1. In May 2002 the SEHD asked Douglas Griffin, Director of Finance, Greater Glasgow Primary Care NHS Trust, as chair of the Scottish National Payroll System Steering Group, to lead a small project board to identify model(s) which could be developed to provide a unified database of workforce information for NHS bodies in Scotland. The Board included SEHD, CSA (ISD), Payroll and Human Resources representatives.

2. As an initial step towards achieving this objective, the project board identified the need for a strategic systems study to be carried out with the following remit:

   To consult with SEHD, Information and Statistics Division Scotland, and Schlumberger Sema (who are responsible for operating the standard payroll system), together with payroll and human resources steering groups to:

   (a) confirm key workforce related information which is required by the NHS in Scotland.
   (b) recommend how this information might be captured, kept up to date, and made available as required.
   (c) recommend how this information might be made available in a way which minimises the potential for inconsistency in reporting.
   (d) taking account of current systems, recommend model(s) which could be developed to provide a unified consistent database of workforce information which all NHS authorities in Scotland, Information and Statistics Division Scotland and the SEHD could use.

3. Following a competitive procurement exercise Caunce Consulting Ltd was appointed to undertake the study in August 2002. For the record Denis Caunce, who carried out the study, was engaged by SchlumbergerSema as an independent consultant and the report, dated 14 November 2002, reflects his own independent views, not the views of the local SchlumbergerSema management team.

A. Summary of Findings of Study report by Denis Caunce Ltd

4. The report identified the following drivers and characteristics of the current position in NHSScotland:

   - there is an onus on everyone involved in healthcare to ensure that increasing resources are properly targeted, and that the future priorities for the workforce - accounting for some 60% of total health board spending - are properly defined and addressed.

   - business environment changes include a wide range of workforce related initiatives such as Working for Health, Agenda for Change, Joint Future, changes to Junior Doctors contracts and potential changes to Consultant contracts.

   - legislative environment changes include the Working Time Directive, exemptions to which will be removed from 2004, but the requirements of other legislation such as that for equal opportunities must also be built in to NHSScotland workforce systems.
the existing workforce related information systems model in NHSScotland is characterised by the adoption of the Scottish Standard Payroll System (SSPS) by all NHS Trusts and Boards. Budgetscan is used by 38% of NHS Trusts for rostering, and payroll data capture.

of the 42 organisations surveyed in the study only 60% operate HR systems and these organisations use a total of 9 different software products.

5. A key conclusion of the report is:

“Partially as a result of the diverse systems adopted and partially because of a lack of standardisation of procedures and code structures, NHSScotland has a workforce systems environment within which it is difficult to collect reliable workforce information. In many cases the information required for national or regional reporting and workforce planning simply cannot be collected systematically and so manual procedures have to be adopted.”

6. The report recommends a systems model based around an integrated payroll/HR solution which would feed a separate workforce information repository. The report argues that this approach would allow the consolidation of operational workforce information into an accurate, coherent and easily interrogatable form for analysis and planning at local, regional and national levels.

7. The report asserts that “by far the biggest issue facing NHSScotland is the appropriate and consistent use of those systems” and that the required results will not be achieved unless there are agreed and implemented protocols for data capture, entry and usage requiring a cultural shift within the NHSScotland that will require time, strong direction, promotion and support.

8. The strategy proposed in the report has been broken down into the short, medium and long term.

The short term (1 year)

9. The recommended strategy is to make best use of data already available, enhance existing systems to capture some of the additional data required and undertake data cleansing exercises to ensure that the data collected is accurate and reliable. Within the first year the proposed projects are:

a) Cleanse SSPS data, including a review and rationalisation of coding structures and an employee census
b) Enhance SSPS to capture additional workforce information, on an interim basis
c) Build an Employee Master Index to provide, initially, a single identifier for all employees and, potentially, a single identifier for all Scotland Health Sector workers.
d) Introduce a Workforce Information Repository to hold workforce information which will be capable of consolidation where required
e) Negotiate supply of workforce information from Health sector partners (e.g. Family Health Services)
f) Redevelop Budgetscan to operate on a central server and satisfy the ‘minimum data set’
g) Enter negotiations regarding the adoption of a long term solution
h) Undertake a programme of communications and marketing

**The medium term (2 – 3 years)**

10. The recommended medium term strategy aims to deliver the workforce information and facilities required by NHSScotland whilst supporting the adoption of an integrated payroll/HR system in the long term. The proposed projects in the medium term are:

a) Prepare for the adoption of the long term solution by providing resources to determine and undertake preparation and migration activities for the long term solution.
b) Introduce an “Information Broker” software facility to support data flows between systems such as SSPS, Budgetscan, HR, Finance and other partner systems.
c) Collect remaining ‘key’ Workforce information
d) Collect additional data from Health Sector partners
e) Further enhance Budgetscan to cover non rostered staff
f) Accredit a single HR package for use by any trust or NHS board wishing to adopt an HR solution prior to the implementation of the integrated payroll/HR solution.
g) Enhance the tools available to provide workforce information analysis
h) Enhance ISD web site

**The long term (4 – 5 years)**

11. In the long term the report identifies a number of options that can be adopted to satisfy the vision of an integrated payroll/HR solution. The options identified are:

a) Adopt the English/Welsh Electronic Staff Record (ESR) solution
b) Develop fully integrated bespoke systems  [N.B. this would include developments based on the existing SSPS that is now delivered from a modern hardware platform but has software with a limited life (to 2010) which would need rewritten to serve long term needs.]
c) Adopt an alternative integrated Payroll/HR package

12. The preferred option recommended by the author of the report is to adopt the English/Welsh Electronic Staff Record solution because in his opinion this option is most likely to deliver the best combination of match against requirements, cost and timescales. The adoption of this solution cannot be guaranteed at this stage however. Legal advice would need to be sought on the possible need for a formal competitive procurement exercise. If a formal procurement exercise is not required, the adoption of the ESR would nonetheless have to be negotiated with ESR representatives and this negotiation period would provide the opportunity to further consider the adoption of the ESR before final commitment is made.
B. Project Board’s Conclusions

13. The report was presented to a meeting of the Project Board on 25th November, and further discussed on 4th December, 2002. The report’s findings were broadly endorsed, although it was accepted that the cost estimates were very provisional and that further detailed work would need to be done on costings and timescales. Against that background, the main conclusions of the Board and their recommendations for the way forward are as follows:

(i) In the short term, continue with the initiative which is already underway to cleanse/enhance SSPS data on the basis that this provides the fastest route to provide some additional and better quality workforce information on a Pan-Scotland basis. This process will be informed by the work of a small group led by David Robb, Head of the National Workforce Unit in SEHD, which has been set up to agree a minimum data set with data definitions by mid March 2003.

(ii) Commence exploratory discussions with SchlumbergerSema regarding the establishment of a Workforce Information Repository and Employee Master Index in the short term, seeking to obtain a firm proposal by May 2003.

(iii) Test the feasibility of alternative options for the longer term. It was felt that the best way to achieve this was potentially to go out to tender.

(iv) Encourage all NHS organisations in the short term to adopt an operational HR system and gain experience of using this as a preliminary step towards the adoption of a longer term solution.

(v) Commence the process of planning for the implementation of these short and longer term system developments by holding a series of workshops during 2003, involving staff with responsibility for generating, processing and using workforce related data. The purpose of the workshops will be to consider the “softer issues” associated with implementing the aforementioned developments, in particular the organisational development, education and training and culture change agendas. In view of the importance of ensuring maintenance of data accuracy and integrity on an ongoing basis, this initiative is considered to be of critical importance in securing the successful implementation of the proposals identified at 13(i) – (iii) above.

(vi) Caunce Report to be circulated to Directors of HR and Finance

(vii) Membership of Project Board to be expanded to include local authority (Joint Future) representation