eWIN **HOT TOPIC**

NHS
North West

TRANSFORMING COMMUNITY SERVICES (TCS) & THE IMPLICATIONS FOR ESR

The Electronic Staff Record (ESR) is the integrated HR and Payroll system across the whole of the NHS in England and Wales (with the exception of two organisations).

The Transforming Community Services (TCS) programme supports the vision of the Government's White Paper, 'Equity and Excellence: Liberating the NHS', to put patients at the heart of the NHS, and provide them with accountability, more choice and better control over their care. TCS is key to the Quality, Innovation, Productivity and Prevention (QIPP) agenda, which is crucial to achieving the efficiency savings set out in the White Paper, whilst continuing to innovate, deliver high quality and increase the focus on prevention and supported self care. TCS is working closely with the Strategic Health Authorities (SHAs) to ensure that Primary Care Trusts (PCTs) separate commissioning of services from provision, commencing April 2011, as smoothly and as effectively as possible.

However, TCS has a significant impact on ESR in relation to the movement of large numbers of employees' records and data. Organisations are currently planning and preparing for the changes that are required and this guidance should help in providing an understanding of what the changes mean for employee records held on ESR.

CURRENT SITUATION

Many organisations will have now undertaken the Transfer of Undertakings (Protection of Employment) (TUPE) process to transfer employees to their new receiving organisations in line with the deadline of 1st April 2011. However, for many organisations, there are significant numbers of employees involved and the process for managing these movements in ESR can be extremely time-consuming.

This is because ESR has functionality available to enable the transfer of a Portable Data Set (PDS) of information around an employee as part of the Leaver / New Hire Process. This is known as Inter Authority Transfer (IAT). However, IAT cannot be undertaken en-masse and therefore, if this is the option chosen to transfer each member of staff affected by the TUPE transfer, then it has to be managed on an individual basis. As such, the NHS & McKesson Central Team recommends that IAT's are only undertaken where less than 100 members of staff are transferring.

As an alternative solution to this process, McKesson, as the ESR System Supplier, have provided facilities to manage the demerging of organisations within ESR. The definition of a Demerge is where a 'Source' Employing Authority (EA) sheds part or parts of its organisation and related assignments to become part of a separate 'Target' Employing Authority.

McKesson has developed automated processes for the technical demerge that require minimal intervention by the organisations involved. However, demerge is a complex process and requires considerable preparatory work by the Source and Target Employing Authorities, with a lead in time of up to six months. Failure to effectively prepare for the demerge process could prevent the technical demerge taking place which is why the process is carefully managed and monitored, with three Readiness Assessments throughout the lifecycle of the project being undertaken and reviewed.

A demerge (from an ESR perspective) can be defined as the complete transfer of a group of employees from one EA to another (normally under TUPE regulations). This will be a complete transfer of employees and will result in the complete removal of their records from the Source EA.

There is a known requirement to increase the number of ESR demerge events currently available to the NHS, with approximately 250 demerge events being required across NHS England. Consequently, a demerge proposal has been developed by McKesson, to accommodate these additional demerge events, and this proposal has been submitted as part of a funding request to the Department of Health, to identify if the costs associated with this activity can be centrally funded. At this time, this proposal is still under consideration and we are awaiting a decision on the funding request submitted to the Department of Health (DH).

The NHS Central Team can confirm that all efforts are being made to progress this request, and an update will be provided as soon as possible, no later than Friday 13th May 2011.

Therefore, in the interim period until employee records can be transferred by the demerge process, organisations are advised to create a "Soft Split" to reflect the transition, without the records physically being transferred in ESR.

THE SOFT SPLIT PERIOD

A Soft Split is where the source organisation is restructured at a local level based on your TCS requirements. This requires setting up separate Organisational Structures, Payrolls and General Ledgers so that the new organisation can work as a "pseudo" Employing Authority or legal entity until any technical demerge of the data takes place in the future. The soft split will also manage the period between the 1st April 2011 and the

actual date of the Demerge and much of the work required to undertake a soft split is a pre-requisite for the Demerge process to take place.

The NHS Central Team have recommended that the all organisations work to ensure that a "soft split" is completed by the end of March 2011 to allow Employing Authorities to go into the new financial year with appropriate separation in place, as per their TCS plans. This means establishing new organisational hierarchies, so that the respective receiving organisations and their employees can be clearly identified with the work structures hierarchy on ESR.

In addition, new payrolls should be established for these new hierarchies so that they can be placed on a separate payroll until the demerge takes place. If applicable, general ledger feeds can be amended for the period of the soft split and until the demerge takes place so that costings can be transferred to the receiving organisation through ESR and the General Ledger.

There are many other considerations to be aware of during the period of the soft split, including Access to employee data during this period, Board and other Key Performance Indicator Reporting, Recruitment processes, Management of training records, Management of System Access and Registration Authority implications etc.

Many of these considerations have been provided within the slides for four workshops that have provided to NW Users of ESR, to enable organisations to prepare for Transforming Community Services and the Implications for the ESR system.

THE DEMERGE PROCESS & ESR REFLECTING THE TCS LANDSCAPE

As previously stated, we are currently awaiting a decision by the Department of Health on the funding request submitted

for the additional 250 demerge events that are required across NHS England. Consequently, some organisations have decided to undertake individual Leavers/ New Hires and Inter Authority Transfers to transfer the employee records.

Organisations can still continue to use this process if they have the resources to manage this method. If you are considering opting to use IAT for transfers exceeding 100 staff, then organisations are encouraged to raise a Service Request via Remedy to inform McKesson of this activitiy. This will allow McKesson teams to provide suitable guidance and support for your organisation through the IAT process.

Organisations can be assured that NHS North West has escalated the concerns with regards to the time it is taking to confirm when the additional demerge events will be available. As soon as there is further information / timescales of when organisations within the North West will be issued with a demerge slot, further communication will be issued which will include:

- Details of further workshops to enable organisations to prepare for the Demerge process.

- Requests for updates on current state of readiness to prepare for the Demerge, in line with the Readiness Assessment Criteria as outlined by McKesson in the Demerge User Guide.

Furthermore, following a collation of lessons learnt from organisations that have previously been through the Demerge process in the North West, organisations need to consider that once the demerge has taken place, it is expected that they will need to undertake cleansing of their work structures organisational hierarchies and employee data to enable improved reporting going forward. Further information around other lessons learnt around the Demerge process can be found in the Demerge Lessons Learnt Guide (23/02/11).

EWIN REFLECTING THE TCS CHANGES

We are currently aware that the Data Warehouse, and consequently eWin and iView, do not reflect the changes that TCS has made to ESR, during the period of the Soft Split.

However, as of 9th May, a solution has been identified which will require all organisations to update ESR to reflect the Target organisations, as a matter of urgency. This has been communicated through a User Notice (UN1395) and organisations are required to update a newly created field in ESR entitled **"Target Organisation".**

The "Target Organisation" field will need to be populated by **ALL** organisations, whether or not they have records within a "soft split" scenario and affected by TCS. Organisations will need to enter their CRS Organisation NACS Code (e.g. 5JX for Bury PCT) at the highest appropriate level(s) within their ESR Work Structures hierarchy. Once this field has been populated, the data will then be cascaded down to assignment level records within the Data Warehouse to enable appropriate reporting.

If a soft-split has been undertaken, then you will need to enter two or more codes as appropriate for the number of organisational changes that have been undertaken. However, any organisation without a soft-split and unaffected by TCS will only need to enter their own code into their top-level organisation of the work structures hierarchy.

The intention is to deploy the new "Target Organisation" field into ESR as a matter of urgency, with the changes expected to be released into ESR for w/c 16th May. **Organisations will then need to populate the field prior to the data extract from ESR being taken after midnight on the 31st May 2011.** This will ensure that the data loaded into the Data Warehouse for April (which will be available on Monday 13th June) will illustrate those records affected by the 'soft-split' and TCS organisational changes. As a result of this, eWin & iView will reflect the transition as a result of TCS from the April Data Warehouse Update onwards.

A further User Notice will be issued when the release date for the new field is confirmed. For further information around the actions that are required, please refer to User Notice 1395.

USEFUL TOOLS/ACTIVITIES

1. **Project Governance:** Consider the management of the changes to ESR as a programme of work, with key stakeholders involved, including Executive Ownership, across the Source & Target / Receiving Organisations.

2. **Processes:** consider how process will work / need to change for the soft split period, pre-demerge and post demerge.

3. **Communication:** Ensure all stakeholders are involved including, but not limited to:

a. HR, Recruitment, Workforce, Work Structures & Reporting Users

b. Finance

c. Payroll

d. Learning & Development

e. Self Service Users

f. Registration Authority Leads

g. Informatics

h. Audit

i. Information Governance

j. Staff Side

USEFUL LINKS/RESOURCES

Documentation: There is a significant amount of guidance material to support organisations in preparing for the Soft Split & Demerge which includes:

a. The Demerge User Guide

b. Presentations from the NW Workshops

c. Frequently Asked Questions

d. Project Plans

e. Lessons Learnt

f. Confidentiality Agreements

g. List of organisations changes across the NW

h. Advice for Informatics

i. Guidance for how to manage the User Identity Manager Interface with TCS.

j. User Notice 1395: Urgent Actions required on ESR to enable National level reporting.

CONTACT FOR FURTHER INFORMATION

For further information regarding ESR within the North West, then please contact **Sue Hodkinson, Strategic ESR Account Manager Lead at NHS North West, on sue.hodkinson@nhs.net.**