

ESR Update

Monthly update from Programme Director, Jim O'Connell

Wave 6 is the largest live wave to date comprising 59 organisations and c113k employees. All Wave 6 organisations have now completed their go-live successfully and paid their first monthly payroll on ESR in February 2007.

Wave 7 comprising 54 organisations and c109k employees completed their User Trial last month. Preparations for cutover to ESR are being undertaken

in two cycles. Cycle 1 organisations make their decision to go live on 23 March 2007. Cycle 2 organisations are due to make their go-live decision on 30 March 2007.

Wave 8 comprising 55 organisations and c103k employees completed Local Solution Testing last month and start their User Trial in April 2007.

Wave 9 comprising 51 organisations and c120k employees commenced the ESR implementation stage in December

2006 and are working towards Readiness Assessment 2 at the beginning of March.

Wave 10 comprising 49 organisations and c102k employees successfully completed Readiness Assessment 1 and commenced the ESR implementation stage in February 2007.

Wave 11 comprising 44 organisations and c71k employees started Pre Requisite activities this month and will commence the ESR implementation stage in June 2007.

ESR Interfaces with Occupational Health Smart Card

Testing on the ESR and the NHS Employers led Occupational Health Smart Card (OHSC) interface completed last month and since 19 February 2007, data has been transferring between the two systems.

ESR and OHSC have been working to develop a one way interface between the two systems since 2004 after agreeing a future vision of data sharing.

ESR will send data to the OHSC system for all medical doctors and dentists on a weekly basis. Examples of the information ESR will send across include:

- Assignment Details
- Professional Body Registrations and Memberships

"The project teams foresee these two systems as complementing each other in the long term, contributing towards a significant cost saving," said Vanda Clarke, Head of Benefits Realisation.

"Both initiatives are intended to modernise NHS working practices in line with the government's e-business strategy by providing a more secure means of storing, transferring and sharing information across the service." Other benefits include:

- Information entered at the recruitment and appointment stage in ESR will be automatically transferred across to the OHSC database, thereby avoiding duplicate data entry

- Automatic entry will be accurate, up to date and verified through the ESR process
- Consistency of data between the two systems, will improve data quality and patient safety.

Trust personnel will not be required to take any action, as the updating process will occur automatically. However, should there be any data discrepancies OHSC operators within Trusts can enter correct information using the OHSC cardless update facility.

Vanda added: "The ESR and OHSC project teams will continue to work closely together to address any operational issues, user requirements and priorities, system enhancement, changes or modifications to database requirements and feedback from users."

The OHSC is an award winning initiative sponsored in England by the Department of Health and now managed through NHS Employers. It was implemented initially over a three-year rolling period (2001-2004) across the NHS in England, and has now been taken up by the NHS in Wales.

It has introduced secure smart cards for use by doctors in training, career grade doctors, locums registered with NHS Professionals and has recently extended the scheme to undergraduate medical students. This will enable them to declare their health clearance status



when undertaking clinical placements and will then be able to continue to use their cards in NHS postgraduate training.

The OHSC scheme currently supports over 50,000 doctors, 236 Acute NHS Trusts and links directly to the General Medical Council's UK-wide registration database.

- For more information on the OHSC programme, please contact Mary Newsome – mary.newsome@nhsemployers.org
- For technical advice contact TSSI – support@tssi.co.uk
- For more information on ESR please contact Vanda Clarke – vanda.clarke@mckesson.co.uk

Balancing Reconciliation of Payroll

All NHS Trusts are required to reconcile their payroll system to their financial system.

Although some Trusts have successfully achieved reconciliation post go-live, others have experienced difficulties, resulting in imbalanced filing of year-end Inland Revenue P35 returns.

In order to address these difficulties a review of the ESR reconciliation process was undertaken in August 2006. ESR has now put in place measures to ensure all Trusts live on ESR are able to file fully balanced year-end Inland Revenue P35 returns for the financial year ending 2007.

As part of that review a number of recommendations were made:

- To establish a dedicated Reconciliation Team to review and revise the process map
- To work with a sample of Trusts close to achieving a reconciled payroll to test a revised best practice
- To train all Trust payroll and finance staff on the best practice reconciliation process under ESR
- To confirm satisfactory reconciliations after go-live. The Implementation Consultant to remain on site during two monthly payroll runs
- To continue to monitor the reconciliation process

"In response to the review, the Reconciliation Team was formed in November of last year," said Simon Fletcher, Head of Reconciliation.

"The aim of the team was to take



on board the review recommendations and I'm pleased to say we have already completed a tremendous amount of work to assist Trusts with reconciliation."

The main change to the reconciliation process has been the introduction of a new report – 'Out of Period Payroll Actions Report'. The report will help Trusts determine where, if any, differences occur as they balance Gross to Net totals and the P35 totals period on period. The report lists payroll actions such as Quickpay and Reversals and Balance Adjustments and Transfers between weekly and monthly payrolls (and vice versa) which occurred in any previous pay period prior to the one being processed.

This report was introduced into Release 4.1 of ESR on 3 February this year. Full details of how to use the report as part of the reconciliation process can be found

in the 'Best Practice Guide' document under the 'Payroll & GL Reconciliation/ Reconciliation Workshops' link on Kbase.

Simon added: "At the end of November last year, we launched a series of reconciliation and training workshops which have so far been attended by all live sites up to Wave 5 - a total of 274 organisations. The events have been very popular and are a good opportunity to explore best practice and identify and tackle any serious issues Trusts may be facing with reconciliation. We also wanted to assist Trusts in establishing a position of a 'part-year' reconciliation."

To help to establish this, a reconciliation tool has been developed to assist with the 'part-year' reconciliation process. It contains Trust data up to either November or December 2006 and looks at issues such as Quick Pay, Reversals and Balance Adjustments.

By using the tool Trusts will be able to establish a 'part-year' balanced position before adopting the best practice for the remaining months up to year end. Most of the Trusts have received the reconciliation tool but those that haven't are urged to contact the Reconciliation Team.

"We are here to help Trusts with the reconciliation process and while we will continue to monitor progress remotely, we will also make visits to Trusts experiencing significant problems, although this will only be done as a last resort," said Simon.

The Reconciliation Team are happy to get your feedback and questions. Please contact Mark Gibling, Maria Ioannou or Mark Haines at esrnhsrecon@mckesson.co.uk.

● Further information is also available from **Kbase**.

Tax Year End Workshops

Workshops billed as essential for gaining an understanding of how the Tax Year End processing is completed within ESR are being held throughout March and part of April.

Payroll staff are invited to take part in the ESR Tax Year End Workshops which will be delivered via virtual classroom sessions where an ESR Education instructor will provide participants with an overview of the processes required to complete and submit to HM Revenue and Customs all required Tax Year End Forms.

Areas to be covered include:

- Legislative changes
- ESR Tax Year End Overview
- Processing End of Year
- Processing Start of Year
- Processing Schedule
- P11D

To take part in the workshops you must be familiar with your local policies and procedures and have relevant business knowledge.

- To find out more and book a place email ESRCourseReg@mckesson.co.uk

Communicating ESR Benefits

Now that ESR implementation has reached the half-way stage, with 333 organisations paying 617,437 employees using ESR, we are launching a new Communications Plan to support NHS organisations in accessing and generating system benefits.

ESR should be regarded by Chief Executives and Directors in the NHS as the comprehensive, integrated workforce management system which will deliver the workforce strategy for the NHS.

To achieve this, the implementation and deployment of ESR has three key stages:

- **Stage 1** - the full, successful implementation of each organisation's core footprint. This will cover core HR, recruitment and payroll modules, the go-live interfaces including e-recruitment and the reports suite
- **Stage 2** - involves implementing and using Learning and Talent Management and Manager and Employee Self-Service
- **Stage 3** - interfaces to additional systems will be implemented to enable web data entry and/or interactive time and attendance and rostering systems.

"ESR benefits can be realised at each stage, but when fully implemented ESR will be a fundamental enabler in achieving financial, workforce and clinical activity targets," said Maureen Edwards, Senior User/HR Director. "ESR will drive organisational efficiency by providing automated processes, system control and regular, real-time accurate reporting."

Achieving optimum performance from ESR functionality will raise the baseline of key workforce performance



indicators, either directly, by reducing administration costs, or by providing real-time information for management action. "For example, sickness absence can be reduced and skills mix efficiencies achieved through targeted management actions resulting from the comprehensive reporting suite," added Maureen.

Once ESR is fully embedded there will be further opportunities to deliver more efficiencies and rationalisation through collaboration between organisations using ESR and the development of Shared Service Models. Collaboration nationally and locally with other national initiatives will achieve further system efficiencies.

The Communications Plan will provide a range of materials for users, including guidance and case studies which will be supported by the Post Go Live and Service Management Teams. There will be further opportunities for system users to share learning and

experience over the next six months.

There is no doubt that significant work, commitment and vision are required post go-live to exploit the full benefit of ESR. All NHS organisations will be encouraged to fully deploy all the rich functionality within 6 months of go-live, refine and align their business processes to the technology to deliver their ESR services effectively and efficiently, align their workforce reporting so that they can benchmark against other NHS organisations and engage in continuous improvement on high cost items such as absence management.

Maureen said: "There should be a focus on developing competence in using the system and accurate and timely data entry as the basis for efficiency, using the interfaces and accurate reporting. A move to HR Shared Services should be considered for transactional work, based on the ESR platform delivering efficiencies and economies of scale, and better value for the taxpayer.

"Finally, it must be emphasised that at go-live, organisations have access to all ESR functionality; there is no additional cost for Learning and Talent Management and Manager and Employee Self Service. ESR interfaces with other standard systems providing Time and Attendance, Rostering, Occupational Health and NHS Directory capabilities. Central reporting at national and regional level is provided through the Data Warehouse and additional benefits will be offered in the future through access linkage with the Connecting for Health development of clinical systems."

ESR involved in NICE Consultation



Maureen Edwards
Senior User / HR Director

The National Institute for Health and Clinical Excellence is planning a Public Health Programme Guidance on the management of long term sickness and incapacity.

During February, the Institute consulted with stakeholders on the draft Scope of the Guidance.

ESR is a registered stakeholder since NHS organisations will have access to detailed reports which will facilitate the development of policy and practice to improve management of sickness absence. ESR Senior User/HR Director, Maureen Edwards attended the stakeholder

meeting on 19 February on behalf of the programme and will keep in close touch with this project as the work develops.

● For more information go to www.nice.org.uk/page.aspx?o=350209