

## Mole Valley District Council, West Hertfordshire NHS Trust & Northern Devon Healthcare NHS Trust



*Budgets are coming under scrutiny across the public sector. The pressure is on to make cuts wherever possible. This is driving many organisations within the NHS and local authorities to look at advanced, integrated budgetary control management systems to ensure they cut costs without impacting service.*

<b>Customer</b> Mole Valley District Council, West Hertfordshire Hospitals NHS Trust	Northern Devon Healthcare NHS Trust	<b>Market Sector</b> Local Government and Health Sector <b>Country</b> United Kingdom	<b>Solutions</b> Intergra Open Enterprise Budgeting
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### Budgeting with Confidence

For most people, budgeting means spreadsheets, and within large public sector organisations this can mean HUNDREDS of spreadsheets all sitting outside of the core financial systems.

Pulling all these spreadsheets together into a meaningful budget report is time consuming, massively prone to error, and provides very little scope to make the effective decisions needed to cut costs while maintaining service.

The Integra Budgeting and Forecasting module provides a fully-integrated solution that gives organisations control, visibility and a high level of flexibility for spending and financial planning.

Through every step of the budgeting process, the module creates seamless workflows to facilitate greater accuracy and faster resolution.

All budgets are integrated into a single application, created either by direct interface with appropriate systems, such as payroll, or by authorised personnel using up-to-date and accurate data.

For example, the module allows for easy generation of a Payroll Budget for the year, using individual employees' details imported seamlessly from the payroll system and including data on Whole Time Equivalents, Allowances and Split Roles.

It also carries out calculations based on up-to-date Pay Scales and Pay Points, as well as Employers' Pension and National Insurance Contribution.

The Budgeting and Forecasting module provides several functions that save time and reduce errors by minimising repetitive tasks.

It automatically imports and maintains key cost drivers for the apportionment and allocation of budget data, which allows fixed costs to be spread across multiple budgets. Preset workflow procedures allow for the easy flow of budgets through the various stages of budget preparation, approvals and continual monitoring processes.

### **Integra Budgeting in Action**

Like many public sector organisations, Mole Valley District Council used Excel spreadsheets held on network drives accessible by managers and accountants onto which data from the accountancy system was downloaded each night.

Brian Stuart explains, "Our previous setup was quite unreliable because the overnight interface between the spreadsheet and the accountancy system would periodically fail. There were also file usage conflicts because there was only one Excel file for each council service, despite several managers holding budgets within any one service."

The budgeting module was installed at Mole Valley DC in 2010, and has quickly made a positive difference to how budgets are managed, monitored and controlled. Brian adds, "Managers and accountants use the budget module system for day-to-day enquires on spend against budgets, as well as for the quarterly monitoring process. This allows us to easily generate formal committee reports on budget variances and enables more accurate end of year projections."

He continues, "One of the key benefits of the budget module is its authorisation workflow, which means that during the quarterly monitoring process any projections and variance explanations given by managers are automatically sent for review to their own manager, and so on up the chain of management.

"Any reviewer can reject projections and comments and send the budget monitoring back for redoing. This saves accountants time in making sure that all levels of management have reviewed any projections and comments. It also saves the head of service time when he/she is writing their quarterly monitoring report, because they can see whose budget projections still haven't been submitted to them and they can view who and when any changes have been made to the projections and comments."

The module is also flexible enough to adapt to specific operations and requirements. "We have incorporated a projects section into the budget module so that managers can report on projects they are undertaking.

"This gives us even greater insight into each project, allowing us to make more informed decisions on budget allocations and projected spend," concludes Brian Stuart.

### **Suited to the NHS**

West Hertfordshire NHS Trust recently implemented the Integra Budgeting and Forecasting module having previously used an alternative system.

Satish Kumar from the Trust comments, "Having a budgeting system that is properly integrated with our financial systems has made a huge difference to the speed with which we can put budgets together and the overall accuracy of them. Our previous system caused a lot of frustration for users, because every change took a long time to calculate. With Integra, data is pulled in seamlessly and complex calculations take an instant."

He continues, "As soon as the software contained the functionality we required, we agreed to implement it. It was installed as part of our complete Managed Services solution in December 2010, and took just two weeks to be fully live, with users trained and up and running. Since then the system has worked well and has been very reliable."

One of the biggest advantages for West Herts NHS is the integration between the budgeting module and the core Integra financial ledgers.

"Users can draw information directly from Integra, set the figures in the budgeting module and then upload straight back into Integra for reporting. This is much more straightforward than when we had a separate system, because we always had to make sure that the right data was entered into both systems. The new module ensures we are always working with up-to-date and accurate data, transferred seamlessly from the core finance and HR systems," says Satish.

He concludes, "The system allows us to very quickly compare the budgets with actual spend as the year progresses, making it easy to see where improvements are possible. Also, the performance is brilliant, which means the users are much happier. The feedback from users is very positive because the system is so easy to use. Accurate reports are generated at the touch of a button, and this helps us to make better decisions to help us meet our core objectives of cutting costs without impinging on our patient care services."

At North Devon Healthcare NHS Trust, Integra has been the finance management system for more than 15 years. The Trust installed the Budgeting and Forecasting module in 2009, to replace a manual system based on Excel spreadsheets.

Nina Phillips from the Trust explains, "Managing group wide budgeting with spreadsheets was a difficult and time consuming task. The spreadsheets themselves can get corrupted very easily, with formulas getting messed up and incorrect data being produced."

She continues, "In our Trust we start with staff costs. The Integra Budgeting system provides an interface with the ESR payroll and HR system, which holds all the relevant staff payment information. Data from ESR is manipulated and imported directly into the budgeting module, giving us an accurate base to work from. 75% of our budget costs are staff costs, and before, we run reports from ESR and download this information into each individual spreadsheet for each budget centre. This was both time-consuming and strewn with potential errors. Non-pay costs can be uploaded from existing data sets from Integra using various formulae. Here in North Devon we tend to use a rolling 12 month period as a base for our costs."

North Devon also benefits from the streamlined workflow enabled by the system. "The Budgeting module gives us a robust audit trail of comments and authorisations for each strand of the budget. Once all budgets are ready, they can be uploaded to the General ledger at the press of a button. It is a great tool that has made the whole process much more accurate and far less cumbersome. Users are delighted, and both accountants and managers feel much more confident and in control of the budgets," concludes Nina Phillips.

### Features

- Easy upload to Integra General Ledger
- Full audit for all budget amendments
- Payroll budget setting and modelling
- Upload of third-party budgeting data
- Web-based approval and enquiry screens
- "What-if" scenario modelling and forecasting

### Business Benefits

- Increased accuracy
- Time saved
- Centralised control
- Effective collaboration
- Greater visibility of processes
- Faster, more accurate reporting
- Better decision making
- Streamlined information gathering

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