Briefing Note: Schools payroll monthly update 29 August 2019

To: Hon Chris Hipkins
   Minister of Education

Date: 29 August 2019

Priority: Medium

Security Level: In Confidence

METIS No: 1196403

Draper: Kate Martin

DDI: s 9(2)(a)

Key Contact: Andrew Turner
   Associate Deputy Secretary

DDI: 

Messaging seen by Communications team: No

Round Robin: No

Purpose of Report

The purpose of this briefing is to update you on schools payroll performance.

Summary

- This briefing reports on Education Payroll Limited’s (EPL’s) achievement against key performance indicators (KPIs) defined in the Master Services Agreement between the Ministry and EPL. EPL continues to meet its current KPI targets.

- From 12 to 14 August, EPL had a major incident with its telephony service. While the technical root cause of the issue was identified and solved, EPL will explore options to increase resilience.

- The Employment Relations Authority (ERA) has directed the Ministry to mediation, scheduled to take place 3 September, in response to legal proceedings filed by NZEI and PPTA in relation to implementation of teachers' collective agreements.

Agree that this Briefing will be proactively released.

Agree / Disagree

Andrew Turner
   Associate Deputy Secretary, Payroll
   Education Infrastructure Service

Hon Chris Hipkins
   Minister of Education

29/8/19
EPL performance

1. In pay periods 9 and 10 (paydays 31 July and 14 Aug, respectively), EPL paid on average $233 m (gross) to around 96,000 school staff per fortnight.

2. EPL performance is measured fortnightly through a set of key performance indicators (KPIs) defined in the Master Services Agreement between the Ministry and EPL. Performance information updated over pay periods 9 and 10 shows EPL continuing to meet its current KPI targets as follows:

<table>
<thead>
<tr>
<th>Performance measure</th>
<th>Description</th>
<th>Target</th>
<th>Current performance</th>
<th>Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Payroll payments to eligible teachers and schools support staff are accurately calculated</td>
<td>Percentage of employees paid, excluding requests, by exception, to correct payments to employees and pay impacting tickets not processed in the current fortnight</td>
<td>99.50%</td>
<td>YTD average 99.90%</td>
<td>Yes</td>
</tr>
<tr>
<td>1.2 Pay timeliness</td>
<td>Bank file(s) delivered before 12.00 PM before due Pay Day</td>
<td>100%</td>
<td>Pay period 9 100%&lt;br&gt;Pay period 10 100%</td>
<td>Yes</td>
</tr>
<tr>
<td>1.3 Payroll payments to eligible teachers and school support staff which are sent to financial institutions on time in order to be processed on or before advised pay dates</td>
<td>Percentage of employees paid excluding the employees receiving a manual pay in the fortnight following the advised pay date</td>
<td>99.50%</td>
<td>YTD average 99.99%</td>
<td>Yes</td>
</tr>
<tr>
<td>2.1 Customer Satisfaction</td>
<td>Percentage of survey respondents (authorised users) satisfied with the overall quality of the service delivery and the support they receive from EPL</td>
<td>70%</td>
<td>Second quarter 77%&lt;br&gt;77%</td>
<td>Yes</td>
</tr>
<tr>
<td>2.2 Service Web Site Availability</td>
<td>Availability to school payroll service users of the web site for obtaining information and/or submitting information on line (Website availability between 7am to 7pm, 7 days per week)</td>
<td>&gt;97.5%</td>
<td>Pay fortnight ending:&lt;br&gt;- 30 July 2019 available 100.00% of total hours&lt;br&gt;- 13 Aug 2019 available 100.00% of total hours</td>
<td>Yes</td>
</tr>
<tr>
<td>2.3 Complaints</td>
<td>Measure of the complaints being received relating to under- and overpayments in the pay week</td>
<td>&lt;0.250%</td>
<td>Pay period 9 0.015%&lt;br&gt;Pay period 10 0.017%</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Major incident with EPL's telephony

3. From 12 to 14 August, EPL had a major incident with its telephony service. Calls from schools to payroll advisers were intermittently cutting out while the call was in progress. As at 14 August, the technical root cause of the issue was identified and solved. EPL kept the Ministry informed with regular updates, and put out Novopay Alerts on its website for authorised users. EPL is considering resiliency options for its telephony.

Legal action in relation to teachers’ collective agreements

4. NZEI and PPTA jointly filed proceedings on 19 July alleging breaches of the teachers' collective agreements and the Wages Protection Act arising out of the longer than usual time taken to implement bargained pay increases. The Employment Relations Authority (ERA) has directed us to mediation, as anticipated. Mediation is scheduled to take place 3 September.

Proactive Release

5. We recommend that this Briefing is proactively released as per your expectation that information be released as soon as possible. Any information which may need to be withheld will be done so in line with the provisions of the Official Information Act 1982.