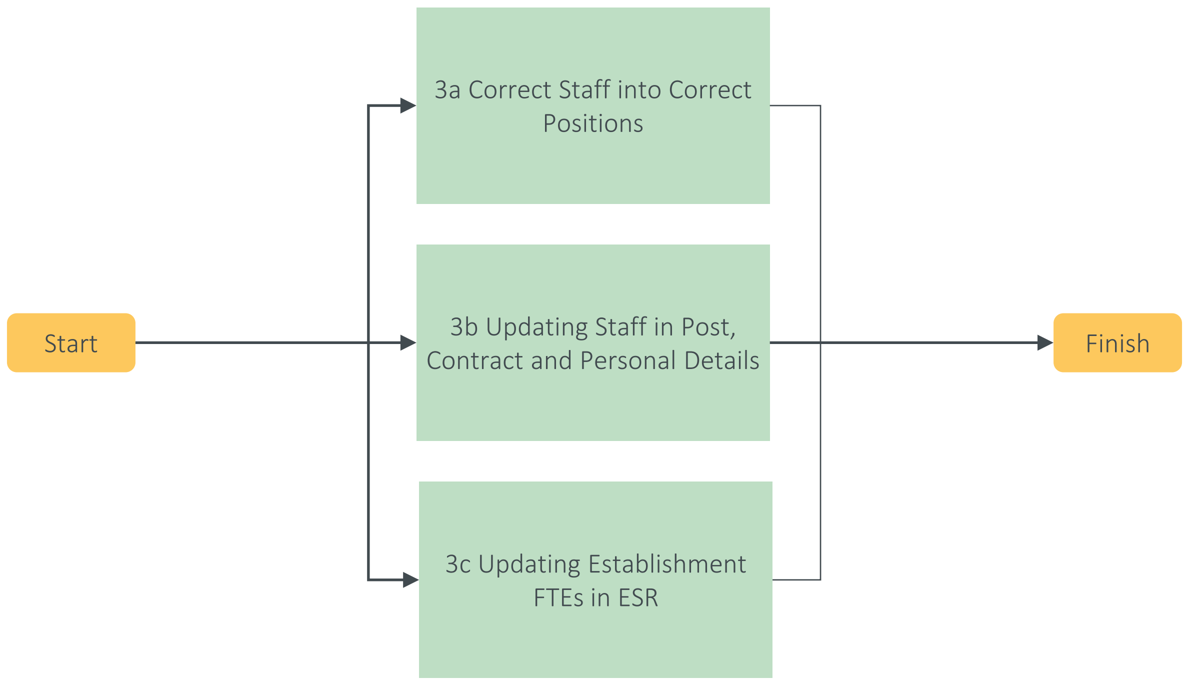
All individual positions should have a budgeted establishment FTE figure based upon the agreed funded FTE for the particular job. The FTE totals by cost centre and subjective code combination should reconcile back to those figures in the general ledger.

All obsolete positions remaining in the system should be eliminated.

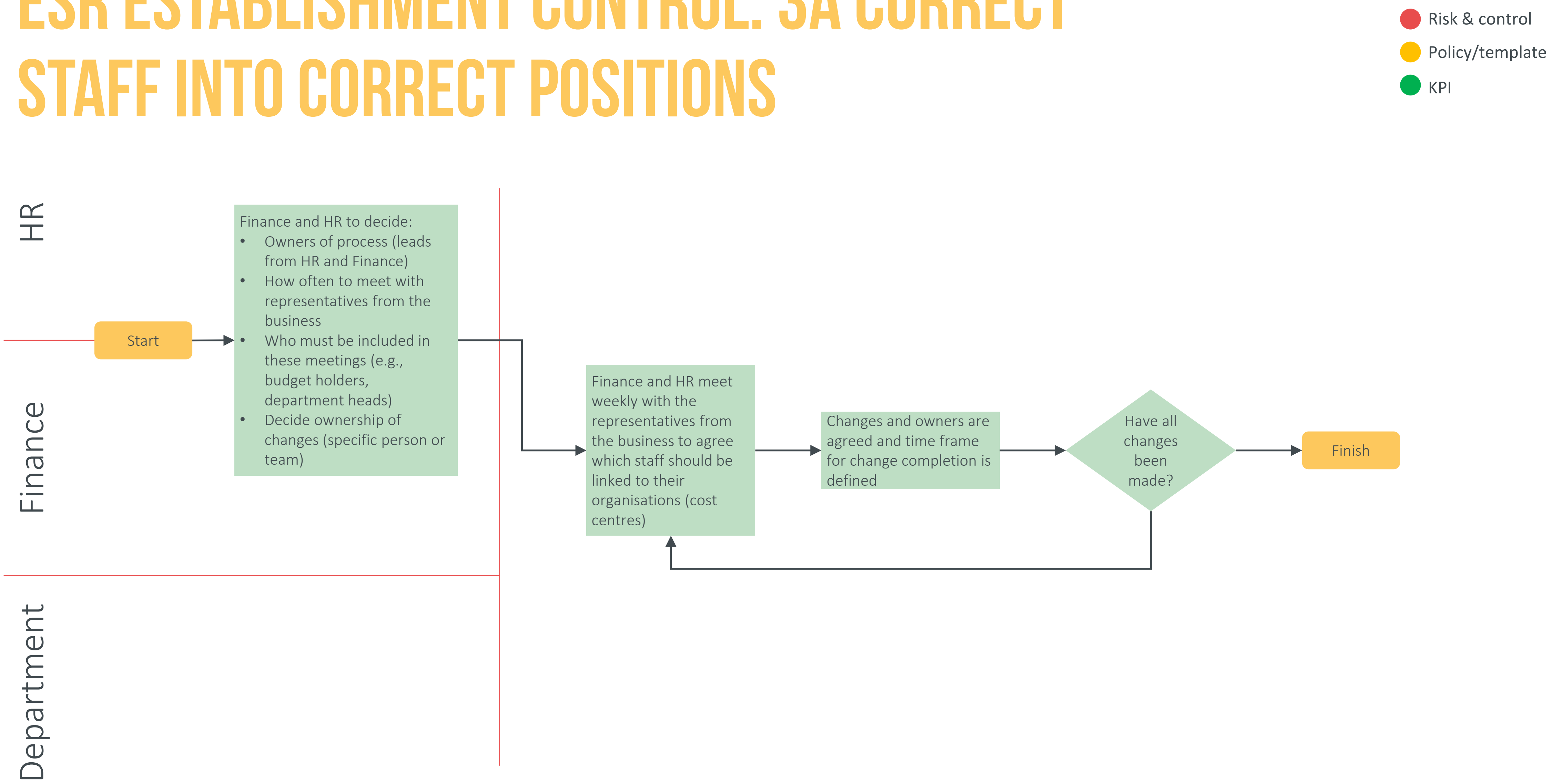
Department

ESR ESTABLISHMENT CONTROL: 3 ONGOING DATA MAINTENANCE

Risk & control
Policy/template
KPI

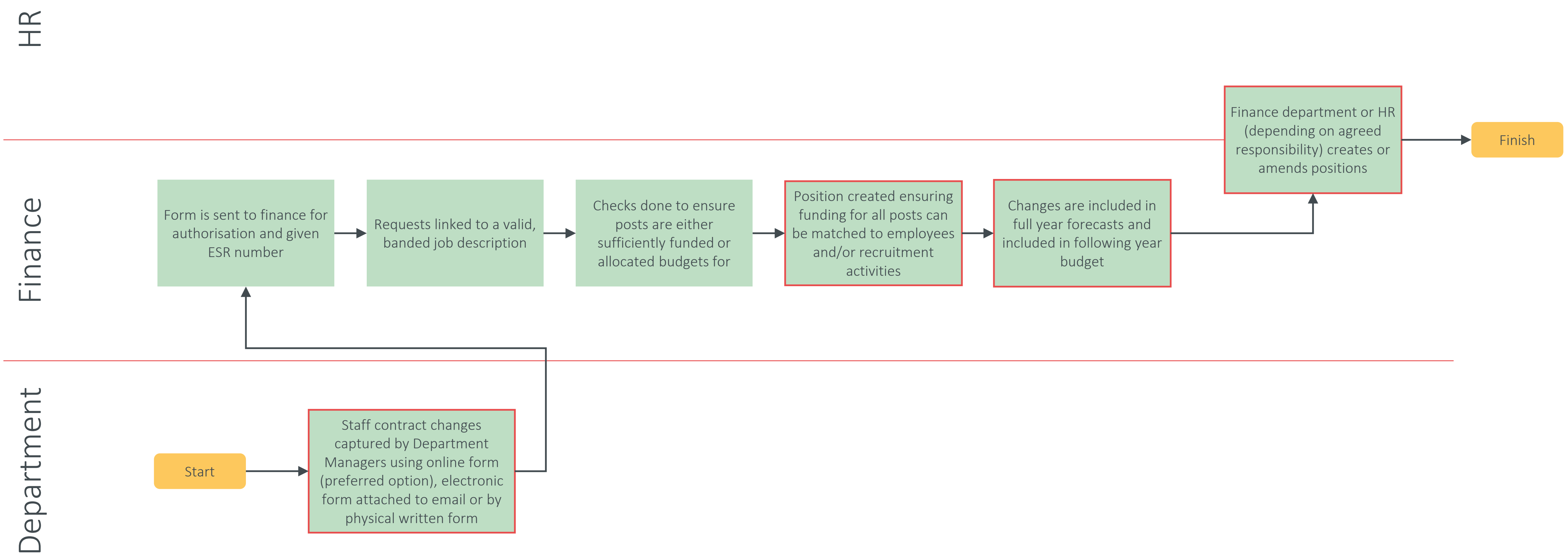


ESR ESTABLISHMENT CONTROL: 3A CORRECT STAFF INTO CORRECT POSITIONS



ESR ESTABLISHMENT CONTROL: 3B UPDATING STAFF IN POST AND CONTRACT

- Risk & control
- Policy/template
- KPI



ESR ESTABLISHMENT CONTROL: 3C UPDATING ESTABLISHMENT IN FTES IN ESR

- Risk & control
- Policy/template
- KPI

- NOTE: It is advisable to include position numbers within the General Ledger system, enabling all systems to be completely linked – Position Number would be linked to the Subjective code (Finance), Work structures (hierarchy for workforce details), and to individual/job role (HR related issues).
- Responsibility for updating ESR depends on agreement made between Finance and HR within the specific organisations.

1. Medical Staff
   - Junior medical staff positions should be set up within the ESR system
   - It is dependent on the organisation's policy to record individuals' details within ESR or not. Organisations working at or towards NHSLA Level 3 are required to hold an individual's records in ESR for training purposes – this includes employees paid by other organisations.
   - Junior doctors are either placed within the organisation and paid for by the deanery (in which case the deanery reimburses the organisation for pay costs) or they are employed directly by the organisation themselves

2. Split coding
   - When an employee has two contracts it is recommended that two separate positions are set up – this will generate two payslips.
   - For employees who work in two different areas within the same organisation (e.g., 0.3 WTE in ward A and 0.7 WTE in ward B), unless they have two different contracts, only one position should be set up.
   - Caution needs to be taken to ensure that split coded employees do not get counted as two separate people – this could potentially lead to headcount related payments such as employers National Insurance contributions being miscalculated

3. Honorary posts
   - One method would be to set all such posts (e.g., junior doctors) up on the system selecting "non paid secondees" or "honorary posts" under the contract type option and link them to a dummy payroll record to ensure they do not receive any payments
   - Alternatively, when setting up on ESR, have the post linked to zero on the pay scale – this will allow the post to be created but stop payments to the post holder.

SECTION 7: ESR SELF SERVICE MODULE GUIDANCE

ESR MODULES: EMPLOYEE SELF SERVICE (FULL VERSION)

- Risk & control
- Policy/template
- KPI

Background

The self service capabilities within ESR enable any staff member to access the system through a simple browser-based interface, with a suite of online learning modules available to help users, meaning minimal training and support is needed. ESR can also be locally configured to enable the automatic creation of user accounts for self service as part of the recruitment process. The flexible approach means that user responsibility profiles can be issued to meet organisational needs, making it even easier to allocate functionality to the workforce.

All employees have the ability to view and update their personal information, such as emergency contacts and bank details. They can also view payslips, request annual leave, participate in an appraisal, browse learning opportunities and request enrolment on classes.

Managers have access to additional functionality and controls. For example, approving employee requests, maintaining assignment information (with the correct access) and, maintaining personal information. Workflow technology is used to generate system notifications and route actions from one staff member to another.

Employees can access information and instigate actions including:

- View and update personal information, such as contacts, address and bank details
- Request annual leave and review leave taken/due, using an Absence Calendar
- View payslips and P60
- Maintain skills and qualifications
- Review competencies attained/required using the Compliance Matrix and Competence Requirements on the Learner Home page.
- Review opportunities for learning and development, and enrol on classes
- Access a wide variety of national e-Learning material and locally added courses
- Participate in online appraisals
- View Total Reward Statements (TRS)

Managers can access information and instigate actions, including:

- Approving requests and changes made by employees
- Recording contractual changes – hours, position grade, etc.
- Recording transfer, promotion or termination of employees
- Conducting online Development Reviews
- Review staff competencies and compliance with the Compliance Matrix
- Use the Absence Calendar to monitor staff absence
- Access a range of ESR Business Intelligence dashboards giving them key employee information

ESR MODULES: EMPLOYEE SELF SERVICE (FULL VERSION)

Risk & control
Policy/template
KPI

Preparation for Implementation

- Before embarking upon a Self Service implementation there are a number of activities to be performed in order to ensure that the project is a success and meets the business requirements:

Step 1

Setting up the Project – successful implementation will have robust project governance, a project manager/lead, project planning, project control documentation and formal communication procedures

Step 2

Project Initiation Document – define the project scope and direction and, use as the basis for its authorisation, management and assessing success.

Step 3

Project Approach – the size of the project will ultimately dictate the approach used and the tools and resources needed to ensure a successful outcome.

Note: It is recognised that for smaller scale projects dedicated resource (e.g., project management) will probably not be needed. It is important however, that there is a clear structure and governance to the project to ensure that it remains focussed.

ESR MODULES: EMPLOYEE SELF SERVICE (FULL VERSION) CONTINUED

- Risk & control
- Policy/template
- KPI

Benefits of Self Service

- The benefits listed here are general to wider self service and access to some of these benefits will depend on the access levels allocated by the organisation.

1. Empowerment of managers to:

- Perform actions relating to employees (e.g., absence, learning and development)
- View, report and manage key areas such as absence, turnover, training spend, competencies, e.g.,
  - Competence Requirements on the learner home page utilising red, and amber, status to view staff compliance at a glance
  - Colour co-ordinated absence calendar to identify absence patterns and view all staff absences
- Using ESR BI managers can access summary (graph) and detail (table) views of:
  - Staff Requirements (e.g., DBS checks, Work Permits, Appraisals, Prof Reg)
  - Learning Compliance (competency matching)
  - Staff in Post (Headcount/FTE by a number of diversity measures)
  - Absence (Timeline, Occurrences, custom absence ‘triggers’)
  - Pay Bill (From payroll costing)
  - Staff Movements (Starters/Leavers)
- Manage the career path of an employee via learning paths, qualifications, competencies and appraisals.
- Further role based approvals for pay affecting changes provide additional governance.

2. Empowerment of employees to:

- View and amend personal information including:
  - Home address; Bank details; Emergency contacts
  - View payslips.
  - View and enrol on learning opportunities and take responsibility for ensuring up to date compliance
  - Equality and diversity information
  - Participate in appraisals and personal development plans.
- Apply for and manage leave, using the absence calendar
- Access key career information through the Talent Profile, with the ability to produce PDF reports.

3. Data is entered once at the closest point to its source thereby ensuring:

- Accuracy, quality and timeliness of information available.
- Reduction in checking and administrative overheads.
- Elimination of duplication of input and therefore of time and effort.
- Reduction or removal of paper based forms by having data entered at point of source.
- Flow of information is streamlined, made consistent and delivery is instant (no reliance on internal mail systems or couriers to send forms to central departments for input).
- Improved and quicker decision making ability because information is immediately available to managers.
- Devolved data entry frees time and reduces queries in central functions such as Payroll, HR, Training and Recruitment, allowing a reduction in resource requirements and freeing up time from administrative duties to allow other more pro-active work to be undertaken.

ESR MODULES: EMPLOYEE SELF SERVICE (FULL VERSION) CONTINUED

Risk & control
Policy/template
KPI

Options and Requirements

- ESR offers a flexible approach to the set-up and maintenance of self service as it is recognised that the requirements of each organisation may be slightly different. There are, however, some basic principles which each organisation must follow in order that the ESR self service functionality works correctly.

ESR User Access:

Each person whom the organisation wishes to have access to this functionality will require either NHS CRS Smartcard access or a unique user name and password where NHS CRS Smartcards have not yet been deployed, or there are exemptions. The User Responsibility Profiles (URP) which have exemption from NHS CRS Smartcards are listed here:

- e-Learning User
- Learning User
- Supervisor Self Service (SSS) (Limited Access)
- Employee Self Service (ESS)
- Employee Self Service (Limited Access)

Link Person Field:

Once the user account has been successfully created it will need to be linked to the person field in the same form. This is the person's name as it appears within ESR and provides information for workflow notification routing.

Define SSHR (ESR's Self-Service Module) URP:

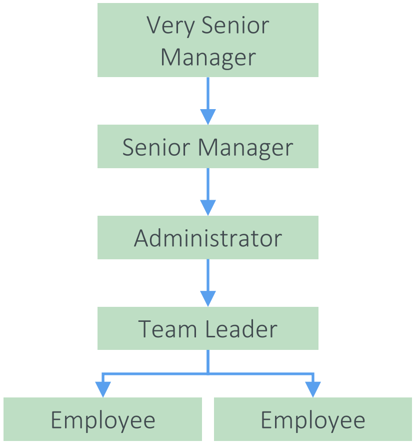
Organisations must decide which URPs they will allocate to users. There are several options for organisations to choose from depending on their working arrangements. A very basic management structure is shown opposite.

In this example the **Very Senior Manager** has overall responsibility and has the Manager Self-Service (MSS) URP.

The **Senior Manager** is responsible for running the department and also has MSS, but has opted to delegate some of the administrative tasks to the **Administrator** using the Administrator Self-Service (ADM) URP.

The **Team Leader** has the SSS URP for day to day management of the team – but is not responsible for assignment changes, whilst the **Employees** have ESS.

All employees have been allocated the e-Learning User URP.



Full step by step instructions for set up can be found here: http://www.esrsupport.co.uk/SSHR/SSIMP/

ESR MODULES: EMPLOYEE SELF SERVICE (LIMITED VERSION)

- Risk & control
- Policy/template
- KPI

Background

The Employee Self Service (Limited Access) User Responsibility Profile provides employees with easy access to key personal data items and is an ideal solution to enable quick deployment of employee self service.

Key Features

The Employee Self Service (Limited Access) URP enables employees to access information without the need for organisations to create a supervisor hierarchy. This is because all of the traditional employee self service functions which require further approvals have been made read only.

Additionally the Employee Self Service (Limited Access) URP is subject to the same NHS CRS Smartcard exemption rules as exist for Employee Self Service, e-Learning User, and Learning User, and forms part of the Auto-User Account Creation process.

Functionality that employees can access includes:

- On-line Payslip
- On-line P60
- Total Reward Statement
- Equality and Diversity
- Talent Profile
- Phone Numbers and Addresses
- Absence Calendar
- Competence and Compliance

ESR MODULES: EMPLOYEE SELF SERVICE (LIMITED VERSION) CONTINUED

- Risk & control
- Policy/template
- KPI

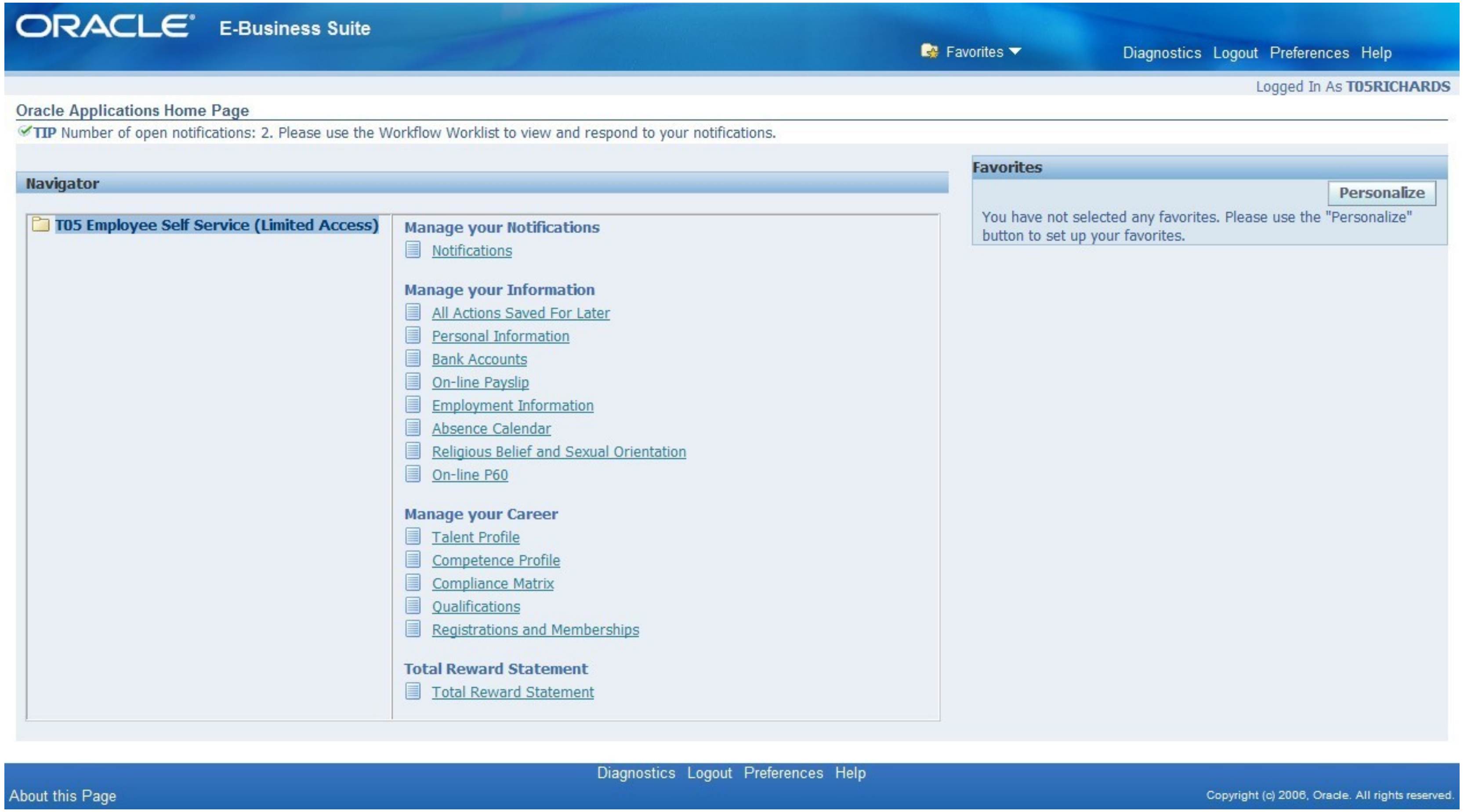
The table below details the access levels to the forms and functions that the Employee Self Service (Limited Access) URP has:

Read Only	Read/Write
Personal Information – Basic Details	Phone Numbers and Personal email
Absence Calendar	Main Address
On-line Payslip	Other Address
Employment Information	Dependents and Other Contacts
On-line P60	Emergency Contacts
Competence Profile	Religious Belief Sexual Orientation
Compliance Matrix	Bank Accounts
Registrations and Memberships	All Actions Saved for Later
Qualifications	
Talent Profile	
Total Reward Statement	

ESR MODULES: EMPLOYEE SELF SERVICE (LIMITED VERSION) CONTINUED

Risk & control
Policy/template
KPI

Snapshot of the main menu



ESR MODULES: EMPLOYEE SELF SERVICE (LIMITED VERSION) CONTINUED

Risk & control

Policy/template

KPI

Process to start the self service implementation:

Start

Step 1: Raise a support call via the Support System for the attention of the NHS Central Team requesting the upload of self-service URPs for the organisation.

Step 2: The NHS Central Team will provide a spreadsheet which will need to be populated with the organisation’s requirements i.e. details of those requiring access to ESR and which URP.

Note: Validation processes are run by the NHS Central Team to ensure the integrity of the data. The organisation will be kept informed as to the progress of this and guided through any necessary changes.

Once the process is complete details of the user names created/update and the passwords will be provided.

Step 3: The newly created/updated user accounts are ready for access.

Note: If the NHS facility to upload employee email addresses has been utilised, or where these are already in place the user can simply click on the 'Forgotten Username or Password' link in ESR to access their login information.

Finish

SECTION 8: USEFUL DOCUMENTS AND GOOD PRACTICES

EXAMPLE: QUERY RESOLUTION TRACKER

- Risk & control
- Policy/template
- KPI

Query Reference	Date Received	Query received from	Owner of Query	Update date and notes	Date of Resolution	Final resolution

EXAMPLE: TIMESHEET GOOD PRACTICE

- Risk & control
- Policy/template
- KPI

When developing timesheet procedures, organisations should consider the following:

- Staff should be required to record the hours they have worked on a daily basis.
- Organisations should ensure that original timesheets are submitted before any payment is made.
- Faxed and photocopied timesheets should not be accepted.
- Forms should be completed using black ink and block capitals.
- Time of hours worked should be entered in 24 hour format.
- Any incomplete or illegible timesheets should be returned to the member of staff.
- Correction fluid should not be used on timesheets, and any alterations should be initialled by the authorised signatory.
- Health bodies should ensure that clear procedures are in place with respect to rest breaks.
- Authorised signatory lists should be kept up to date.
- Completed timesheets should be kept for a minimum of two years.
- Nominated managers should be responsible for submitting termination forms in the prescribed way immediately upon knowing the effective date of an employee's resignation, termination or retirement. Where an employee fails to report for duty in circumstances that suggest they have left without notice, the Director of Finance must be informed immediately.

- Training and guidance should be provided to staff on the completion of timesheets.

The following principles apply specifically to electronic timesheets:

- Users of electronic timesheet systems should be required to change their password on a regular basis.
- When the system has not been used for a specified amount of time, the user should be automatically logged out.
- System login should be blocked after three incorrect attempts.
- The authorising officer should be able to view relevant staff timesheets at any time.
- A unique username and password should be available for the authorising officer.
- Staff access to the timesheet system should be stopped immediately upon termination of an employment contract.

Source:
http://www.nhsbsa.nhs.uk/Documents/CounterFraud/Payroll_fraud_guidance_Final_June_2015.pdf

EXAMPLE: ESR OCCUPATION CODE MATRIX

- Risk & control
- Policy/template
- KPI

S		Chiropody/ Podiatry	Dietetics	Occupa-tional Therapy	Orthoptics/ optics	Physio- therapy	Radiography (diagnostic)	Radiography (therapeutic)	Art/ Music/ Drama therapy	Speech & language therapy
		A	B	C	D	E	F	G	H	J
Qualified Allied Health Professionals										
Consultant Therapist / Scientist	SA	see notes 12 & 32	see notes 12 & 32	see notes 12 & 32	see notes 12 & 32	see notes 12 & 32	see notes 12 & 32	see notes 12 & 32	see notes 12 & 32	see notes 12 & 32
Manager (see notes 1-3)	S0									
Therapist	S1	see note 32	see note 32	see note 32	see note 32	see note 32	see note 32	see note 32	see note 32	see note 32
Scientist	S2	---	---	---	see note 32	---	---	---	---	---
Scientific Officer	S3	---	---	---	---	---	---	---	---	---
Technician	S4		---	see note 8		---	see note 16	---	---	---
Instructor/ teacher	S6	---	---		---	see note 10	---	---		see note 9
Tutor	S7		---				see note 4	---	---	
Support to Qualified Allied Health Professionals										
Assistant Practitioner	S5	see notes 14 & 15	see notes 14 & 15	see notes 14 & 15	see notes 14 & 15	see notes 14 & 15	see notes 14 & 15	see notes 14 & 15	see notes 14 & 15	see notes 14 & 15
Student/ trainee	S8								---	
Helper/ assistant	S9				---					

Note:

Whilst Occupation Codes are limited to pre-defined combinations, Staff Group, Job Role and Area of Work add flexibility and allow a lower level of detail about what staff do and where they work. Importantly, they allow analysis across staff groups and within teams or areas. The Occupation Code matrix for Medical and Dental staff notably identifies only the specialty being worked in and not the nature of the role undertaken.

Job Role and Area of Work can be used alongside Occupation Codes as complementary coding schemes and to add a further dimension to the classification of the workforce.

It is important to also note that in order to allow the maximum level of flexibility there is no direct link between the choice of Area of Work or Job Role and Occupation Code. It is therefore theoretically possible to have any combination of Occupation Code and Area of Work or Job Role. Users are therefore required to ensure correct and appropriate combinations are entered when creating or amending a Position. Further information and advice regarding combinations is available in the Occupation Code Manual.

EXAMPLE: ESR MEDICAL AND DENTAL OCCUPATION CODES

Risk & control
Policy/template
KPI

Medical and Dental occupation codes consist of three numerical characters which reflect clinical specialties and not the level of work. The Occupation Code should reflect the Specialty (e.g., Anaesthetics) and the Job Role or pay scale code (Grade Code on ESR) should reflect their level of work (e.g., Consultant). The Area of Work should also reflect their Specialty, so in this example a user would select the following:

Occupation Code: 091 (Anaesthetics)
Staff Group/Job Role: Medical and Dental/Consultant
Area of Work: Anaesthetics

Locums should be identified by their occupation code, which will begin with a 1 rather than a 0 for hospital based medical and dental staff, and a 2 rather than a 9 for community and public health locums. For example, for a Locum Consultant in Anaesthetics the following would be selected:

Occupation Code: 191 (Anaesthetics)
Staff Group/Job Role: Medical and Dental/Consultant
Area of Work: Anaesthetics

Further details are available in the NHS Occupation Code Manual. The **Assignment Category** field should also be used to identify Locums who do not have contracted hours. This is found on the **Assignment** screen.

GOOD PRACTICE: ESR AND DENEARY SYSTEM INTERFACE FOR TRAINEE DOCTORS

- Risk & control
- Policy/template
- KPI

Doctors often move between one NHS organisation and another during the period of their foundation and specialty training. This requires each of these organisations to hold HR and payroll related data for these individuals.

ESR and the Deanery systems currently stand as two separate solutions, duplicate data entry is required to enter this data again into ESR. To add further pressure, the recruitment rounds demand data be input into both systems within particularly stringent time constraints typical with the Recruitment Timetables for Doctors in training.

Throughout their employee life cycle, a trainee Doctor will have a record within the Deanery system in order for their training and development to be monitored by the Deanery. HR data is also likely to be updated on ESR. During this period a Doctor will experience a significant number of changes to their employment, position or person information. This data too must be available in both ESR and within the Deanery system. It should be noted that this requirement to update existing Doctor records currently requires duplicate effort in input and relies on a paper based communication process between the organisation and the two systems.

Given the demand to streamline the recruitment process and the need for updated information to be shared with the Deanery systems, a proposal has been taken forward to build and release a bi directional, Recruitment and Update interface. It is proposed that this interface will enable automatic and frequent transfer of data to and from the ESR and Deanery systems.

Recruitment Interface

The Recruitment bi-directional interface relies on a number of information transactions or 'triggers' to take place between the two systems.

This interface relies on all position information being set up in ESR independently of the Deanery Recruitment Process. Once the Deanery has identified their 'Preferred Candidate' for a post, they can advise the NHS Employer which hosts the post that they are ready to initiate or 'trigger' the interface.

Interface file transfer process

In addition to the main files – Vacancy and Applicant – there are a number of files passed back and forth across the interface to communicate the success of processing. These are the:

- Vacancy Confirmation File (Sent from the NHS Hub to ESR) – This file will provide the Trust with notification of success or failure to transfer the vacancy file to a Deanery destination. See 2.1.3 for further details of notification process
- Applicant Confirmation File (Sent from the NHS Hub to the Deanery system) – This file will provide the Trust with notification of success or failure to transfer the applicant files to the appropriate ESR VPD.

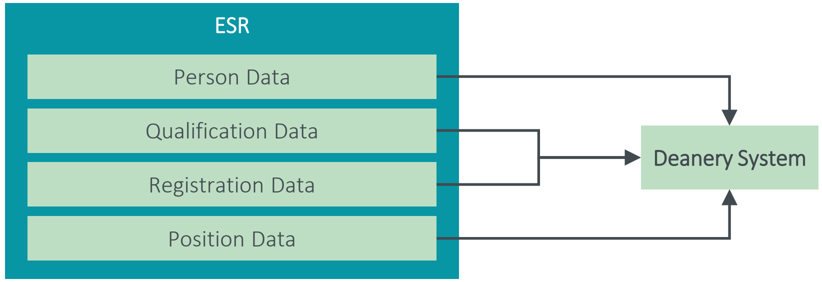
ESR notification process

In order for ESR users to access the file success/failure information, a new Notification Role within ESR – Medical Staff Officer – has been created. This notification is allocated by the NHS Employer to the appropriate individual within their organisation.

The notification will provide confirmation of any errors or issue with the outbound vacancy files and the inbound applicant files received from the Deanery systems.

Update Interface

This interface will send a file once a week to the Deanery Systems, for all Doctors and Dentists allocated into a training post with a Deanery Post Number allocated. This file is a snapshot of information which ensures that any changes made to the defined set of Personal and Assignment data within ESR is communicated to the Deanery system. Record matching within the Deanery system will be based on the Deanery Post Number and GMC number.



GOOD PRACTICE: ESR AND DEANERY SYSTEM INTERFACE FOR TRAINEE DOCTORS (CONTINUED)

- Risk & control
- Policy/template
- KPI

Entering the Deanery Post Number against the position in ESR

Key to the interface process is the need to enter the Deanery Post Number (DPN) against the position in which the applicant is expected to commence their training placement.

The setup of the training post can be done within the Workstructures element of the ESR system, with the according DPN allocated against each position. The Local Workstructures Administration URP must therefore be used to access position information and enter the DPN.

Benefits

The benefits derived from the interfaces are extensive to both the NHS Trusts and Deanery organisations wishing to utilise the link.

In summary the benefits are as follows:

- Reduced administrative burden on NHS Trust and on Deanery personnel in entering and transferring recruitment and updated Employee data.
- Improved data consistency and potential improvements on data quality within both ESR and the Deanery systems.
- Consistent local and national reporting – via the ESR Local Reporting Solution, the ESR Data Warehouse, and also Deanery system reports.
- Improved working relations between the NHS Trusts and the Deanery organisations, as the two organisations will be able to share the load of updating relevant Employee Data.
- Moderate change management impact to the front end Users of ESR and the Deanery systems.

  a. There will be minimal change to the functionality in ESR's User Layer. The only change likely to be noticed by ESR Users is the addition of a new Recruitment Activity, an extra field within the position information, and the new notification processes.
  b. The change for the Deanery users will also be minimal in the User Layer

Recruitment interface implementation checklist

1. Is your partner Deanery/Deaneries ready to use the interface?
2. Do the Medical Staffing Officers (or other individuals responsible for the recruitment of Junior Doctor's) have access to the Recruitment Administration URP?
3. Have you set up all positions relating to the Deanery Training Post? It is anticipated that all posts are set up in your ESR hierarchy as soon as application is obtained from the Deanery.
4. Have you ensured that Deanery Post Numbers are entered on all your trainee doctor positions?
5. Have you altered all of your training posts which were previously set up as 'Bucket Posts' to single posts?
6. Have you allocated the new 'Medical Staff Officer' Notification role to someone within your Trust?
7. Have you confirmed your approach on rotating Doctors internally?
8. Have you added the Workplace Organisation Code onto training positions that you host on behalf of another NHS Trust?
9. Have you set up vacancies for all posts in Deanery Recruitment process?
10. Have you agreed the use of IAT for rotating Doctors externally during their training programme?
11. Have you received notification from your partner Deanery/Deaneries of the posts you will be hosting on their behalf?
12. Are you aware which Deanery manages each of your training posts? For example, sometimes training posts are managed by a Deanery which sits outside of your Geographical Area, but the post has a local Deanery Post Number. All Deanery Posts which are managed in this manner, i.e. a local training post managed by a non local Deanery must be managed by ensuring that the ESR Position form holds the correct managing Deanery details. This will ensure the vacancy file is sent to the correct Deanery in order to receive applicant information.
13. Are you ready/able to set up vacancies for those posts once the Deanery notifies you of selection outcomes?
14. Has an agreement been reached on management of training post which require training outside of the organisation?
    1. i.e. programme run and hosted within your trust, but part of that training involves a placement off site; or
    2. only part of the programme is run within your organisation, but then the remainder of the placement and pay arrangements are managed by an external trust.

GOOD PRACTICE: USEFUL RESOURCES

- Risk & control
- Policy/template
- KPI

NHS Employers Standards:
http://www.nhsemployers.org/your-workforce/recruit/employmentchecks/nhs-employment-check-standards

ESR Self Service module – step by step instructions on implementation:
http://www.esrsupport.co.uk/SSHR/SSIMP/

Future-Focused Finance is a national programme designed to engage everyone in improving NHS Finance to support the delivery of quality services for patients. We want to bring finance staff at all levels of the profession together with the teams we work with in our own organisations and make sure that everyone has access to skills, knowledge, methods and opportunities to influence the decisions affecting our services. We believe by working together in this way we can harness our diverse and talented NHS workforce to produce high quality services and reduce waste in NHS spending.

The programme consists of national and regional events, networks, resources and talent development programmes – all designed to advance the understanding of finance in the NHS. Underpinning all of our work are commitments to value the diversity within NHS finance teams and to challenge behaviours that contribute to inequality in access to development and opportunities for some.