



CASE STUDY

Powys County Council:
reducing operating costs
through smarter working—
the road to streamlined
expenses and lease
administration.

A Welsh Unitary Authority with 73 elected councillors, Powys County Council was first created as a County Council in 1974, before merging with its constituent district councils to become a Unitary Authority in 1996. The Council currently employs around 8,000 employees working in many locations across Powys in numerous roles ranging from refuse collector to social worker, to teacher and highway engineer.

A long standing, valued customer of MidlandHR since 1989, Powys County Council has migrated through MidlandHR's successive HR and payroll solutions. The Council currently operates the latest web-based solution, iTrent, the single platform for HR, payroll, talent management and workforce planning.

The Council is one of MidlandHR's most advanced and innovative customers, highly respected by other councils and commercial organisations. All iTrent modules were implemented, from core HR and Payroll, to Absence, Learning, Development, Employee Self-Service and Web Recruitment.



Forming part of the Council's Corporate Improvement Plan, the People and Communications Strategy is based on a vision increasingly shared by many organisations today – to shift the core focus of HR and payroll away from workforce administrative support, towards the development of strategies to optimise the workforce and drive organisational performance. The objectives identified were to:

- Enable service managers to plan & develop resources in the most cost effective way
- Improve customer experience
- Corporate improvement plan
- Realise efficiencies

A key part of the Council's People and Communications strategy and overall Corporate Improvement Plan was a review of the administration of expenses and lease cars to help meet the key aims of:

- Reducing operating costs through smarter ways of working
- Streamlining expenses & lease administration
- Reducing paper-based processes
- Improving predictive management information & tools to drive strategic decision making

The expenses and lease cars project involved a review of all the Council's expense and lease cars processes and their subsequent re-engineering in order to deliver more efficient methods of working. This was to not only improve the claim process itself but also realise efficiencies and improve the customer experience.

To achieve the desired cost benefits and improve the speed and accuracy of expenses claims, it was clear that the Council needed to significantly reduce the legacy paper-based processes. Sue Harris, transactions and systems manager at Powys County Council explains: "Working with MidlandHR, we realised that we could achieve our key goals in relation to expenses and lease cars by introducing access to online claims via iTrent's Employee Self-Service and by using iTrent for the management of our lease cars. This would enable us to decommission our old and out of date legacy systems."

A complete culture change

"It was clearly going to mean a complete culture change in how the Council and our employees approached the claims process," continues Harris. "However, the full support of the chief executive and the board of directors and councillors played a critical part in the rollout, as did planning and executing a clear and concise communication plan and training programme."

The Council's communication plan and training programme included:

- Early notification of changes
- A constant flow of information about how the change would affect employees & managers
- Workshops tailored to both employees & managers
- Detailed training sessions
- Ongoing support via online help & easy access to support staff

The project had four distinct phases comprising:

1. Migration of lease cars & expense claims administration & calculation to iTrent
2. Implementation of online claims for employees

3. Implementation of online claims for members
4. Implementation of online claims for 'hard to reach' employees. (Domiciliary Care, Refuse)

Phases one and two have been successfully completed while the third and fourth phases are on schedule.

Releasing the bottleneck

Online expense claims have now fully replaced the legacy paper processes and include a radical change to the authorisation process. Employees now submit their claims via Employee Self-Service and a summary email is automatically sent to the reporting manager. This email is used to notify the manager but does not require authorisation. However, the manager is able to access details of each claim via iTrent's Manager Self-Service and can stop a payment by contacting the expenses team.

Harris explains: "Previously, we had identified the authorisation part of the process as a real bottleneck, even though 90% of claims were never challenged. Now, the process is much faster and more efficient, having greatly eased our management's administrative burden, having given them the tools they need to manage their workforce claims far more effectively."

The new online process has also removed the need for employees to submit receipts although they themselves still have full responsibility of keeping them to produce if required. Additional controls to identify 'rogue' claims have been introduced as well as a capping system to control individual claims. Again, this now means the process is much quicker and easier for the employees too.

To achieve this, the Council introduced a secure portal to Council systems. The majority of employees and members access when on Council premises via the Intranet.

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Staff and member portals are used when they are off-site thus ensuring that there is never a reason not to submit electronically.

All expense claims are subject to internal and external audit and employees are made aware of this. The policy also outlines that if during an audit a receipt cannot be produced then the Council will deduct any monies owing from pay. Using Business Objects, reports with details of all claims are automatically sent to budget holders after every payroll.

Proof Points

Prior to the implementation, the Council outlined and agreed on a number of key proof points which would measure the project’s overall success rate against its original objectives.

Firstly, the key objective to see a reduction in operating costs through smarter ways of working was given a target of £46,000 in terms of possible savings which could be realised via the online expense claims system. This figure has not only been achieved but exceeded, with more savings anticipated in the future.

Secondly, the objective of reducing paper-based expense claims is also on target with over 3,000 employees now completing expenses online.

The Council knew that some objectives would be harder to measure. These included:

- Enabling service managers to plan & develop resources in the most cost effective way
- Improving management information & tools to drive strategic decision making

However, regular surveys and access to the Manager Self-Service module will assist with measurement. Manager Self-Service has now been rolled out to over 1,000 managers and audit reports are routinely run to check that it is being accessed.

Finally, an additional measure of the uptake of online expenses to councillors has also met its target with 25% of councillors now submitting their claims online.

Harris points out: “Having agreed from the outset how we were going to try to measure the success in realising each of our objectives, it has been extremely rewarding to see our very specific targets being met and in many cases exceeded.

“As well as these targets, there has also been what you might describe as a number of ‘softer’ benefits which we have realised. For example, our employees now benefit from being reimbursed within the same month that the expense was incurred, whereas previously it could be eight weeks before they received their expenses money.”

Having actively sought feedback on the new system from employees and councillors, the opinion was that iTrent brings numerous benefits in comparison to the previous system.

These include:

- A general reduction in errors & late payments
- The actual date of claim for each expense is now included on the payslip
- With further applications it is no longer necessary to input all the information again
- Historical claims which are now saved both in details & summary form

“We are now looking forward to working in partnership with MidlandHR to complete the third and fourth phases of the project which will provide our members and harder to reach employees with the ability to make their expenses claims online too,” concludes Harris.

Organisational Objectives

- Improve customer experience
- Corporate improvement plan
- Realise efficiencies
- Enable Service Managers to plan & develop resources in the most cost effective way

HR Objectives

- Reduce operating costs through smarter ways of working
- Streamline expenses & lease administration
- Reduce paper-based processes
- Improving predictive management information & tools to drive strategic decision making.

Solution

MidlandHR’s iTrent – the single platform for HR, payroll, talent management and workforce planning. While all modules were implemented, this case study focuses on:

- Manager Self-Service
- Employee Self-Service

Results

- Exceeded target of £46,000 savings in relation to online expense claims
- Met target of over 3,000 employees now completing expense claims online
- 25% of councillors now submitting their expenses claims online

Benefits for employees

- Employees now able to be reimbursed in the same month that a claim is made
- Reduction in time taken to submit many applications being reduced through the system’s ability to retain key information
- Historical claims being saved both in detail & summary form
- Actual date of claim for each expense being outlined on the employee’s payslip
- Reduction in errors & late payments

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