

## **Audit & Governance Committee, 08 September 2015**

### **Update – Payroll Service Provision**

#### **Ruth Aldridge – Head of HR & OD / Jon Topping – Head of Financial Services**

##### **Background**

Up to 31<sup>st</sup> May 2012, the City Council Payroll service was delivered by an in-house team within Financial Services via the CHRIS21 system (which held both Payroll and HR modules).

The City Council Payroll provision transferred to an external provider and the use of the SAP integrated Payroll and HR system on 01<sup>st</sup> June 2012. Under TUPE regulations, this involved the transfer of 1FTE.

The Service Level Agreement (SLA) detailing the payroll service to be provided still requires formal agreement by both parties. Both the HR & OD Manager and the Head of Finance have been in discussions with the contractor to agree a revised SLA.

As a result of some operational issues with the current Payroll service provision, a review is required and is currently underway.

##### **Progress / Aims of the Payroll Review**

Following the Payroll Supervisor's transfer to the new payroll service provider,, the City Council did not have a dedicated Payroll Officer. An agency Payroll Administrator was employed between October 2012 and March 2014 to deliver the retained payroll service provision provided to a partner organisation on the CHRIS21 system. This partner organisation has now made arrangements to provide their own in-house payroll service.

Following the recent review of the HR & OD service, an HR Officer has been appointed (03 September 2014 start date) who will be mandated with the overall role of providing direction, guidance and managing the growth, operation and maintenance of the City Council's HR systems and programmes (including Payroll processes).

The Payroll Review that is underway (HR&OD and Financial Services) will include a review of current business needs against the current level of service delivery to identify any gaps. Once the business needs have been agreed these will form the basis of an agreed SLA with the service provider, and which will be regularly monitored to ensure services are provided in accordance with the agreement.

The review will be completed and recommendations presented by the Head of HR & OD / Head of Financial Services in December 2014.