Queensland Health
Payroll Stabilisation Project

Queensland Government

Payroll Steering Committee
1 June 2010
4.00pm – 5:30pm
Conference Room, Floor 19, QHB

DRAFT MINUTES OF MEETING

1. WELCOME / APOLOGIES

Attendees (Members):	o	Michael Reid, Chair (Director-General, Queensland Health)
	o	Michael Walsh (Executive Project Director, Payroll Stabilisation Project)
	o	Lara Mackay (Senior Director Executive and Ministerial Services)
	o	Michael Kalimnios (Manager Payroll Processing, Payroll Stabilisation Project)
	o	Ray Brown (Chief Information Officer, Queensland Health)
	o	Terry Mehan (Executive Project Manager, Payroll Stabilisation Project)
	o	Natalie Macdonald (Associate Director-General, Department of Public Works)
Observers	o	Philip Hood (Director CorpTech)
	o	Mark Bailey (Health Advisor, Premier's Office)
Guests	o	Michael Hiller (KMPG)
	o	Stephanie Paul (Phillips Group)
	o	Cory Heathwood(Philips Group)
Secretariat:	o	Project Management Office

Apologies:

2. PREVIOUS MINUTES

The Payroll Steering Committee members endorsed the minutes of the meeting of 26 May 2010.

Action(s): The Payroll Steering Committee members gave updates on actions from the 4, 11, 17 and 26 May 2010 meetings.

3a. ACTIONS ARISING FROM PREVIOUS MINUTES *(CLOSED ACTIONS NOW AT APPENDIX A)*

Action Item	Agreed Action	Member	Status
04.05.10.09	*Support Stacks:* Provide work program and full risk assessment of: Consolidating new starter info into one source document applies in particular to bank and TFN being entered on separate forms to new employee registration. SAP support stack occurring in May with full implementation for 30 June compliance with ATO requirements. Main impact is loss of processing time. This is likely to occur in P8. Update 11.05.10: Natalie MacDonald noted that working through with Health; SAP support stack is possible and will not be critical for the EOY cut-off. Update 17.05.10 Support stack issue discussed at 17.05.10 meeting. Decision to proceed with testing of reduced scope option. Update 24.05.10 Being progressed – 30% of testing complete – 30% in progress and further 40% to start. Update 01.06.10 Ongoing due to finish mid June	Natalie MacDonald	Open

17.05.10.09	Prepare a contingency plan in the event the support stacks are unable to be implemented mid-June and present it to Steering Committee Meeting of 24.05.10. Updated 26.05.10 Stacks testing on track – contingency plan under development. Update 01.06.10 Error rate to be discussed with CorpTech & Ray Brown.	Ray Brown	Open
26.05.10.01	A script to be developed for the proposed call centre. Update 01.06.10 Phillips Group proposal received and discussed	Lara McKay	Open
26.05.10.04	Request formal letter from the ATO which specifies taxation agreements. Update 01.06.10 Request made. Not expected before Mid June	Michael Kalimnios	Open
26.05.10.05	Present process for reimbursement of direct costs to Steering Committee. Update 01.06.10 Draft Proposal presented and is being discussed with Unions	Michael Kalimnios	Open
26.05.10.06	Mitigation strategy required to assist Call Centre with handling potential large volume of calls upon opening. Update 01.06.10 Phillips Group proposal tabled and discussed (attached to minutes)	Lara McKay	Open

3b. ACTIONS ARISING FROM MEETING 01 JUNE 2010

Action Item	Agreed Action	Member	Status
01.06.10.01	DG to send to Queensland Audit Office a copy of presentation of the KPMG proposed business model	Mick Reid	Open
01.06.10.02	Examine options for expediting direct contacts between districts and hubs at management level	Terry Mehan	Open
01.06.10.03	Prepare more detailed report on the business model e.g. roles and responsibilities for discussion at a future Steering Committee meeting	KPMG	Open
01.06.10.04	MW, MK, MR and LM to advise Phillips Group on the decision on their proposal after taking into account: physical location, risks associated with availability of skilled people, and links back into hubs to deal with usual pay inquiries.	Michael Walsh / Michael Reid / Michael Kalimnios and Lara Mackay	Open

4. WEEKLY PROJECT REPORT (Michael Walsh)

Michael Walsh discussed the key changes since his last project report, including:

4a & b) Strategy Summary and Project Plan Dashboard Summary Report

- LATTICE increased by 2800 since 29.05.10 and sits at over 3500
- Some hubs have been printing material then archiving the e-mail and the paper count is not being reflected in the electronic system count. Maybe an additional 17000 in backlog leading to a total of around 45000 including 11000 BOPS;
- Most significant backlog is at Chermside and Townsville;
- A dedicated team is being established to deal with BOP's;
- A throughput measure for measuring incoming forms has been developed. 14 days back from today indicated 46000 in total – approx 3000 p/d then 14 days prior to that 37500.

4c) Payroll Business Model Roadmap – Presented by KPMG

- MW introduced Michael Hiller (KPMG) who spoke about the road map. Michael Hiller described feedback that has been given as per his presentation (distributed with Meeting Papers).
- *Key factors: Concern about reputation of QHealth, extra work, people appreciate the opportunity to engage, feeling that there is a loss of personal contact – no real closure, process issues, payslips, 30 June and industrial environment.*
- Michael Hiller also tabled a handout re the proposed business model for payroll processes. Michael Hiller noted the need for tailoring the model to rural, regional and metro audiences.
- MW indicated to committee that he expected a trial of the model may be possible in Week Commencing 14 June after a draft project plan is completed on 11 June 2010.

e) QIRC

- o The committee noted progress on items being discussed at QIRC and that a further meeting is to be held on 02.06.10;
- o PH discussed the 3 options for retrospective payslips and noted these would be discussed at QIRC 02.06.10;
- o The committee noted that the meeting with Unions tomorrow will include 3 agenda items: definition of financial disadvantage, historical information about pays received, and the coding list on payslips

Action(s):

01.06.10.01 – DG to send to Queensland Audit Office a copy of presentation of the KPMG roadmap;
01.06.10.02 – TM to examine options for expediting direct contacts between districts and hubs at management level
01.06.10.03 – KPMG to prepare more detailed report on business model e.g. roles and responsibilities for discussion at a future Steering Committee meeting

5. PAYROLL SYSTEMS

a) Support Stacks Update: Ray Brown and Phil Hood updated the committee on the Support Stacks Issue

- o Currently have 7 outstanding defects all due to be finalised by the end of week. Good progress;
- o MW noted that written advice from the Australian Taxation Office on tax issues is expected on 16 June 10.

Action(s):

6. COMMUNICATIONS/CALL CENTRE UPDATE

- o MW introduced the Phillips Group to discuss their presentation on the proposed call centre, strengthening communication links (between hubs and districts) and answering pay slip inquiries;
- o Stephanie Paul (Phillips Group) tabled and discussed a presentation (attached to minutes);
- o The Committee discussed the three tabled options for the call centre;
- o The Committee noted the costs for each option and clarified Queensland Health's need for people in the call centre with some business experience and the potential cost add ons for QSuper and Remserve staff;
- o The Committee noted that ensuring there were multiple forms of information access and an ability to increase resources were potential contingencies if a high volume of calls is experienced early on.

Action(s):
01.06.10.04 - MW, MK, MR and LM to advise Phillips Group on the decision after taking into account: physical location, risks associated with availability of skilled people, and links back into hubs to deal with usual pay inquiries.

7. FINANCE ISSUES UPDATE

- o MK tabled a paper in relation to the finance update (attached to minutes);
- o The Committee noted the updated ATO Concessions and that a formal letter won't be received until 16 June 2010.
- o The Committee also noted the recommendations in the tabled paper regarding ad hocs and overpayments and in particular the requirement for writing to all staff who have had an overpayment seeking acknowledgement that they have received an overpayment, in order to meet ATO conditions.
- o The committee noted these would be no ad hocs for the period 28-30 June - to protect integrity of payment summaries

Action(s):

8. NEXT MEETING

- o Monday 7 June 2010 4.00pm Level 19 Conference Room Queensland Health Building

Queensland Health

Payroll Stabilisation Project

Queensland Government

Payroll Steering Committee
7 June 2010
4.00pm – 5:30pm
Conference Room, Floor 19, QHB

DRAFT MINUTES OF MEETING

1. WELCOME / APOLOGIES

Attendees (Members):	⊙	Michael Reid, Chair (Director-General, Queensland Health)
	⊙	Lara Mackay (Senior Director Executive and Ministerial Services)
	⊙	Michael Kalimnios (Manager Payroll Processing, Payroll Stabilisation Project)
	⊙	Ray Brown (Chief Information Officer, Queensland Health)
	⊙	Terry Mehan (Executive Project Manager, Payroll Stabilisation Project)
	⊙	Mike Burnheim (Assistant Director General - Department of Public Works)
	⊙	Michael Walsh (Executive Project Director, Payroll Stabilisation Project) from 4.20pm
Observers	⊙	Philip Hood (Director CorpTech)
Secretariat:	⊙	Project Management Office
Apologies:	⊙	Natalie Macdonald (Associate Director-General, Department of Public Works)

2. PREVIOUS MINUTES

The Payroll Steering Committee members endorsed the minutes of the meeting of 01 June 2010.

Action(s): The Payroll Steering Committee members gave updates on actions from the previous meetings.

3a. ACTIONS ARISING FROM PREVIOUS MINUTES (CLOSED ACTIONS NOW AT APPENDIX A)

Action Item	Agreed Action	Member	Status
04.05.10.09	**Support Stacks:** Provide work program and full risk assessment of: Consolidating new starter info into one source document applies in particular to bank and TFN being entered on separate forms to new employee registration. SAP support stack occurring in May with full implementation for 30 June compliance with ATO requirements. Main impact is loss of processing time. This is likely to occur in P8. Update 11.05.10: Natalie MacDonald noted that working through with Health; SAP support stack is possible and will not be critical for the EOY cut-off. Update 17.05.10 Support stack issue discussed at 17.05.10 meeting. Decision to proceed with testing of reduced scope option. Update 24.05.10 Being progressed – 30% of testing complete – 30% in progress and further 40% to start. Update 01.06.10 Ongoing due to finish mid June. Update 07.06.10 Progressing well, sign off expected 8 June.	Natalie MacDonald	Open
17.05.10.09	Prepare a contingency plan in the event the support stacks are unable to be implemented mid-June and present it to Steering Committee Meeting of 24.05.10. Updated 26.05.10 Stacks testing on track – contingency plan under development. Update 01.06.10 Error rate to be discussed with CorpTech & Ray Brown. Update 07.06.10 Stacks progressing well and errors being resolved.	Ray Brown	Open
26.05.10.01	A script to be developed for the proposed call centre. Update 01.06.10 Phillips Group proposal received and discussed. Update 07.06.10 Script under development.	Lara McKay	Open

26.05.10.04	Request formal letter from the ATO which specifies taxation agreements. Update 01.06.10 & 07.06.10 Request made. Not expected before Mid June.	Michael Kalimnios	Open
26.05.10.05	Present process for reimbursement of direct costs to Steering Committee. Update 01.06.10 Draft Proposal presented and is being discussed with Unions.	Michael Kalimnios ✓	Open
26.05.10.06	Mitigation strategy required to assist Call Centre with handling potential large volume of calls upon opening. Update 01.06.10 Phillips Group proposal tabled and discussed (attached to minutes). Update 07.06.10 Call Centre Implementation plan being developed.	Lara McKay	Open
01.06.10.02	Examine options for expediting direct contacts between districts and hubs at management level Update 07.06.10 In progress for action direct	Terry Mehan	Action Direct
01.06.10.03	Prepare more detailed report on the business model e.g. roles and responsibilities for discussion at a future Steering Committee meeting Update 07.06.10 In progress. Update report due 14.06.10.	KPMG	Open

3b. ACTIONS ARISING FROM MEETING 07 JUNE 2010

Action Item	Agreed Action	Member	Status
07.06.10.01	To provide copy of Information pack on payslips to Mick Reid.	Philip Hood	Open
07.06.10.02	Further information to be provided on how payroll issues that are not delay related are being identified. The business process, including KPI's and Business as Usual, will need to be clarified. Number of issues to be provided from Issues Register.	Michael Walsh	Open
07.06.10.03	Business Model to be submitted to the Steering Committee for endorsement with an update on progress to be provided by 15 June.	Michael Walsh	Open
07.06.10.04	Discuss solution for individual pay enquiries so that there is a standardised approach.	Lara McKay / Michael Walsh	Open
07.06.10.05	Finalise process with Philip Hood re: distribution of End of Financial Year advice with payslips.	Lara McKay	Open

4. WEEKLY PROJECT REPORT (Terry Mehan)

Terry Mehan discussed the changes since last report, including:

4a) Project Plan Dashboard Summary Report (07 June 2010)

- Last pay had an additional 86 no pays which were mainly caused by extension of contracts issue;
- Backlog – Townsville's adjustments have been transferred down to the QHIC team in Brisbane;
- More staff have been employed and training is being organised in hubs to reduce the backlog;
- Another Roster Support kiosk is being created at the PA ;
- The Steering Committee noted work done in clearing the Lattice backlog as at 7 June 2010 to 449 – with the expectation to be all cleared except negative adjustments by COB 7 or 8 June;
- Approx 3000 negative adjustments in Lattice have been put aside (overpayments);
- Head count for payroll staff is at 850;
- Roadshow is continuing through the districts this week;
- Workshop on Friday 11 June to work through suggested principles and proposed business model with KPMG; and
- Chair requested further information on how payroll issues that are not delay related are being identified. Michael Walsh advised that the business process, including KPI's and Business as Usual, will need to be clarified first, however number of issues per business stream could be provided from issues register.

4b) Performance Measures

- Performance metrics discussed as per graphs. Expect backlog of around 20 000 at end of June;
- Focus is on clearing BOP adjustments; and
- Additional 30 staff directed at the BOP backlog.

4c) Payroll Business Model Roadmap

- Workshop with districts to discuss principles and proposed business model scheduled for on Friday 11 June; and
- Proposed Business Model to be submitted to Steering Committee for endorsement with an update on progress expected 14 June.

4d) QIRC

- QH to go back to Commission on 17 June;
- Noted that a workshop has been held in relation to the consolidation of payslips; and
- Definition of "No Financial Disadvantage" was discussed at Commission.

Action(s):

07.06.10.01: Philip Hood to provide copy of Information pack on payslips to Mick Reid.

07.06.10.02: Further information to be provided on how payroll issues that are not delay related are being identified. The business process, including KPI's and Business as Usual, will need to be clarified. Number of issues to be provided from Issues Register to Mick Reid.

07.06.10.03: Proposed Business Model to be submitted to the Steering Committee for endorsement with an update on progress to be provided by 14 June.

5. PAYROLL SYSTEMS

5a) Support Stacks

The Committee noted that these should be completed and signed off 08 June 2010.

5b) QLD Health Change Management Governance

Philip Hood discussed a paper (PSP SC004) in relation to Committee governance underneath the Change Advisory Board.
The Committee noted that these papers have been submitted to QAO for comment.

Agreed Outcomes(s):

The Committee endorsed the Terms of Reference for the following Sub Committees as presented at the meeting and attached to these minutes:

    i.   Production Control Board
    ii.   Technical Advisory Group
    iii. Business Advisory Group

The Committee noted that some clarification will be required in future to clarify roles on the various committees once the stabilisation project is finalised.

6. COMMUNICATIONS/CALL CENTRE UPDATE

- Looking at fully staffing the 35 spots in Mt Gravatt at the start of the call centre;
- Moving away from generic advice to scripting – Phillips currently working on the scripts;
- Going to focus on EOFY advice – FBT, Remserve, ATO (response within 24 hrs);
- Expected to GO LIVE by 16 June 2010;
- Noted that individual payroll enquiries will still need to be answered and a referral process is required.

Agreed Outcomes(s):

07.06.10.04: LM and MW to discuss solution for individual pay enquiries so that there is a standardised approach.
07.06.10.05: LM to finalise process with PH re: distribution of End of Financial Year advice with payslips.

7. FINANCE ISSUES UPDATE

- MK tabled a paper in relation to the finance update (copy attached);
- ATO is now somewhat reluctant to offer a re-draw facility however Queensland Health has asked them to reconsider;
- Finalisation of all tax issues expected with ATO by 16 June 2010;
- Working through with Philips group to provide them information on the scripts; and
- Letter regarding to QSuper arrangements being sent this week.

8. NEXT MEETING

- Tuesday 15 June 2010 5.00pm Level 19 Conference Room Queensland Health Building

Payroll Steering Committee

07 June 2010
4.00 pm – 5:30pm
Conference Room, Floor 19, QHB

CLOSED ACTION ITEMS

Action Item	Agreed Action	Member
04.05.10.01	Convene meeting of stakeholders to resolve governance arrangements for the payroll/HR System (urgent clarification of roles, responsibility decision making authority and lines of accountability required). Update 11.05.10: Stakeholders met and the outcome of the meeting are reflected in the draft Payroll Steering Committee Terms of Reference, i.e. incorporation of Ray Brown as a Member and QHIC Project Board functions to be added reflecting role of PSC as decision maker for the QHIC Board.	Michael Walsh
04.05.10.02	Need advice to feed back to peak Unions re RBWH roster satellite model & rollout plan to other location. Update 11.05.10: Roster trial in progress at RBWH & new roster centre established at Meadowbrook. Update 17/5 Done.	Michael Walsh
04.05.10.03	Consider Ipswich hub becoming medical processing centre. Update 11.05.10: Proposed development for Ipswich to become specialist medical hub under consideration. Update 17.05.10: In progress – technical and training issues being worked through. Update 24.05.10: Closed	Michael Kalimnios
04.05.10.04	Created override of adjustment to reduce negative effect of reconciling and ad hoc payments. Update 11.05.10: Now in place.	Michael Kalimnios
04.05.10.05	Action direct for Pam Lane / Cesare Callioni – PMO – rectify problems with format for submission of Redcliffe / Caboolture medical rosters. Update 11.05.10: Issue for consideration as part of broader roster development process. Update 17.05.10: Further discussion planned for 19/5. Update 24.05.10: Closed Included in KPMG Plan	Pam Lane / Cesare Callioni
04.05.10.06	PsyCare Terms of Reference to be endorsed. Update 11.05.10: In progress. Online survey, focus groups, etc proceeding. Update 17.05.10: Focus groups underway.	Leanne Chandler
04.05.10.07	Teleconference with hub managers to commence. Update 11.05.10: Commenced Tuesdays and Thursdays. Positive feedback from three held to date.	Program Management Office
04.05.10.08	District based call centres proposed for RBWH and Rockhampton (based on PAH model). Update 11.05.10: Kiosk model implemented for RBWH. Rockhampton awaiting proposal. Update 17.05.10 In progress. Rockhampton not implemented. RBWH has kiosk.	Leonie Hobbs
11.05.10.02	Update Terms of Reference (incorporate strategic QHIC Board Functions) and distribute to all members by COB 12.05.10. Update 17.05.10: Item discussed at agenda item 7	Ray Brown (Tam Shepherd / Leanne Chandler)
11.05.10.03	Provide comments on the updated PSC Terms of Reference to Ray Brown by COB 14.05.10.	All members
11.05.10.04	Provide comments on the Project Plan to Terry Mehan by COB 14.05.10.	All members
11.05.10.05	CorpTech organising a technical brief for key QH Executives to understand the technical environment in which our payroll systems are operating. Update 17.05.10: Item in progress Update 24.05.10: Briefing session complete and another one to occur.	Natalie MacDonald
11.05.10.06	Revise governance diagram to provide a detailed flowchart specifying roles and responsibilities of each group, captures Health, IBM and CorpTech and recognising the WOG environment. Update 17.05.10: Draft to be updated with committee comments and resubmitted on 24.05.10 Update 24.05.10: Revised proposal endorsed by committee	Ray Brown (Tam Shepherd)

17.05.10.01	Responsible members to provide further update reports on open items for next meeting.	Responsible members
17.05.10.02	Provide advice re backlog throughput to Michael Walsh by COB 18 May. Update 26.05.10 GroupWise to be considered as throughput measure.	Tam Shepherd
17.05.10.03	Develop a training strategy for hub staff by 21/5 Completed additional 30 staff recruited. 26.05.10 Training strategy being implemented	Michael Kalimnios
17.05.10.04	Prepare a contingency plan (which will include employment of additional staff and their training) for reducing backlog to business as usual by 13 June. Completed Updated 26.05.10 Contingency Plan to recruit additional SAP trained staff being put in place.	Michael Kalimnios
17.05.10.05	Secretariat to add Lara McKay to Steering Committee Membership and distribute final TOR	Secretariat
17.05.10.06	Members to provide feedback on proposed approach as outlined in the Payroll Systems governance presentation and the draft TOR to Phil Lingard by 20.05.10. Update: 01.06.10 Feedback received and incorporated TOR now final	All
17.05.10.07	Resubmit Payroll Systems presentation and Terms of Reference taking into account Members feedback at Steering Committee meeting of 24.05.10 Update 26.05.10 submission resubmitted.	Tam Shepherd Phil Hood John Lingard
17.05.10. 08	Provide regular updates to Michael Walsh on progress with UAT of support stacks. Update 26.05.10 regular updates being provided Update 01.06.10 Closed regular reports going to M Walsh and included in systems reports folder	Phil Hood Tam Shepherd
17.05.10.10	Arrange special broadcast on Payroll FAQ's. Updated 26.05.10 Special Broadcasts Prepared	Michael Walsh
26.05.10.02	Provide advice regarding number of new emails received into inbox each day – daily count required. Update 01.06.10 New tool developed and implemented	Tam Shepherd
26.05.10.03	Provide update to committee on baseline system performance so KPMG recommendations can be Incorporated upon an agreed base. Update 01.06.10 KPMG Plan discussed at meeting	Tam Shepherd /KPMG
01.06.10.01	DG to send to Queensland Audit Office a copy of presentation of the KPMG proposed business model	Mick Reid
01.06.10.04	MW, MK, MR and LM to advise Phillips Group on the decision on their proposal after taking into account: physical location, risks associated with availability of skilled people, and links back into hubs to deal with usual pay inquiries.	Michael Walsh / Michael Reid / Michael Kalimnios and Lara Mackay