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|----------------------|--|---------------|-----------------------------|
| <b>Title:</b>        | IBC Services to OCC – 6 Month Stabilisation – Gateway Review |               |                             |
| <b>Date:</b>         | January 2016   |               |                             |
| <b>Report From:</b>  | Gary Westbrook, Head of Shared Services                      |               |                             |
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## 1. Introduction and context

- 1.1 The purpose of this paper is to provide an overview of the first six months operation of the shared service arrangement between Hampshire and Oxfordshire County Council, from July to the end of December 2015.
- 1.2 OCC Cabinet took the decision to join the Hampshire partnership in June 2014 following a comprehensive strategic business case. It was decided that joining the Hampshire partnership would realise significant collective benefits through sharing resources, investment and capacity.
- 1.3 Hampshire very clearly set the expectation that a 3 to 6 month period of stabilisation would be necessary and a jointly agreed stabilisation process was implemented to address issues in a collaborative way. This six month check point provides an overview of the stabilisation achieved to date and an update on the issues that were identified at the 3 month check point.

## 2. Strategic achievements/plans

- 2.1 Oxfordshire County Council have joined the Hampshire Partnership which is providing shared Corporate Services for Hampshire County Council, Hampshire Fire and Rescue and Hampshire Constabulary. As envisaged, the partnership delivers significant savings on Corporate Services as well as providing a modern self-service framework supporting public services providing further potential for achieving greater economies of scale from additional future partners.
- 2.2 As anticipated, the first 6 months of operation has been a significant challenge in terms of the scale of business change required, embedding new ways of working and resolving a range of first time events associated with the transfer of data and business practice in July 2015. There has been a collective effort through on-going business readiness, user engagement and training during this period. A number of stabilisation issues have impacted the confidence in the model detailed in Section 3, but

these are continuing to be collectively resolved by colleagues across both organisations and are reducing in volume and scale as the model embeds.

- 2.3 The performance metrics summarised in Section 4 show a stabilisation across the majority of areas including confidence over the continued accuracy of payroll and the timely processing of invoice payments and income receipting. Concerns are raised in the stability and effectiveness of the customer contact model, and against some specific areas (e.g. recruitment cycle time), where recommendations have been included for further investigation and action.
- 2.4 All partners will benefit from future investment and a programme of enhancement is currently underway with further developments around reporting and mobile technology scheduled for 2016. This development plan was shared through the partnership governance channels in January 2016 through OCC's Chief Finance Officer.

### **3 Stabilisation issues identified/resolved**

- 3.1 A number of issues have occurred during the 6 month stabilisation period. These have been managed by a Professional Leads Stabilisation Group which has overseen a record of stabilisation issues for the 6 month period to prioritise actions and mitigate associated risks, including representation from Finance, HR and Schools. A number of issues were documented in the 3 month stabilisation report which had been resolved and have therefore not been repeated below.

#### **Finance**

- Significant levels of unallocated cash built up during the initial period, including some debtor accounts not being cleared down. This was expected but has taken longer than anticipated to resolve and there have been issues with the accuracy of some clearances. Teams from HCC and OCC are working together to share knowledge in this area and this has now reduced to an expected level.
- Given the greater responsibility of managers within the business to process and approve payments, there is a higher risk of duplicate payments during the stabilisation period. Business processes are now in place for monitoring and managing suspected duplicate payments. This is being overseen by the Deputy Chief Finance Officer in OCC.
- There has been a delay to the planned roll out of aged debt reporting tools to enable managers within the organisation to have visibility on the aged debt position. The aged debt position was reported at both the 3 and 6

month stabilisation reviews and, as an interim measure, monthly aged debt reports at an organisational level are provided directly to OCC.

- At the 6 month check point analysis of petty cash usage in OCC revealed that 17% of accounts were yet to have their first claim submitted and 15% of accounts were yet to record a transaction using the portal. This is a marked improvement on 48% and 35% reported respectively at the 3 month check point. Resolution of user access and improved knowledge and support has lead to this improvement, however the issue still remains to be fully resolved.
- Following the introduction of the BPC (used for budgeting and forecasting) system a number of Change Requests (CRs) were raised. There has also been some instability of drill down to actuals that has been investigated and resolved. Progress has continued toward delivering the approved CR's and a summary of the current status is included in Appendix 2.

### **HR, Pay and Expenses**

- There has been a delay in returning monthly pension information for both OCC and OFRS, creating a risk for the accuracy of in-year information and a corresponding impact on the end of year Fund valuations. The OCC pension return format was reviewed and agreed and returns completed successfully, although there has been some on-going issues with the format and accuracy of particular files. Issues with OFRS return have not yet been resolved. A project is now in place to ensure all information required will be available to OFRS pension scheme administrators by the end of the financial year. Preparation for end of year, including system enhancements, is in progress.
- The first time the expenses compliance process was executed highlighted that the OCC format excluded certain necessary fields which invalidated the process. Recipients of the compliance requests were instructed to disregard the communication. The technical issues have been resolved and full testing is taking place prior to re-scheduling the process in consultation with OCC.
- A suspense account balance for casual expense claims has built up since go live. The standard operating model requires casuals to input a cost centre for an expense claim, but if this field is not overridden it will default to suspense cost centre. A change request has been raised to address this.
- As part of the on-boarding process some honoraria wage types were incorrectly created and signed off, resulting in the incorrect pensionable

treatment for approximately 150 employees. Although the calculations and pay relating to the individuals' substantive salary was correct the pay and pension calculations relating to their honoraria payments needs to be adjusted. Adjustments will be completed within this financial year.

- Responses to the self service enquiry forms continue to be slower than expected, given the significant volume of enquiries from new service users (see Section 5). During the past two months the volume of new enquiries is falling steeply as the user base develop an understanding of the system and where to access self help information. As noted in Section 5, further work is required to address the response times and consistency of advice to customer enquiries.
- Flexi time issues have been fully resolved. Due to the initial issues a significant number of OCC staff discontinued use of the system and options for re-starting flexi user are being considered.

### **Schools**

- The formal and informal feedback continues to indicate that OCC schools are finding the change difficult. They have moved from a paper based system with a significant level of interpretation as well as support being provided by OCC. Significant levels of additional transitional support has been provided from both the OCC and HCC colleagues. This included an extensive programme of face to face training and approximately 400 bookable shadowing sessions during October 2015.
- A number of underlying system issues have been identified since deployment that have created problems with contract accuracy. This has led to a backlog of contracts particularly within schools. Work is underway to correct underlying issues and clear the backlog - the target is for all contracts to be issued by end - February.

## **4 Measures and performance metrics**

4.1 Whilst the focus on specific performance measures will change over time the initial key performance measures were identified in the "Integrated Business Centre - Oxfordshire County Council On-boarding Project - Benefits Realisation Plan v1.0". The metrics relating to these performance indicators, the majority of which are OCC specific, are included in Appendix 1. To date metrics have been quantitative, customer feedback and qualitative measures will now be developed.

4.2 The performance metrics that relate to **purchasing** show a positive position

and trend, with:

- Purchase orders raised via the eStore (supplier catalogues and purchasing facilities) are running at a consistent monthly level once the overall numbers have been adjusted for schools holidays and the associated fall in volume.
- eStore purchases of values up to £250 for non-contracted spend would ideally be made using a P-Card. Metrics to date show a significant number of purchases of this kind being made via the eStore.
- The number of purchase orders being sent out electronically started at 45% in the first month and rose sharply in the second month to 92% and in month 3 has achieved an exceptionally high 94% which is higher than the overall average for other partners. This trend has continued and can partially be attributed to the culture of self service OCC had already achieved in advance of implementation.
- In the first month of operation none of the invoices were over 30 days old, therefore the number paid within 30 days was expected to drop in the second month. It should be noted that the percentage paid within 30 days is still running at over 95%. This reflects that immediate payment terms are still being employed, which are constantly under review.
- The number of invoices processed through VIM (online invoicing system) is increasing which can be taken as an indication of suppliers adopting the new processes.
- Future upgrades to VIM may provide the facility to enhance feedback to managers and suppliers when invoice issues are identified.

4.3 The performance metrics that relate to **finance** show a positive trend, with:

- As anticipated the holding and suspense accounts showed a significant level (number and value) of un-cleared receipts and payments at the end of the first 3 months. Whilst it would take time for the knowledge to build the trend was very positive, illustrating a very steep learning curve for the team following on boarding. The success of this is demonstrated by 95% of holding and suspense accounts being cleared at the end of the 6 month period.
- The average time to apply unallocated cash fell significantly after the first month of operation and is now averaging 3.2 days which corresponds to performance for other partners.

- VAT returns are being completed and submitted within 21 working days of the month end.
- 4.4 The performance metrics that relate to **Operational Finance** continue to show a positive position and trend with 100% of requests in all areas being processed within the agreed timescales.
- 4.5 The performance metrics that relate to **payroll** show a positive position and trend with:
- The number of payroll errors on final run in relation to the information in the system at the time the payroll is run and executed is very low at an average of 0.07% (8.9 errors). This mirrors the low percentages recorded for other partners. The trend has increased marginally, and is being investigated.
  - The number of overpayments being managed as formal casework are consistently very low at an average of 0.24% of the number on payroll. This mirrors the low percentages recorded for other partners.
  - The number of payroll actions entered for a previous month after payroll has run, this include starters, leavers and changes, remains high. During the second quarter since on boarding Directorates are averaging 35% and schools averaging 55%. These retrospective adjustments are driven by unresolved queries in month, alongside late notification by staff and managers. The adjustments in turn create additional volumes of enquiries which impact upon the performance of the customer contact model, the level of resourcing required in the transactional teams, and importantly perceptions that payroll is incorrect for the customer. Further work is required to breakdown the query types to direct efforts to ensure management actions are conducted with an awareness of payroll operation.
  - HR and pay transactions that are completed on line through self service is stable at an average of 80%. Although this is a positive figure given the significant shift to self service it is lower than anticipated and this indicates an area for further work with the user base and future system enhancements to facilitate greater levels of self service.
- 4.6 Over the past 3 months **recruitment** is taking on average longer than the target of 50 days. Significant effort by both organisations, in delivering workshops and additional support to managers, has not yet been effective in changing this position. Monitoring shows that at the 6 month check point the number of recruitments either in process or processed is over 55% (over 1000) above the level anticipated which is significantly impacting the

recruitment cycle time. Further work is required to better understand the where the bottlenecks in the recruitment process is impacting the 50 day cycle time and work is concluding to a reporting suite to enable this understanding throughout the key aspects of the recruitment cycle.

- 4.7 The performance metrics that relate to **DBS Checking** are showing an expected level over the term of the report.
- 4.8 The performance metrics for **Master Data** that relate to customer set up have now been developed. These show a good position with nearly 100% of customer requests and over 95% of supplier requests being processed within 5 working days. This remains consistent with the requests of all organisations.

## 5 User help and support

- 5.1 The shared service operation is based on self service and a comprehensive framework of user self service help guides exist for the shared service functions. These are tailored for each organisation where different functionality is used.
- 5.2 The primary mechanism for query resolution is via an on-line enquiry form accessed via the Portal or ESS Lite. New on-line enquiry forms were launched for all customer groups in July 2015 and a 6 month post implementation review is planned to scope potential enhancements. In addition a Customer Interaction Centre (CIC) is available for any user to phone, to provide high level support and guidance or to transfer calls to second level support based on defined urgency criteria.
- 5.3 OCC call volumes peaked at the end of the third month and are now declining as users become more familiar with the new systems and how to utilise the self help facilities available. These declining volumes are particularly positive in the context of the decommissioning of the OCC Transition Team which means that all support is focused in the CIC.
- 5.4 Enhanced customer contact performance metrics are shown below. It is noted that response rates are lower than anticipated, and this is predominantly driven by a high volume of HR enquiries that have not been responded within the 5 day period. Work is now underway to reduce the volume of HR queries, and better understand how additional resource, guidance and advice can be directed more effectively to improve the quality and turnaround of enquiries. Work is also ongoing to provide greater more granular analysis of the customer journey to measure the overall quality of responses as well as speed of response and resolution.

| Contact   | Performance Indicators                                | Jul          | Aug          | Sep          | Oct          | Nov          | Dec          |
|-----------|---|--------------|--------------|--------------|--------------|--------------|--------------|
| Telephone | - Directorates (inc payments)                         | 1,563        | 1,550        | 1,657        | 1,499        | 1,308        | 956          |
|           | - Schools   | 405          | 174          | 538          | 442          | 473          | 274          |
|           | <b>Total calls received in the CIC</b>                | <b>1,968</b> | <b>1,724</b> | <b>2,195</b> | <b>1,941</b> | <b>1,781</b> | <b>1,230</b> |
|           | CIC calls resulting in sign posting/guidance/resolved | 55.8%        | 60.7%        | 61.5%        | 60.9%        | 64.4%        | 59.8%        |
|           | CIC calls referred to complete enquiry forms          | 28.3%        | 23.8%        | 18.3%        | 20.7%        | 17.6%        | 19.9%        |
|           | CIC calls requiring transfer to experts               | 14.5%        | 14.2%        | 19.1%        | 17.6%        | 17.4%        | 19.2%        |
|           | Calls abandoned                                       | 1.4%         | 1.3%         | 1.1%         | 0.8%         | 0.6%         | 1.1%         |
|           | <b>Total calls</b>                                    | <b>1,968</b> | <b>1,724</b> | <b>2,195</b> | <b>1,941</b> | <b>1,781</b> | <b>1,230</b> |

| Contact                              | Performance Indicators                 | Jul           | Aug          | Sep          | Oct          | Nov          | Dec          |
|--------------------------------------|--|---------------|--------------|--------------|--------------|--------------|--------------|
| Enquiry Forms                        | - Directorates (inc payments)          | 2,693         | 2,245        | 2,201        | 1,865        | 1,466        | 1,282        |
|                                      | - Schools                              | 1,059         | 496          | 1,624        | 1,243        | 1,067        | 773          |
|                                      | <b>Total forms received in the IBC</b> | <b>3,752</b>  | <b>2,741</b> | <b>3,825</b> | <b>3,108</b> | <b>2,533</b> | <b>2,055</b> |
| Enquiries Responded to within 5 Days | -Directorates                          | 73.8%         | 61.3%        | 54.8%        | 64.8%        | 49.9%        | 63.8%        |
|                                      | -Schools                               | 68.3%         | 40.8%        | 44.1%        | 40.5%        | 41.4%        | 44.3%        |
|                                      | -Overall                               | 72.2%         | 57.5%        | 50.2%        | 55.0%        | 47.3%        | 56.5%        |
|                                      | Enquiries Resolved within 10 Days      | -Directorates | 80.9%        | 80.9%        | 76.5%        | 73.3%        | 71.7%        |
| -Schools                             |  | 84.0%         | 78.0%        | 72.0%        | 63.0%        | 57.0%        | 57.4%        |
| -Overall                             |  | 81.7%         | 80.6%        | 74.7%        | 69.3%        | 65.4%        | 65.1%        |

5.5 In addition the Operational Finance customer contact statistics continue to show that 100% of issues raised via telephone contact have been resolved within five working days (which is the target). In addition a very high proportion of written queries (currently standing at 97%) are fully resolved within five working days with a response to all queries being given within 5 days.

## 6 ESS Lite Registration



- 6.1 The level of registration for ESS lite is increasing slowly overall from the initial take on period and is consistent with previous on boarding experiences. Whilst the level of registration for Directorates is holding steady it should be noted that office based directorate staff do not need to register for ESS lite as all functionality can be accessed from the desk top. Further contact with those that work remotely would be needed to verify if the current level of registration is appropriate.
- 6.2 The level of registration for schools staff is showing a positive trend which may need to be promoted at regular intervals to ensure that schools based staff have access to basic information such as their payslip.
- 6.3 The current level of OCC user registration for ESS lite is shown below:

| ESS Registration         | July  | Aug   | Sep   | Oct   | Nov   | Dec   |
|--------------------------|-------|-------|-------|-------|-------|-------|
| Overall %                | 54.6% | 54.0% | 58.9% | 63.0% | 67.6% | 65.6% |
| Directorates (%)         | 63.6% | 60.9% | 64.6% | 64.8% | 74.1% | 66.4% |
| Directorates<br>(Volume) | 3,184 | 3,061 | 3,349 | 3,096 | 3,533 | 3,151 |
| Schools %                | 49.8% | 50.0% | 55.5% | 62.0% | 63.9% | 65.1% |
| Schools (Volume)         | 4,615 | 4,390 | 4,905 | 5,393 | 5,530 | 5,616 |

- 6.4 Future enhancements to mobile self service through ESS Lite with the addition of manager approvals will motivate additional registration to support more flexible working.

## 7 Change Requests

- 7.1 Good progress has been made on the Change Requests identified in the 3 month check point report, which has been overseen and monitored by the Professional Leads Stabilisation Group on a monthly basis. Further enhancements have been identified and the current schedule of change requests is included at Appendix 2. A rolling programme of change requests has always been anticipated as a feature of a successful service.
- 7.2 Change control governance is in place to ensure appropriate ownership and sign off, as well as maintaining the integrity and standardisation of business processes across all partners. Changes relating to a deviation from the standard operating model or are OCC specific will incur a cost outside of the overall cost agreement, and this will be agreed with OCC prior to the final approval.

## 8 Conclusions and Recommendations

8.1 A summary of the status of the 3 month recommendations are included in Appendix 3. All actions are complete, although further on-going work is required to continue to assess the benefit realisation of the partnership model as it continues to embed during the first year of operation.

8.2 Based on the information included in this document the following are recommended:

- Continued focus to increase resolution of customer enquiries within target timescales, with the priority area of focus being HR. The performance metrics will be developed to include qualitative measures and will be closely monitored to assess improvements over the next 6 months
- Further user education is required by OCC to increase understanding of the implications of late entry of payroll information, coupled with the above recommendation this will contribute to drive down the number of post period adjustments
- Additional improvements to customer contact include:
  - Embedding the recently implemented quality monitoring process, as part of continuous improvement, to identify improvements, knowledge and training needs
  - Planned review of the online enquiry forms during 2016
- Conclude delivery of remaining pensions plans:
  - Deployment of the agreed OCC monthly pension reports
  - Delivery of OFRS monthly return
  - Delivery of end of year reporting for all pension schemes
- Analysis of new recruitment reports to identify where bottlenecks and delays are occurring and agree actions to address.
- OCC to review their current and future recruitment volumes so that resource implications can be agreed and addressed
- OCC to adopt a continuous improvement approach to reviewing the adequacy of the business processes that have been put in place to mitigate the risk of duplicate payments being processed
- Approach to be developed to manage the historic balances relating to casual payments for expenses
- Continued focus to deliver required minor changes to BPC (used for

budgeting and forecasting)

- Analysis of manual travel and expenses claims required to understand demand and develop plans to move to the 100% self service target
- Investigation of lower value payments is required to identify opportunities for greater use of P-cards with subsequent business engagement to make the change
- Further Procure to Pay (Accounts Payable) and Finance dashboard reporting facilities to be deployed during 2016.

## Appendix 1 – Performance Measures & Metrics

### Finance

| Ref | Function   | Performance Indicator   | July        | Aug         | Sept        | Oct    | Nov    | Dec    |
|-----|------------|---|-------------|-------------|-------------|--------|--------|--------|
| F1  | Purchasing | Orders placed through the eStore (catalogue / free text)      | 6,125       | 3,674       | 11,110      | 7,939  | 8,761  | 6,549  |
|     |            | Directorates  | 2,404       | 2,333       | 2,350       | 2,184  | 1,958  | 1,732  |
|     |            | Schools   | 3,721       | 1,341       | 8,760       | 5,755  | 6,803  | 4,817  |
| F2  | Purchasing | Purchases < £250 not completed on P-Card                      | 100%        | 47.9%       | 63.1%       | 56.7%  | 54.7%  | 53.1%  |
|     |            | Volume  | 2,951       | 1,638       | 6,122       | 4,824  | 5,065  | 3,952  |
| F3  | Purchasing | POs sent electronically                                       | 45.8%       | 92.6%       | 94.6%       | 90.3%  | 89.2%  | 92.5%  |
| F4  | Payments   | Invoices paid within 30 days of receipt of invoice by the IBC |             |             |             |        |        |        |
|     |            | MIRO  | 100%        | 100%        | 99.9%       | 98.9%  | 99.8%  | 99.7%  |
|     |            | VIM   | 100%        | 98.5%       | 97.9%       | 96.4%  | 93.9%  | 97.0%  |
|     |            | Invoices paid within 30 days of the invoice date              |             |             |             |        |        |        |
|     |            | MIRO  | 94.2%       | 81.9%       | 89.4%       | 94.0%  | 95.5%  | 92.7%  |
|     |            | VIM   | 41.7%       | 59.3%       | 65.3%       | 65.6%  | 63.8%  | 66.2%  |
| F5  | Payments   | Total invoices processed (inc. interfaces)                    | 8,055       | 8,432       | 14,032      | 13,313 | 14,680 | 15,545 |
|     |            | Total invoices processed (ex. interfaces)                     | 6,267       | 5,124       | 11,185      | 6,350  | 6,905  | 5,664  |
|     |            | Invoices processed through VIM                                | 2,678       | 3,814       | 3,937       | 3,694  | 4,296  | 4,327  |
|     |            | Invoices processed through MIRO                               | 5,377       | 4,618       | 10,095      | 9,619  | 10,384 | 11,218 |
| F6  | Payments   | Invoices returned to supplier under “No PO No Pay” policy     | 3.2%<br>256 | 2.9%<br>247 | 1.2%<br>163 | x      | x      | x      |

|   |         |   |       |        |        |        |        |         |
|---|---------|---|-------|--------|--------|--------|--------|---------|
| F7  | Banking | Holding and suspense accounts reconciled and cleared at month end (Cumulative balances, from go-live to the end of December 15) |       |        |        |        |        |         |
|   |         | Income Receipts (Cr)  |       |        |        |        |        |         |
|   |         | Total Items   | 1,854 | 3,913  | 6,660  | 9,453  | 12,447 | 15,073  |
|   |         | Items cleared   | 99.0% | 99.1%  | 99.2%  | 99.0%  | 98.8%  | 95.6%   |
|   |         | <i>(position at Sept 15)</i>  | 57.6% | 82.5%  | 89.1%  | -      | -      | -       |
|   |         | Total value   | £280m | £453m  | £623m  | £796m  | £922m  | £1,105m |
|   |         | Value cleared   | 99.9% | 99.9%  | 99.9%  | 99.9%  | 99.9%  | 98.0%   |
|   |         | <i>(position at Sept 15)</i>  | 83.4% | 87.2%  | 96.1%  | -      | -      | -       |
|   |         | (of the uncleared items in December, 1.9% of value were dated 31/12/15)   |       |        |        |        |        |         |
|   |         | Payments (Dr)   |       |        |        |        |        |         |
|   |         | Total Items   | 353   | 716    | 1,144  | 1,353  | 1,548  | 1,749   |
|   |         | Items cleared   | 93.8% | 93.6%  | 94.9%  | 95.0%  | 94.8%  | 94.2%   |
|   |         | <i>(position at Sept 15)</i>  | 11.6% | 57.1%  | 74.6%  | -      | -      | -       |
|   |         | Total value   | £275m | £458m  | £627m  | £806m  | £934m  | £1,121m |
|   |         | Value cleared   | 83.2% | 89.9%  | 92.6%  | 94.2%  | 95.0%  | 94.0%   |
|   |         | <i>(position at Sept 15)</i>  | 4.5%  | 77.6%  | 88.4%  | -      | -      | -       |
|   |         | (of the uncleared items in December, 1.9% of value were dated 31/12/15)   |       |        |        |        |        |         |
|   |         | Banking Volumes   |       |        |        |        |        |         |
|   |         | Total Items (reconciled weekly)   | 6,562 | 10,303 | 16,119 | 21,822 | 27,580 | 33,577  |
|   |         | Local Banking   |       |        |        |        |        |         |
|   |         | Total Items   | 2,609 | 3,755  | 6,748  | 10,134 | 13,232 | 16,417  |
|   |         | Cleared   | 72.3% | 69.5%  | 76.2%  | 78.8%  | 79.8%  | 79.0%   |
|   |         | <i>(position at Sept 15)</i>  | 43.1% | 49.3%  | 67.0%  | -      | -      | -       |
| (uncleared Local Banking credits are those awaiting OCC establishments to input details via the portal) |         |   |       |        |        |        |        |         |

|    |     |   |                  |                  |                  |                  |                  |                  |
|----|-----|---|------------------|------------------|------------------|------------------|------------------|------------------|
| F8 | Tax | VAT returns are completed and submitted within 21 working days of month end | 100%<br>18/08/15 | 100%<br>11/09/15 | 100%<br>14/10/15 | 100%<br>19/11/15 | 100%<br>04/12/15 | 100%<br>11/01/16 |
|----|-----|---|------------------|------------------|------------------|------------------|------------------|------------------|

### Additional Finance Measures

| Function  |  | July          | Aug   | Sept  | Oct   | Nov   | Dec   |
|-----------|--|---------------|-------|-------|-------|-------|-------|
| Invoicing | Invoices Cleared (as at the end of the quarter) – Invoices raised since go-live  |               |       |       |       |       |       |
|           | Total number of invoices (Non ASC)   | 1,437         | 626   | 2,546 | 2,024 | 2,854 | 2,145 |
|           | Invoices Cleared   | 98.7%         | 91.8% | 86.5% | 89.1% | 74.4% | 12.0% |
|           | <i>(position at Sept 15)</i>   | 94.9%         | 74.8% | 41.7% | -     | -     | -     |
|           | Total number of invoices (ASC)   | 4,409         | 4,452 | 4,528 | 4,669 | 4,703 | 4,278 |
|           | Invoices Cleared   | 91.8%         | 91.1% | 89.8% | 88.6% | 84.8% | 76.8% |
|           | <i>(position at Sept 15)</i>   | 83.5%         | 81.4% | 74.1% | -     | -     | -     |
|           | Note: The total volume of invoices raised in each period, and the percentage of those invoices that were cleared at the end of the quarter (31/12/15).<br>Cleared Invoices are those completely settled. Part-payments are not deemed cleared. |               |       |       |       |       |       |
| Invoicing | Average Age (As at quarter-end 31/12/15)   | Calendar Days |       |       |       |       |       |
|           | Non ASC  |               |       |       |       |       |       |
|           | Average Age – Cleared Invoices   | 25.34         |       |       |       |       |       |
|           | Average Age – Open Invoices  | 55.75         |       |       |       |       |       |
|           | Average Age – All  | 40.94         |       |       |       |       |       |
|           | ASC  |               |       |       |       |       |       |
|           | Average Age – Cleared Invoices   | 22.53         |       |       |       |       |       |
|           | Average Age – Open Invoices  | 89.81         |       |       |       |       |       |
|           | Average Age – All  | 29.83         |       |       |       |       |       |

| Invoicing | Aged Debt Analysis (as at 31/12/15) –         |                |             |            |      |          |          |            |
|-----------|---|----------------|-------------|------------|------|----------|----------|------------|
|           |   | Total Invoices | Cleared     | Up to 30   |      | 30 to 60 | 60 to 90 | 90+        |
|           | Non ASC                                       | £89,463,006    | £80,491,894 | £7,369,927 |      | £707,417 | £554,466 | £339,301   |
|           | ASC   | £16,527,084    | £12,761,444 | £738,401   |      | £824,274 | £683,065 | £1,517,898 |
| Function  |   |                | July        | Aug        | Sept | Oct      | Nov      | Dec        |
| Banking   | Average time to apply unallocated cash (Days) |                | 17.02       | 6.74       | 2.95 | 3.44     | 2.92     | 3.19       |

## Operational Finance

| Function                | Performance indicator                                       | July              |                                  | August            |                                  | September         |                                  | October           |  | November          |  | December          |  |
|-------------------------|---|-------------------|----------------------------------|-------------------|----------------------------------|-------------------|----------------------------------|-------------------|--|-------------------|--|-------------------|--|
|                         |   | Count of Activity | % Complete Within 5 Working Days | Count of Activity | % Complete Within 5 Working Days | Count of Activity | % Complete Within 5 Working Days | Count of Activity | % Complete Within 5 Working Days or agreed due date* | Count of Activity | Complete Within 5 Working Days or agreed due date* | Count of Activity | % Complete Within 5 Working Days or agreed due date* |
| BPC master data changes | Create Cost centre  | 1                 | 100.0%                           | 6                 | 100.0%                           | 9                 | 77.8%                            | 13                | 100.0%   | 3                 | 100.0%   | 1                 | 100.0%   |
|                         | Amend Cost centre   | 0                 | N/A                              | 5                 | 100.0%                           | 2                 | 100.0%                           | 12                | 100.0%   | 14                | 100.0%   | 34                | 100.0%   |
|                         | Amend performer / reviewer (incl. substitutes)              | 21                | 100.0%                           | 99                | 100.0%                           | 76                | 98.7%                            | 37                | 100.0%   | 78                | 100.0%   | 58                | 100.0%   |
|                         | Amend WBS code  | 0                 | N/A                              | 17                | 100.0%                           | 4                 | 100.0%                           | 0                 | N/A  | 0                 | N/A  | 20                | 100.0%   |
|                         | Set up / amend approver                                     | 0                 | N/A                              | 1                 | 100.0%                           | 1                 | 100.0%                           | 1                 | 100.0%   | 3                 | 100.0%   | 2                 | 100.0%   |
|                         | BPC security changes (new users / change to users security) | 9                 | 11.1%                            | 15                | 66.7%                            | 37                | 97.3%                            | 8                 | 100.0%   | 10                | 100.0%   | 9                 | 100.0%   |
| Other support           | Change to Cost Centre Hierarchy                             | 2                 | 50.0%                            | 3                 | 100.0%                           | 2                 | 100.0%                           | 0                 | N/A  | 2                 | 100.0%   | 8                 | 100.0%   |



## AG9

## ANNEX 1

|          |                              |    |        |     |        |     |        |     |        |     |        |     |        |
|----------|------------------------------|----|--------|-----|--------|-----|--------|-----|--------|-----|--------|-----|--------|
| activity | Virements                    | 19 | 63.2%  | 18  | 100.0% | 20  | 100.0% | 24  | 100.0% | 30  | 100.0% | 17  | 100.0% |
|          | Bulk journal uploads         | 0  | N/A    | 0   | N/A    | 3   | 100.0% | 0   | N/A    | 0   | N/A    | 0   | N/A    |
|          | Other requests sent by email | 2  | 100.0% | 6   | 100.0% | 7   | 100.0% | 7   | 100.0% | 2   | 100.0% | 1   | 100.0% |
| Total    |                              | 54 | 70.7%  | 170 | 96.3%  | 161 | 97.4%  | 102 | 100.0% | 142 | 100.0% | 150 | 100.0% |

\*Certain data changes can only be made after the budget monitoring cycle is complete and must be held beyond the 5 working day deadline in order to preserve the integrity of the current cycle. It has therefore been mutually agreed to class a request as complete if it is processed before the next budget monitoring cycle.

## Hire to Retire

| Ref | Function    | Performance Indicator   | July                                | Aug          | Sept         | Oct           | Nov          | Dec          |
|-----|-------------|---|-------------------------------------|--------------|--------------|---------------|--------------|--------------|
| HR1 | Recruitment | Cycle time from 'Recruit to Vacancy' to 'Firm Offer' < 50 days                | N/A                                 | 100.0%       | 87.5%        | 62.5%         | 33.3%        | 37.8%        |
| HR2 | Recruitment | Statutory checks completed prior to start date                                | This data is not captured/available |              |              |               |              |              |
| HR3 | DBS         | DBS checks completed on-line (eBulk)  |                                     |              |              |               |              |              |
|     |             | Applications Initiated  |                                     |              |              |               |              |              |
|     |             | Directorates  | 40                                  | 216          | 264          | 279           | 273          | 205          |
|     |             | Schools   | 95                                  | 40           | 489          | 364           | 378          | 186          |
|     |             | Applications Countersigned by IBC   |                                     |              |              |               |              |              |
|     |             | Directorates  | 17                                  | 108          | 147          | 203           | 215          | 187          |
|     |             | Schools   | 40                                  | 55           | 289          | 382           | 355          | 200          |
| HR4 | Pay         | Payroll payments  | 13,441                              | 12,641       | 12,628       | 12,703        | 12,664       | 12,582       |
|     |             | Errors on final run   | 0.00%                               | 0.04%        | 0.06%        | 0.04%         | 0.10%        | 0.15%        |
|     |             | Volume  | 0                                   | 5            | 8            | 5             | 13           | 19           |
| HR5 | Pay         | Over payments   | 0.04%                               | 0.00%        | 0.08%        | 0.54%         | 0.27%        | 0.24%        |
|     |             | Volume  | 5                                   | 0            | 10           | 69            | 34           | 30           |
| HR6 | Pay         | Pay records where an action is made to a previous month after payroll has run | 0.0%<br>1                           | 26.1%<br>307 | 17.7%<br>606 | 57.2%<br>1326 | 45.3%<br>688 | 45.4%<br>542 |
|     |             | Directorates  | 0.1%<br>1                           | 37.2%<br>152 | 27.0%<br>142 | 46.6%<br>314  | 34.1%<br>126 | 26.3%<br>103 |
|     |             | Schools   | 0.0%<br>0                           | 20.2%<br>155 | 16.0%<br>464 | 61.6%<br>1012 | 48.9%<br>562 | 54.8%<br>439 |
| HR7 | Pay         | Total number of transactions:   | 17,667                              | 15,112       | 15,813       | 15,797        | 13,870       | 13,592       |
|     |             | HR and pay transactions completed on-line                                     | 83.4%                               | 74.6%        | 75.8%        | 73.6%         | 83.9%        | 84.3%        |
|     |             | through self service:   | 14,741                              | 11,271       | 11,979       | 11,629        | 11,635       | 11,457       |

## AG9

## ANNEX 1

|     |          |  |                |                |                |                |                |                |
|-----|----------|--|----------------|----------------|----------------|----------------|----------------|----------------|
|     |          | Directorates<br>- total number of transactions                   | 8,476          | 13,319         | 10,903         | 11,472         | 10,469         | 10,376         |
|     |          | - number through self service                                    | 7,260          | 10,669         | 9,270          | 9,549          | 9,504          | 9,238          |
|     |          | - directorate % self service                                     | 85.7%          | 80.3%          | 85.0%          | 83.2%          | 90.8%          | 89.0%          |
|     |          | Schools<br>- total number of transactions                        | 9,191          | 1,793          | 4,910          | 4,325          | 3,401          | 3,216          |
|     |          | - number through self service                                    | 7,481          | 572            | 2,709          | 2,080          | 2,131          | 2,219          |
|     |          | - schools % self service   | 81.4%          | 31.9%          | 55.2%          | 48.1%          | 62.7%          | 69.0%          |
| HR8 | Expenses | Total number of claims   | 4,046          | 1,726          | 1,726          | 2,051          | 2,136          | 2,209          |
|     |          | Travel and expense claims completed on-line through self service | 4,024<br>99.5% | 1,709<br>99.0% | 1,710<br>99.1% | 2,034<br>99.2% | 2,120<br>99.3% | 2,188<br>99.0% |
|     |          | Directorates<br>- total number of claims                         | 3,632          | 1,634          | 1,484          | 1,772          | 1,857          | 1,888          |
|     |          | - number through self service                                    | 3,627          | 1,619          | 1,472          | 1,759          | 1,848          | 1,875          |
|     |          | - % directorates self service                                    | 99.9%          | 99.1%          | 99.2%          | 99.3%          | 99.5%          | 99.3%          |
|     |          | Schools<br>- total number of claims                              | 414            | 92             | 242            | 279            | 279            | 321            |
|     |          | - number through self service                                    | 397            | 90             | 238            | 275            | 272            | 313            |
|     |          | - % schools self service   | 95.9%          | 97.8%          | 98.3%          | 98.6%          | 97.5%          | 97.5%          |

**Additional Hire to Retire Measures**

|  |             |   |      |      |      |      |      |      |
|--|-------------|---|------|------|------|------|------|------|
|  | DBS         | Average time taken (calendar days)              |      |      |      |      |      |      |
|  |             | Overall   | 22.7 | 25.2 | 21.5 | 17.9 | 23.3 | 29.8 |
|  |             | Applicant                                       | 3.6  | 3.4  | 3.1  | 3.3  | 4.4  | 4.9  |
|  |             | Organisation (from receipt to countersignature) | 8.0  | 8.4  | 10.4 | 6.9  | 8.6  | 9.0  |
|  |             | DBS   | 11.1 | 13.3 | 7.9  | 7.7  | 10.3 | 14.3 |
|  | Recruitment | Number of vacancies created                     | 111  | 211  | 182  | 184  | 175  | 166  |

**Master Data**

| Ref  | Function | Performance Indicator                                 | Jul  | Aug   | Sep   | Oct   | Nov   | Dec    |
|------|----------|---|--|-------|-------|-------|-------|--------|
| MDM1 | Customer | New customer requests processed within 5 working days | Data previously unavailable – development introduced for data capture from December 2015 |       |       |       |       | 100.0% |
|      |          | Volume (Completed within 5 days)                      |  |       |       |       |       | 324    |
| MDM2 | Supplier | New supplier requests processed within 5 working days | 94.1%  | 93.3% | 95.7% | 94.8% | 96.3% | 98.7%  |
|      |          | Volume (Completed within 5 days)                      | 486  | 469   | 729   | 581   | 368   | 464    |

## Appendix 2 – Open Change Requests

| Ref             | Title   | Business Owner | Status  |
|-----------------|---|----------------|---|
| OCC-CR-102      | Balance Sheet push report   | Alison Chard   | Deployed  |
| IBC-CR-783      | <a href="#">IBC-CR-783 - BPC Audit Report</a>                                     | Alison Chard   | resource allocation being reassessed following additional requirement |
| IBC-CR-810      | <a href="#">IBC-CR-810 OCC Corp Fin Staffing Cost Report access</a>               | Alison Chard   | Deployed  |
| IBC-CR-689      | Change cost centre eForm does not highlight changes required                      | Alison Chard   | Deployed  |
| OCC-CR-89 / 947 | <a href="#">OCC-CR-89-New Fixed Assets LSMWs</a>                                  | Alison Chard   | LSMW's deployed security roles and access being updated               |
| IBC-CR-826      | <a href="#">IBC-CR-826 Change to BPC forecast email</a>                           | Alison Chard   | Testing in progress   |
| IBC-CR-827      | <a href="#">IBC CR 827 Template - FMR annexes</a>                                 | Alison Chard   | On hold   |
| IBC-CR-828      | <a href="#">IBC CR 828 - BPC formatting changes</a>                               | Alison Chard   | Scheduled for next available transport to production                  |
| IBC-CR-924      | <a href="#">IBC-CR-924 - BPC last saved user details</a>                          | Alison Chard   | Deployed  |
| IBC-CR-922      | <a href="#">IBC-CR-922 Capital previous year actuals</a>                          | Alison Chard   | Deployed  |
| IBC-CR-921      | <a href="#">IBC-CR-921 Capital BPC Subtotals</a>                                  | Alison Chard   | Currently in UAT  |
| IBC-CR-676      | <a href="#">IBC-CR-676 - MDT access to LSWM transaction as part of DD process</a> | Andrea Davies  | Deployed  |
| OCC-CR-95       | <a href="#">OCC-CR-95 - Social Care and Property Statement Design Changes</a>     | Bruce Martin   | Low priority CR written   |

|                |   |              |   |
|----------------|---|--------------|---|
| OCC-CR-83      | <a href="#">OCC-CR-83 Extend Additional Text Character Length in Customer Invoices Interfaces</a>                   | Bruce Martin | Deployed  |
| OCC-CR-96 / 55 | <a href="#">OCC-CR-96 - Searchable source system ID</a>   | Bruce Martin | Deployed  |
| OCC-CR-100     | Changes to the PI Interfaces IBC-PI-05B and IBC-PI-05C to make them generic for all social care and non-social care | Bruce Martin | Deployed  |
| OCC-CR-97      | <a href="#">OCC-CR-97 - Changes to ASC Invoice Design</a>   | Bruce Martin | Consider for future development across all customer groups              |
| OCC-CR-98      | <a href="#">OCC-CR-98 - Invoice Direct debit advance notice</a>   | Bruce Martin | Consider for future development across all customer groups              |
| IBC-CR-748     | OCC require a separate dunning letter for care clients  | Bruce Martin | Deployed  |
| OCC-CR-94      | <a href="#">OCC-CR-94 ASC Income Team (OCC OTC) SAP profile change required</a>                                     | Bruce Martin | Closed/resolved   |
| OCC-CR-99      | <a href="#">OCC-CR-99 Flexi Time Managers Portal Report</a>   | Dan Savickas | Deployed  |
| OCC-CR-85      | <a href="#">IBC-OCC-CR85 - New Contract Type for Schools Community Focused Staff</a>                                | Dan Savickas | Deployed  |
| IBC-CR-762     | <a href="#">IBC-CR-762 - OCC central address not showing correctly in eStore views</a>                              | Dan Savickas | Deployed  |
| IBC-CR-707     | DEAL court order subtype required   | Dan Savickas | Solution being finalised  |
| IBC-CR-736     | Removal of SCP5   | Dan Savickas | Work around in place – new forms in development will negate need for CR |
| IBC-CR-915     | <a href="#">IBC-CR-915 - removal of holiday pay from Wage type 3774</a>   | Dan Savickas | Deployed  |
| OCC-CR-29/ 717 | eLearning training histories  | Jenny Lewis  | Deployed  |

|                 |   |              |   |
|-----------------|---|--------------|---|
| IBC-CR-916      | <a href="#">IBC-CR-916 - Transfer Dom Care staff to Contractual Monthly pay</a> | Sharon West  | Deployed  |
| OCC-CR-101      | Default Payment terms from company code details                                 | Steve Cuzner | Deployed  |
| IBC-CR-930      | <a href="#">IBC-CR-930 Oxfordshire Pension Fund invoice text</a>                | Viv Broadway | Consider for future development across all customer groups            |
| IBC-CR-701      | IBC CR 701 - Hantsfile upload access for County HR                              | Dan Savickas | Design changes to accommodate additional requirements, in development |
| IBC-CR-900      | IBC CR 900 - 6 month increment for new starters                                 | Dan Savickas | With IT for resource estimate   |
| IBC-CR-898      | IBC CR 898 - additional 40 hr week work schedule for Public Health staff        | Dan Savickas | Closed - no longer needed, workaround in place for small staff nos.   |
| IBC-CR-899      | IBC CR 899 - additional FRS grey book casual post                               | Paul Bonaer  | Positions have been created and revised CR being prepared             |
| IBC-CR-897      | IBC CR 897 - additional mileage type for Dom Care staff                         | Dan Savickas | Deployed  |
| IBC-CR-896      | IBC CR 896 - Change of Leave options available in ESS                           | Dan Savickas | Resource estimate needed  |
| IBC-CR-901/1007 | IBC CR 901 - Change of Reporting requirements for County HR                     | Dan Savickas | Deployed (as Bug No 1007)   |
| IBC-CR-915      | IBC CR 915 - removal of holiday pay from Wage type 3774                         | Dan Savickas | Deployed  |
| IBC-CR-852      | IBC CR 852 - V00099 - Not to be used for payments                               | Dan Savickas | Delayed pending further investigation                                 |
| IBC-CR-946      | OCC-CR 946 - Create additional wage types registration v2                       | Dan Savickas | Awaiting approval   |
| IBC-CR-974      | Portal incorrectly allows users to reverse GR that has been assigned to an      | Bruce Martin | Deployed  |

|                    |   |                     |  |
|--------------------|---|---------------------|--|
|                    | <b>invoice</b>  |                     |  |
| <b>IBC-CR-996</b>  | <b>Request employee change form -<br/>Honarium amount</b>   | <b>Sharon West</b>  | <b>CR prepared - awaiting<br/>resource estimate</b>                      |
| <b>IBC-CR-1003</b> | <b>IBC-CR-1003 SAP back-office role for<br/>OCC Corporate Procurement</b>                                 | Bruce Martin        | <b>In UAT</b>  |
| <b>IBC-CR-1004</b> | <b>CR 1004 Process required to close PO</b>   | <b>Bruce Martin</b> | <b>CR prepared and<br/>approved</b>                                      |
| <b>IBC-CR-1040</b> | <b>OCC Fire Officer Pension Interface -<br/>Providing monthly information to the<br/>OCC Pension Fund</b> | <b>Dan Savickas</b> | <b>Testing in process</b>  |
| <b>IBC-CR-658</b>  | <b>IBC-CR-658 - PAE letters are being<br/>produced with the incorrect scheme<br/>detailed on them</b>     | <b>Dan Savickas</b> | <b>Testing in process –<br/>deployment panned for<br/>13/14 February</b> |



### Appendix 3 – Update on recommendations

Good progress has been made on all recommendations.

| Recommendation   | Responsible Officer | Progress   |
|--|---------------------|--|
| <p><b>Schools Guidance / Engagement</b><br/>During the remaining period of stabilisation OCC will need to determine the additional support, communication and guidance schools may require during this transition to a new operating model.</p>  | SH                  | The Transition Team was kept in place until 31 December 2015 and further Building Confidence sessions were delivered, with excellent take up and feedback.   |
| <p><b>Benefits Realisation:</b> This will be captured through data from the Customer Interaction Centre by the end of month 6, as well as OCC's evaluation of anticipated strategic benefits including the achievement of significant recurring cost savings and the non-financial strategic benefits detailed in Section 2.</p> | RF                  | The financial benefits proposed from the partnership arrangement in the Medium-Term Financial Plan will remain on track if OCC's cost share of the IBC does not increase. The strategic non-financial benefits including building resilience and skills, enabling front-line transformation and implementation of best practice process are currently measured in a quantitative way only. The metrics utilised are volume-based and do not consider the quality of service delivery and/or the customer experience. |
| <p><b>Cessation of car leases</b> will need to be planned during the remaining stabilisation period. OCC will also need to develop an approach to increase self service expense claims by the end of the remaining stabilisation period.</p>   | RW / SC             | Richard White (Head of the Integrated Business Centre) had identified the current level of activity and will be working with Sarah Currell to devise an acceptable approach to cessation or developing a statement of requirement for further discussion.  |
| <p><b>Expenses Compliance</b> OCC will need to consider the optimum time to deploy this process. It should be noted that when the process is implemented it will sample all expense transactions from implementation creating a peak in workload and time pressure to complete the verification process.</p>                     | AD / SC             | An initial expenses compliance run highlighted that the OCC format excluded certain necessary fields. Subsequent communications to selected staff informed them to treat the initial compliance process as a test. Technical issues have been resolved. Testing has completed and the compliance process will be re-scheduled in consultation with OCC.  |
| <p><b>Change Requests</b> All remaining agreed change requests and defects will need to be addressed during the remaining stabilisation period, ensuring appropriate resource and focus is available to test and deploy approved changes.</p>  | GW                  | <p>Of 30 change requests recorded:</p> <ul style="list-style-type: none"> <li>• 17 are deployed</li> <li>• 7 are in progress</li> <li>• 6 have been placed on hold or held for potential future development.</li> </ul> <p>A further 16 CR's have been raised subsequent to the 3 month gateway review</p>   |
| <p><b>Petty Cash Account Reconciliation</b><br/>OCC will need to consider what other change and support is required to ensure the new operating model is fully</p>   | A D'A               | The OCC Treasury Management and Banking team have been in contact with account holders regarding overdrawn balances. In addition following the resolution  |

|   |  |  |
|---|--|--|
| embedded and optimised with the correct business behaviours by the end of the stabilisation period. |  | of user access and improved knowledge and support through “Bite-size” imprest account training during November this is now improving although continued work is required to ensure the remaining 17% of accounts are addressed |
|---|--|--|