Presentation to ULT 15 January 2018

Allan Spencer’s speaker’s notes to be read in conjunction with the Powerpoint presentation dated 15 January 2018

Slide 1: Agenda

Slide 2: Finance Improvement 2018

- Finance have embarked on a programme of service improvements to better support the University community in meeting their financial responsibilities, particularly around improving and demonstrating value-for-money.
- These include:
  - A training programme for all staff that is relevant to their roles in the University.
  - Reviewing and bringing together the University’s existing Purchasing and Travel & Expenses Policies into one single policy that covers all ways to buy things at the University. This will be coming to the next ULT for discussion, but together with changes to the Financial System, it includes a higher degree of budget holder discretion in making value-for-money judgements in decision-making.
- A transition period to allow the upgrade and other system changes to be made will mean that the Finance System goes down for about a week in early March, and there is some housekeeping that will need to be undertaken by Finance and users prior to this – Finance will provide further information

Slide 3: Finance Improvements 2018 Headlines

- **Button 1 (user-led improvement):** The Improvements have been designed and prioritised in response to user feedback, collected either through engagement with HoS, DoPS and School managers in 2015, the Agresso User survey from 2015 or through subsequent feedback from users to members of the Finance Division.

- **Button 2 (systems-led improvement):** The existing version of the Finance System is that originally implemented in 2012 and systems and web interfaces have moved on since then; we are taking advantage of technical enhancements that mean the system look and feel is more in line with user expectations.

- **Button 3 (Financial Regulations):** The Financial Regulations were significantly revised in 2015. They are now being updated to bring them into line with the new University management and committee structure and for changes in the legislative and regulatory environment, together with a very small number of minor amendments.

- **Button 4 (Training & Doc):** New training modules have been developed and materials written as part of the first wave of training to enable staff to undertake the financial elements of their roles more effectively. This includes a greater use of e-learning (using the University’s standard platform) as well as training guides and face-to-face training for budget holders (research and non-research) and senior managers.
• **Button 5 (Purchasing):** The new Purchasing policy provides a greater level of guidance as to the best purchasing channels to enable the University to get (and demonstrate) value-for-money in its purchases. It also gives budget holders and HoS/DoPS more discretion at lower levels as to how VFM can best be achieved.

*Slide 4: Financial Improvements 2018*

• Slide provides examples of some of the improvements we are making

• **Column 1:** *System Look and feel*

System will be easier to navigate

It will show the screens that have been recently used and allow users to set their favourites, therefore increasing the speed by which users can find the screens that they use on a regular basis.

There will be a self service password reset with an immediate response, so avoiding the need to contact the helpdesk (and therefore being restricted to their working hours).

Type ahead function will provide options for users when looking for account codes, product descriptions etc.

Users can open multiple tabs, allowing them to switch between screens more easily.

Documents can be attached and stored within the system – this will allow approvers to see any supporting documentation and e.g. allow Procurement to see quotes etc attached to document so avoiding delays in approval.

• **Column 2:** *Buying*

New, simpler and clearer Purchasing Policy explaining how users can get VfM.

The Policy and associated training steps through preferred route to provide a framework for purchasing decisions.

Encourages purchasers to take into account the cost of undertaking the buying process more, not just focussed on the cost of an item. As a result, more use of Purchasing cards is encouraged, particularly for low value items.

The current fundschecker process is being replaced by an integral commitment accounting process, which will provide warnings when 10% of a budget is left. Approval will still be required for items that go over budget.

Budget holders have discretion over the number of quotes required at below £5,000, providing they can assure themselves that best value for money is being achieved.
Heads of School and Directors of PS Divisions can authorise purchases of between £5,000 and £25,000 without three written quotes where there are exceptional circumstances and providing they can be certain that value-for-money is being obtained.

Full tender exercise now only required for items over £25k (£15k currently). Procurement & Commercial Services still there to support purchasers at lower levels if required.

The new policy will be discussed at the next ULT meeting. Once approved for implementation, we will review it in six months’ time to understand how it is working and whether any changes are necessary.

New system (Proactis) should make the set-up of suppliers and the management of contracts easier, with a reduction in the time taken to approve new suppliers.

- **Column 3:**

  **Out of Pocket Expenses**

  Reflects changes in Policy – coming to ULT on 29/1 but consulted on in Spring 2017. Aims to achieve better VfM in out of pocket expense claims and process of claiming.

  Approvals below £500 will now be undertaken by budget holders not Hos/DoPS – allows approvals to be undertaken at a level with appropriate knowledge of the value and need for the expenditure and reduces burden of approval on HoS/DoPS – this is in line with the Financial Regs.

  Receipts will now be submitted electronically and uploaded via an App – means claims can be put together on the move and there is no longer a need to print out paper of copies of the form and submit this and the receipts to AP; should reduce time for claimant and AP, and avoid receipts getting lost in the post. It is not yet possible to submit claims via mobile app – it is hoped that this might be available in the future (this is a system constraint and not a University decision)

  Approvers will now be able to see receipts attached to the electronic approval request, which will help them to know what they are approving.

  System now tracks your claim so that you can see where it is in the process.

  Out of pocket expenses now part of overall Purchasing Policy – encourages purchasers to use alternative approaches where possible – e.g. purchasing card, requisition. Expense claims are costly to administer, do not allow for prior approval of the expenditure or demonstration of VfM and the member of staff runs the risk of criticism for not achieving best value or risk the expense payment is delayed or (at worst) not paid at all.
• Column 4: Approving

In response to feedback during consultation exercises, there is now an app available to allow budget holders and senior staff to approve requisitions and expenses tasks via mobile phone/tablet. This is for ease of use for individuals, and we are mindful of the need to maintain an acceptable work/life balance.

When approving a transaction, the system will tell you what the available funds are against the budget, so you can take this into account when deciding whether to approve a transaction or not.

The system also makes it easier for approvers to set up substitutes (subject to the usual approval process) and to nominate them to act for set period of time. We hope that this will reduce the number of ‘emergency’ substitutes we have to set up after an approver has gone on leave (which results in delays to payment).

Increased guidance through training of what to check when approving a transaction (e-learning)

• Column 5: Reports

Reports are generally easier to set-up, name and run, they can be easily exported into Excel for further analysis or presentation.

Slide 5 – Financial Literacy

Training will be offered to the majority of staff within the University, depending on their role. There will be a variety of modules, mostly offered through e-learning (using the University's existing platform) or through training guides, which contain the same information as the e-learning but in a written format. This e-learning is future proofed as far as possible and will be permanently available to staff to complete if they wish to have a refresher, or are new staff.

Those members of staff with significant financial management responsibility (including Heads of School, Directors of Professional Service Division, Heads of Department and other budget holders (including research PIs) will be invited to face-to-face training which will cover the principles of financial management and how it is enacted at Sussex.

Slide 6 – Financial Literacy – illustrative journey

This slide indicates the training that various groups of staff will be expected to take.

The white section at the top indicates the e-learning modules that we expect all staff to take.

The Financial essentials module is a broad introductory module to the University’s financial framework etc.
Then all staff who are likely to claim out of pocket expenses (predominantly those who travel) will have an e-learning module that takes them through policy, practice and how to use the new system.

Staff who then undertake transactional activities in the Finance System (e.g. buying goods or raising sales orders) will find specific e-learning that provides the policy background as well as a guide to how to use the upgraded system.

Finally, senior managers and budget holders will get targeted face-to-face masterclasses. This will be focussed on research activity for PIs who are budget holders for research grants. This training is being developed in conjunction with Research Finance under Ian’s directorate.

These face-to-face sessions will last for about 1.5 hours. The e-learning modules are between 20 mins and 45 mins depending on the subject.

E-learning modules have been trialled with key users and their feedback is being taken into account. We would like to do the same with the face-to-face learning, and will be looking for volunteers to help with this.

We have allocated staff names to each of these training requirements based on our understanding of their roles. However, we be sending this list of staff to you today and are asking you to sign-off on this classification by the end of the week.

**Slide 7 - Timeline**

Following this meeting, Sian will attend the Professional Services Engagement Group to discuss our plans for communication further.

Next week (w/c 22/1) we will arrange some follow-up sessions for you and your School managers, in which we will give you more detail on these changes and give you a demo of the new system and the e-learning. These sessions will last about 30 mins plus a time for your questions. If you are not able to attend one of the sessions, please feel free to send a deputy. Sessions are booked for:

Monday 22nd 2pm

Wednesday 24th 11am

Thursday 25th 1pm

On 29/1, ULT will discuss the revised Purchasing Policy, which underpins many of the changes to how goods and services are bought at the University.

Between now and early February, we will be working with the Communications Team and putting together a series of communications to go out to all staff and targeted groups of staff on the changes. We will let you see these communications 24 hours before they go out, so that you have a chance to highlight anything that may cause confusion or an inadvertent negative reaction, or prepare for any feedback from colleagues.

In addition to outbound Comms, we will be setting up a process within Finance to make sure that we are able to receive and respond to questions, comments and complaints in a structured way, and we will let you and your colleagues know this by early February.

We will also be sending out invites to training on a personalised basis (as per the classification of staff you have agreed), making people aware of the training that we think they need to go on in
order to help them in their jobs. They may undertake other e-learning modules as well if they wish to. The e-learning modules will go live in the w/c 12/2

We will also send you and budget holders invites to face-to-face training, which will begin in w/c 26 February and initially last for 4 weeks, although we will run follow-up sessions later in the year and on an ongoing basis. This will form part of the induction for new managers and budget holders.

The finance system goes down on 7th March. There will be housekeeping that we will need to ask staff to do before this date – more details to come. Staff will also need to raise all requisitions that they can foresee by 7th March as the system will not be available until 15th March. Colleagues in Finance will be able to help with emergency purchases during this time, but the process is time intensive and therefore they can only support urgent purchases.

The new policies will go live from 19th March, but there will be a short transition period until the end of April.

**Slide 8 – next steps**

This slide is self-explanatory.

Any initial comments or questions – to Allan Spencer in the first instance.