

Finance & Accounting: Strategic Partnership

Humber Teaching NHS Foundation Trust



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The challenge

When its contract with a local provider of finance and accounting systems came up for renewal in 2018, Humber Teaching NHS Foundation Trust looked instead to the proven digital infrastructure provided by NHS Shared Business Services (NHS SBS), which would future-proof its finance operations and drive efficiencies, by simplifying processes and empowering employees to use financial data in a more sophisticated way.

Providing a range of community and inpatient services to a population of more than 700,000 – across a footprint spreading from coastal areas such as Whitby and Scarborough, rural towns and villages in the East Riding, and the urban centre of Hull – meant overseeing the countless transactions carried out by a 2,500-strong workforce was a real challenge for the relatively small finance team at Humber Teaching NHS Foundation Trust.

Hampered also by processes that were often paper-based and therefore error-prone, the Trust struggled with day-to-day financial transactions that sat outside online systems. Inaccurate cost centre coding was endemic, Purchase Orders (POs) could be approved by email – leaving no automatic audit trail – and invoice approval still required a wet signature.

The software, where it did exist, meanwhile, was not intuitive and even key data-fields were often not mandatory. This meant that staff engagement was low, with employees frequently providing the bare minimum information in order to progress a transaction. In addition, the reporting functionality of the existing system was poor. There were no in-built mechanisms for rapidly compiling and analysing data, meaning the finance team lost valuable time to manually extracting and evaluating data.

Key benefits:

- Greater transparency across the system, with clear audit trails for all purchases and processes
- Improved reporting capability meaning financial data can be used in a more sophisticated way – giving greater control on financials
- Much more resilient system. Processes are no longer heavily reliant on individual employees, enabling improved continuity of service
- Inbuilt controls, including purchase order matching, allow for greater transparency around budgets and spending
- Responsibility for many processes devolved from finance team to individual budget-holders. Individuals and teams have better control over both individual transactions and financial spend

The result of these issues combined, said Annette Clough, Financial Controller at the Trust, was that processing even simple financial transactions was often a cumbersome process, with undue administrative burden on the finance team.

She explained: *“The limitations of our former system meant the Trust was not managing financial processes in an optimal way. For system users, processes were often slow and clunky. As a finance team, we were frequently frustrated by the fact that even everyday transactions still required oversight from us and that the manual systems often allowed errors to creep in – which we then had to rectify. More strategically, we were acutely aware that the system did not have the capability to capture and analyse data in a way that could really take our financial operations to the next level.”*

And with the Trust's previous provider withdrawing its services on the contract end date (31 March) – ahead of a planned transition and leaving them with no system on which to complete year end – the NHS SBS team worked against the clock to get the Trust up and running by January 2018, months ahead of schedule, making the subsequent smooth changeover of systems even more impressive.

The solution

To address the issues faced by the Trust and help it explore opportunities for enhanced ways of working, NHS SBS sent an expert team to understand and document current processes, assess precisely what was required from new financial systems and recommend a solution.

The modern technology subsequently implemented by NHS SBS transformed the Trust's financial processes. For example, authorisations now sit inside the system itself, with reminders generated if things are not approved within set timescales. A streamlined PO approval system ensures all purchases are authorised in accordance with the Trust's standard financial instructions (SFIs) and a new electronic invoice system supports online budget code entry, verification and approval, and means the status of every invoice can be immediately viewed.

The result is that invoice processing is far quicker, with no need for any printing-off and sending to the finance team – speeding up processes and saving both staff time and printing costs. In addition, NHS SBS's Debt Management service is already improving cashflow into the Trust, with invoices being paid significantly faster and with no input required from the finance team.

With employee buy-in from across the organisation so crucial to success, meanwhile, NHS SBS worked closely with the Trust's finance team to implement a watertight change management and training plan.

Annette explained: "Training was delivered via webinar for the majority of our staff which was ideal for our widely dispersed workforce. The structure and content of the training was also very effective. Learning was reinforced via regular tests and, of course, if there was anything employees weren't quite sure of, they were able to watch the training several times until it clicked. Where staff required traditional classroom training this was provided on site with multiple sessions available to suit our needs.

"One of the major successes of the project was how smooth NHS SBS made the transition between systems. For example, once the system was live, the team scheduled in weekly calls with us so we could discuss any issues that might occur during the transition period. However, everything was managed so well that there were simply no issues to discuss, so after the first call, we cancelled the rest."

The result

Partnering with NHS SBS "has been a revelation," said Annette. Gone is the error-prone manual system that slowed down transactions and placed a heavy burden on the finance team. In its place is intuitive technology that helps speed up processes, improves transparency and makes it easy for employees across the organisation to get financial transactions right first time.

The new financial systems not only work better, they are also much more intuitive to use and place the power in users' hands. The result, said Annette is that nothing short of a "financial devolution" has been instigated within the Trust.

"Budget-holders feel empowered and benefit from clear oversight of the financial transactions being made within their area at any time. As a result, they're so much more engaged with the financial system we use and are enthusiastically making use of some of its more strategic functionality."

And for the finance team, the result is more time to do the stuff that matters. "Now, our jobs are less about doing the routine and more about checking, meaning we have the time to do far more sophisticated things with the significantly higher quality data we now have at our disposal – like detailed forecasting.

"Previously, I might have had to spend two days per month manually extracting data and inputting it into Excel to do something like run payroll reports on different tiers of staff. Now, the system does it for me – all I need to do is download the report. The system provides far more granular information and makes it easy to analyse data for a much clearer view on our financial position at any given time, something that is already helping us to meet Cost Improvement Targets.

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To hear how your NHS organisation could also benefit from partnering with NHS Shared Business Services, contact us at sbs-w.corporatemarketing@nhs.net.

Trust feedback

- Net Promoter Score (NPS) of +100 from both project team and project board. Everyone the NHS SBS team worked with would recommend them to others.
- Average feedback for webinar training was 9/10.