

www.pwc.com.au

NSW Trustee & Guardian

Service Delivery Model Phase 2 Pilot Evaluation - Financial Management



2 February 2017

DRAFT (V6)

Contents

Section	Page Number
Context	3
Review approach	6
Assessment of original review recommendations	7
Key review observations	12
Recommendations and next steps	14
Quantitative analysis	15
Qualitative analysis	22
Appendix – Review considerations	24

Context – Drivers for the review

PwC was appointed to perform a follow-up assessment of the NSW Trustee & Guardian (NSWTG) Service Centre Pilot – Focusing on re-assessing the validity of design and readiness for change within Financial Management.

In November 2016, PwC was appointed to perform a follow-up assessment of the NSW Trustee & Guardian (NSWTG) Service Centre Pilot. The focus of this engagement has been on re-assessing the validity of design and readiness for change within Financial Management, carrying out fieldwork between 5 December 2016 and 20 January 2017, and reviewing data from 17 January 2016 to 17 December 2016.

The new service delivery model was part of NSWTG's 2017 Strategy to meet changing client needs and deliver services on a sustainable basis. On 18 January 2016, NSWTG established a pilot of this model – a Service Centre in Parramatta – to trial, develop and refine the operating model and identify challenges in transitioning to new ways of working.

Initially the Pilot consisted of a Service Centre Manager and five service delivery teams, comprising thirty-three staff in total. As service delivery and new operating procedures were trialled iterative changes were made to the model.

On 6 May, 2016, PwC was appointed by NSWTG to review the Service Centre pilot and assess it from three key perspectives:

- ***Validity of design*** – To analyse the ability of the Service Centre model to improve operations and customer service based on the experience and performance results from the Pilot.
- ***Readiness for change*** – To understand the development of the Service Centre model and readiness to roll out the new model across the rest of the organisation.
- ***Learning from the experience*** – To identify lessons learned from the experience of running the Pilot that could be applied to other changes considered or undertaken by NSWTG.

In August 2016 PwC reported against the three considerations across the three main service areas: Financial Management, Estates and Private Management. The assessment noted that key aspects of Financial Management were not performing better than similar areas outside the Service Centre. PwC recommended that NSWTG consider further work to test and optimise the Financial Management model before making a decision on the viability of the model to roll out further.

Since this review, NSWTG has:

- Implemented the Service Centre operating model for both the Private Management and Estates service areas.
- Continued to pilot the Financial Management service area, with a number of important changes to the Pilot model (*outlined below*).

Context – Key Financial Management pilot changes

Since the original review of the Service Centre pilot, NSWTC has implemented a number of important changes to the Pilot, and particular the Financial Management Service Area

Change / Initiative	Month introduced
1. Automated updating of budgets and closure of associated tasks	<i>August</i>
2. Initiative to close outstanding / redundant tasks	<i>August</i>
3. Increase in the ratio of team members with experience working with Financial Management clients within teams, including changes to personnel in each pod.	<i>August to October</i>
4. A third team leader role (7/8 grade) was added, with a role of supporting the staff within the team.	<i>September</i>
5. Redeployment of one team leader for training / capacity building across both teams	<i>September</i>
6. Focus on real-time decision making with Electronic File Note (EFN) record. To speed up decision making and reduce time spent on creating tasks	<i>October</i>
7. Focus on ensuring staff use Decision file note type for all EFN's recording decisions.	<i>November</i>
8. Trust and POA matters transferred from Financial Management teams to Trust Service Centre	<i>November / December</i>
7. Piloting of Dedicated Intake resource within teams	<i>December</i>
9. Integration of processing of mail and emails into phone roster. Previously managed by dedicated admin resource.	<i>December</i>

Context – Scope of the Pilot

Running since 18 January, the Pilot has changed and since the rollout of Phase 1 the focus has been on the Financial Management pods which have maintained the same FTE number since July, and reduced their caseload

Functions	Financial Management	Estates Management	Private management	Client Establishment
Services in scope	<ul style="list-style-type: none"> Financial Management Trusts management PoA management 	<ul style="list-style-type: none"> Estate management 	<ul style="list-style-type: none"> Financial Management-Private 	<ul style="list-style-type: none"> Allocation of new matters (client files)
FTEs (at Pilot commencement 18 January 2016)	1 - Service Centre Manager			
	12 FTEs (in 2 teams, each with 1 team leader)	12 FTEs (in 2 teams, each with 1 team leader)	6 FTEs (in 1 team, with 1 team leader)	2 FTEs
FTEs (as at 10 July 2016)	1 - Service Centre Manager Support (3 FTE): 1 - Accountant (from 30 May onwards); 2 – Administration Assistants (from April onwards)			
	16 FTEs (in 2 teams, each with 1 team leader)	12 FTEs (in 2 teams, each with 1 team leader)	6 FTEs (in 1 team, with 1 team leader)	2.8 FTEs (including 0.8 Team Leader)*
FTEs (as at 13 January 2017)	1 - Service Centre Manager Support (1 FTE): one 7/8 (transitional role, providing training and mentoring)			
	16 FTEs (2 teams, each with 1 team leader)	Phase 1 rollout N/A	Phase 1 rollout N/A	4 FTE's (1 team, with 1 team leader)
Caseload (as at 13 January 2017)	<ul style="list-style-type: none"> FM – 1,865 Trusts – 0 PoA – 0 	N/A	N/A	N/A

* The Team Leader also performed a mentoring function across for the Service Centre particularly for Financial Management team members

Review approach

The approach to this evaluation was underpinned by the recommendations made from the earlier PwC review. This review has included quantitative assessment of the performance of FM under the new service delivery model, as well as carrying out interviews to understand the drivers of performance and confirm the state of readiness

- The approach was based on the recommended actions presented in the first evaluation of the pilot (*PwC Final – Pilot evaluation report*):

Stage	Theme	Actions to be assessed
Prior to decision to roll out	Performance (monitoring and reporting)	Establish a framework to monitor and report on the FM pods' operational performance on a regular basis, including comparing the performance between Pods.
	Monitor/ test most effective model	Monitor the performance of the Financial Management pods, and reassess whether work should be split and delivered by staff with specialised skills in FM, PoA & Trusts.
	Resource planning (incl. glide path)	Use workload data and analysis to model future resource requirements, based on current and forecast performance, and reflect in glide path resourcing.
	Second formal evaluation	Consider further formal evaluation of the Pilot at a later date to assess whether performance has improved, including consideration of client and staff feedback.
Prior to roll out	Project management (FM scale up)	Develop detailed implementation plan and schedule for the full scale up of FA.
	Project management (support resources)	Allocate more resources to the Transformation team to ensure sufficient capacity is in place to manage the scale up and changes.
	Staff skills and capabilities	Develop a capability matrix for each of the pods within the pilot.

- Through a mixture of quantitative analysis and qualitative review, this review assessed the readiness for rolling out the new service delivery model to FM based on:
 - Validity of design* – considering whether the pilot has demonstrated that the new way of working is an improvement on the current state.
 - Readiness for change* – considering whether sufficient steps have been taken to prepare for further roll out.
- Please see **Appendix A** for further details on the key questions and approaches from the original review.

Assessment of original review recommendations

A number of the key PwC recommendations have been implemented. The enhanced project governance has resulted in phased implementation, and resource planning has increased the focus of members in the FM pods – reducing the number of matters per staff member, and increasing the on-time task completion rate

Theme	Actions recommended in initial review	Progress for Financial Management Pilot
Performance (monitoring and reporting)	Establish a framework to monitor and report on the FM pods' operational performance on a regular basis, including comparing the performance between Pods.	<p>Complete – There is a framework established to monitor the FM pods' performance. As part of this framework:</p> <ul style="list-style-type: none"> The monthly <i>Service Delivery Scorecard</i> has been implemented, and regularly tracked. Team Leaders complete a Monthly Performance Report – showing progress against KPI's
Monitor/ test most effective model	Monitor the performance of the Financial Management pods, and reassess whether work should be split and delivered by staff with specialised skills in FM, PoA & Trusts.	<p>Complete – NSWTCG has made key changes to the FM model, including:</p> <ul style="list-style-type: none"> Responsibility for PoA and Trust matters has been transferred from the FM pods to the Trust Service Centre during November 2016. The Draft Financial Management Operating model provides for a 'Low Impact' team. This team will manage 'low impact' clients or matters that need to be finalised.
Resource planning (incl. glide path)	Use workload data and analysis to model future resource requirements, based on current and forecast performance, and reflect in glide path resourcing.	<p>Complete – NSWTCG has performed workload analysis and plans to rollout 11,000 clients to 100 staff across 11 FM teams.</p> <p>The modelling in the Pilot showed that approximately 900 active Financial Management matters per Financial Management pod (assuming a pod is 8 FTE, including a team leader) was a manageable case load, and the FM pods were transitioned to in the week commencing 20 November 2016.</p> <p>In addition, separate pods for 'high needs' and 'lower needs' clients will be implemented and take on proportionally different caseloads (see <i>Slide 21</i>).</p>
Second formal evaluation	Consider further formal evaluation of the FM Pilot at a later date to assess whether performance has improved, including consideration of client and staff feedback.	<p>Complete – The scope of this review is the formal follow-up on assessment of the performance of the FM Pilot.</p>

Assessment of original review recommendations (continued)

A number of the key PwC recommendations have been implemented. The enhanced project governance has resulted in phased implementation, and resource planning has increased the focus of members in the FM pods – reducing the number of matters per staff member, and increasing the on-time task completion rate

Theme	Actions recommended in initial review	Progress for Financial Management Pilot
Project management (FM scale up)	Develop detailed implementation plan and schedule for the full scale up of FA.	<p>Partially complete, with further action in progress – There is an implementation plan, which includes timings of matter transfer, but, as would be expected at this point in process, the detail needs to be enhanced before implementation.</p> <p>Key risks which have the potential to disrupt service or client knowledge have been identified. Measures to mitigate these risks are in development, including: the file transfer plan, file allocation plan, identification of priority file and Go-Live plan.</p> <p>An implementation Program Management Plan has been developed which includes the scope of Phase 2 underpinned by a detailed master schedule.</p> <p>In addition, better project governance is in place that includes the following working groups:</p> <ul style="list-style-type: none"> • <i>Project Delivery Working Party</i> – weekly, key stream leads meet to track and monitor key deliverables, risks and issues. • <i>FM Operating model</i> –develop the FM operating model and manual. Once complete the Group will update enabling policies and procedures. • <i>Outreach</i> – Operating model and implementation Plan. • <i>Service Centre</i> – focussing on Logistics, Recruitment, Change, Communications, Training, IT and ICT .

Prior to roll out

Assessment of original review recommendations (continued)

A number of the key PwC recommendations have been implemented. The enhanced project governance has resulted in phased implementation, and resource planning has increased the focus of members in the FM pods – reducing the number of matters per staff member, and increasing the on-time task completion rate

Theme	Actions recommended in initial review	Progress for Financial Management Pilot
Staff skills and capabilities	Develop a capability matrix for each of the pods within the pilot.	<p>Partially compete, with further action in progress – NSWTG has:</p> <ul style="list-style-type: none"> • Appointed a Senior Manager Learning & Development (with responsibility for the whole organisation, but the SC is in scope for the role) • New CSOs have been hired into the organisation, and are undergoing a 3 month training program before commencing caseload, including: <ul style="list-style-type: none"> ○ In-classroom ○ Coaching and mentoring ○ Shadowing experienced staff, in branches. • A training matrix, which sets out the knowledge, skills and capabilities staff need has been developed, and has been used to develop individual training plans for the new CSOs – but this has not yet been applied to existing CSOs in the SC Pilot. These training plans should also be developed for any experienced staff that join the Service Centre at a later date. • An analysis of the skills and capabilities of staff in the Service Centre FM pods was conducted after the last review. This resulted in changes to the staff mix, to increase the FM pods’ skills and experience. • From September 2016 a dedicated resource (7/8) was allocated to provide on the job training to members of the Service Centre teams. • To help staff that join the Service Centre from other parts of the organisation transition into their new role, NSWTG should also consider implementing soft skills training that helps staff understand ‘what to expect’ in the Service Centre.

Prior to roll out

Assessment of original review recommendations (continued)

A number of the key PwC recommendations have been implemented. The enhanced project governance has resulted in phased implementation, and resource planning has increased the focus of members in the FM pods – reducing the number of matters per staff member, and increasing the on-time task completion rate

Theme	Action(s)	Progress
Task allocation	Establish a clearly defined procedure for the governance of task creation, allocation and completion. This should focus particularly on defining and using ‘outcome’ tasks that give a better indication of completion of work	<p>Partially complete, with further action in progress – Staff have been provided with enhanced guidance on the creation and closure of tasks, through the Service Centre Handbook.</p> <p>In interviews, staff indicated that this guidance, as well as increased familiarity with task based service delivery, has had a positive impact on the number of tasks being completed, and on-time.</p> <p>However, as processes are developed further, detailed guidance about how to open and close tasks by type should be included in the enhancements to the policy and procedure framework.</p> <p>It is understood that this is in development.</p>
Change identification (TAGs)	Identify and prepare for the key areas of Service Centres that will change as a consequence of the implementation of TAGS.	Outstanding – Noting that the implementation of TAGs is now scheduled for September 2017, the review has not found evidence that this activity has commenced yet.
Team management tools	Implement team management tools, such as visual management boards.	Partially complete, with further action in progress – Additional reporting and teaming has enhanced team management (including the monthly scorecard). However, it is understood that further ongoing refinements to team management tools will occur in coming months and as part of the implementation of new systems.
Project management (support resources)	Allocate more resources to the Transformation team to ensure sufficient capacity is in place to manage the roll out of change.	<p>Complete – Additional Project Management resources have added to increase capacity and capability in the transformation team:</p> <ul style="list-style-type: none"> • Program Manager • Scheduler • Project Manager (Telephony) • Communication Manager (shared FTE with the business).

Actions that can be carried out after roll out

Assessment of original review recommendations (continued)

A number of the key PwC recommendations have been implemented. The enhanced project governance has resulted in phased implementation, and resource planning has increased the focus of members in the FM pods – reducing the number of matters per staff member, and increasing the on-time task completion rate

Theme	Action(s)	Progress
Training delivery program	Update the formal in classroom / eLearn training based on changes to new procedures and minimum acceptable standards.	<p>Partially complete, with further action in progress – In classroom training has not yet been updated. Interviews with Pilot staff noted that a mix of in classroom and ‘at your desk’ practical training would help team members transition into their roles within the Service Centre.</p> <p>The additional 7/8 in the FM Service Centre Pilot are supporting the pods and providing valuable ‘at your desk’ training, however, this role is not part of the proposed FM model in the planned Phase 2 rollout.</p> <p>Further, the Training Matrix has been developed which will be used to form the basis of individual training plans for staff entering the Service Centre. It is understood that this is in progress and has been done for new joiners (CSOs) to the organisation.</p>
Policy and procedure review (service delivery)	Establish a project to review and update policies and procedures to ensure they reflect current minimum acceptable service delivery /operational requirements.	<p>Partially complete, with further action in progress – NSWTG have developed policies and procedures for other services (including Estate Administration), however, and a detailed operating model for the Financial Management has commenced.</p> <p>Interviews with some staff members have indicated that those policies and procedures that have been developed require a greater level of detail to provide sufficient support to Service Centre staff (particularly those new to their service delivery area) to carry out their role.</p> <p>The Financial Management policies and procedures developed to date have not been sighted as part of the review, and it is understood that this work is still in progress and planned for development at the end of March.</p>

Actions that can be carried out after roll out

Key review observations

The Financial Management pod performance has improved since the first PwC Report. The changes that management have made to the model design have positively impacted on task completion and management. Staff are finding their volume of work high, but appreciate the improvements in change governance on their workflow

Consideration	Key observations
Validity of design	<p>Pilot performance</p> <ul style="list-style-type: none"> • Pilot staff have provided feedback that changes to the design, including changing the experience mix, workload, and FTE in the FM – combined with the removal of responsibility for PoA and Trust matters – have made positive impacts on the Pilot workflow. A review of the task data shows that when the POA and Trust matters were removed from the Pilot, on-time completion of tasks increased by approximately 10% since these changes were implemented. • The Pilot of the Financial Management services performance is trending upwards on key measures. The FM pods are not demonstrating productivity above those delivered by non-Service Centre areas of NSWTC. Non-pilot areas achieved an on-time completion of task rate of approximately 72% during the scope of the review. The rate of on-time completion of tasks within the Pilot in the final in-scope week was 59%. However, it is noted that existing backlogs within the pilot pods may be impacting performance. Nevertheless, it is noted the performance is trending upwards, with on-time completion of tasks increasing by nearly 20% since the end of July – and this positive trend was based on the first four weeks of data after this change was made. • It is understood through interviews with Pilot staff that one reason the trend is becoming more positive is because team members (many of whom were new to client service work at the outset of the pilot) have become more experienced and comfortable with new ways of working and task responsibilities. <p>Ability of staff to cope with new ways of working</p> <ul style="list-style-type: none"> • Despite the progress in task completion, interviews with staff suggest that most found their work responsibilities difficult to manage. In-part this is because of an increase the rigour around oversight and reporting on task progress. The volume of work and time required to work on the phones was raised by staff as key priorities to address. Nevertheless, when asked about how the current workflow and experience of the SC compared to before August staff agreed were generally positive – describing feeling as though there is more structure in their work and how the FM pods operate and deliver services. From interviews with FM SC staff, it is clear that the plans and impact of the new operating model is better understood. There is more regular NSWTC wide communication about the changes, and detailed rollout staging has been communicated. Although, there is some uncertainty about the impact of changes to services that have not yet been piloted – including the property functions being managed by the SC teams.

Key review observations

The Financial Management pod performance has improved since the first PwC Report. The changes that management have made to the model design have positively impacted on task completion and management. Staff are finding their volume of work high, but appreciate the improvements in change governance on their workflow

Consideration	Key observations
Readiness for roll out	<p>Staff training</p> <ul style="list-style-type: none"> • A skills matrix has been drafted, and staff training plans are developed to address identified skill gaps. However, to appropriately prepare staff for their new roles (which is likely to be a new subject matter for many), a more detailed skill matrix, including assessment of the gaps for staff members not experienced in FM matters to determine the training requirements, would help staff to pick up new work requirements. • Interviews with Pilot staff indicate that more formal upfront training, which prepares staff for ‘what to expect’ and how to close regular client requests/tasks would better equip staff before starting a new role in Phase 2. This training should form part of the Service Centre staff’s individual learning plan. <p>Standard operating procedures</p> <ul style="list-style-type: none"> • The governance of tasks and ‘how to’ respond to client enquiries need clear documentation. Documenting these processes will be important to enabling staff that are new to the FM Service Centre in Phase 2 to be effective in their roles. This is particularly important given that on a larger scale rollout, some FM staff will not have skills and experience in client service delivery. • NSWTCG has begun a process of updating Service Area policies and procedures, which should be continued across all Service Areas, including testing to ensure appropriateness for supporting staff on new work requirements. It is understood that this has been developed for Trusts and Estates, however, the FM manual is still in progress. <p>File readiness</p> <ul style="list-style-type: none"> • Feedback from staff has included information about how important it is to correctly prepare files before they are transferred into the Pilot. The changes to how matters are held at Branches, how information is trimmed and transitioned is still being enhanced. NSWTCG will realise the benefits in staging the rollout over two phases, as lessons learned can be fed back into the Phase 2 rollout plan. • The Phase 2 materials provided have demonstrated a process to identify key risks and issues for a Phase 2 rollout. These plans are in development and it is noted that the register and the transition would benefit from detailed documentation of the planned risk mitigation and action plans before a rollout occurs.

Recommendations and next steps

Performance of the Financial Management pods has improved considerably and NSWTG is in a better position of readiness to roll out new ways of working for the Service Area. The main area NSWTG should assure itself prior to making a decision on roll out is whether the Service Centre is managing sufficient volume of work, in a timely manner, to meet the overall operating model expectations. There are number of areas where NSWTG should consider additional actions to prepare for roll out

Overall assessment

NSWTG has addressed most of the recommendations made in the original evaluation of the pilot pertaining to Financial Management and significant progress has been made on all but two of them. These changes have helped to significantly improve the performance of Financial Management pods since the earlier review. Whilst the performance of Financial Management within the pilot is still below other Financial Management Service Areas in some aspects, the performance gap is narrowing. NSWTG management should determine their level of confidence on closing this performance gap before progressing to roll out. Many of the changes made since the original review have also put NSWTG in an improved position to be ready to roll out the new model. The main ‘in progress’ task that should continue to be addressed to minimise risks during roll out, is to continue to develop standard policies and procedures across all Service Areas, including Financial Management.

Additional recommendations

Based on interviews with management and staff, assessment of documentation and performance analysis, NSWTG should consider the following readiness activities to minimise transition risks:

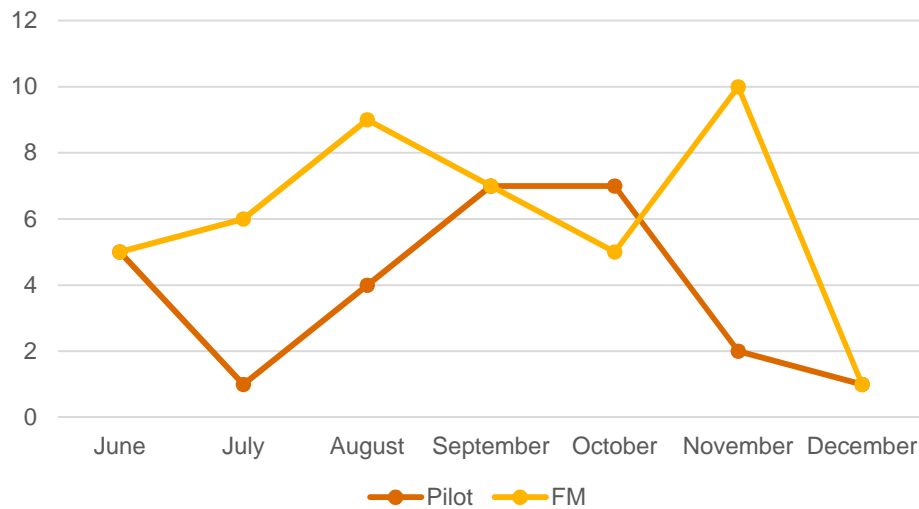
- Continue to address the recommendations from the original pilot evaluation, and particularly develop policies and procedures pertaining to Financial Management to help staff new to client service or the subject matter to carry out their tasks in a consistent and corporately compliant way.
- Develop a more detailed skill matrix and assess the gaps for staff members not experienced in FM matters to determine the training requirements needed to: develop their service delivery skills, as well as preparing them for what to expect.
- Consider how changes to culture and ways of working should form part of induction and communication programmes for staff that may be involved in the Phase 2 rollout.
- Assess, and where appropriate pilot, changes to other service areas that will impact Financial Management to ensure dependencies and risks are thoroughly understood before the full-scale roll-out for Phase 2.
- Confirm and communicate full FTE/organisational structure plans for the FM Service Centres to staff when appropriate.
- Given the volume, nature and risk to clients and the organisation for lapses in client service continuity in the FM rollout, consider staging the implementation over a number of weeks to ensure that NSWTG’s obligations to clients are consistently met during this period. Consider using this as an opportunity to test mitigation plans for identified risks in the pilot environment before full roll out.

Quantitative analysis

Complaints

The Service Centre was responsible for 9% of complaints to NSWTG from June to December. While the proportion of complaints received (to number of matters managed) was higher for FM services provided in the Pilot, the number of complaints received reduced in the months where PoAs and Trusts were transferred out.

Comparison of number of complaints received by the Pilot FM Pods and Non-Service Centre Financial Management services



Analysis summary

- From June to December or the in scope period NSWTG received 287 complaints, 9% were related to the FM Service Centre Pilot.
- September and October saw not only the highest number of complaints received about the FM pods, but also the two months where the number of complaints was equal to or higher than the non-Service Centre FM services.
- Proportionally (comparing number of matters managed to complaints) the FM Service Centre had a much higher rate of complaint to matter managed.
- However, the number of complaints related to the FM pods reduced to two and then nil in the month of and month following the transfer out of the responsibility for PoAs and Trusts.

	Non-Service Centre FM	Service Centre FM pods
Number of Matters	11,000	1,800
Number of Complaints (from June – Dec 16)	48	27
Rate (%)	0.44%	1.5%

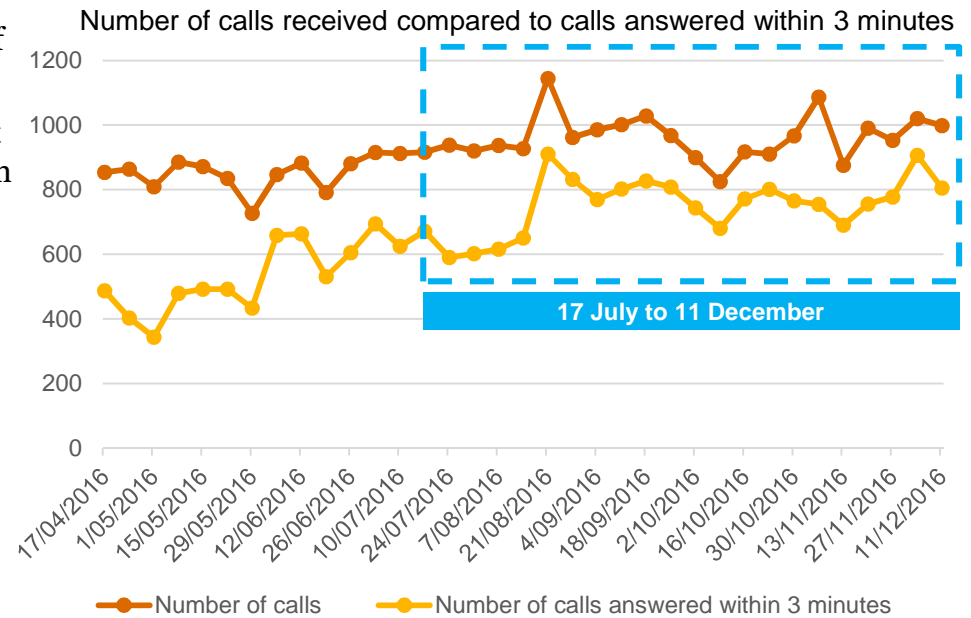
The number of complaints related to the FM Service Centre (as a proportion of the number of matters) was higher than FM services outside of the Service Centre.

However, since the focus on real-time decision making (in October, refer slide 6) and transfer out of responsibility for PoAs and Trusts (November), the number of complaints has decreased.

Client Service Officer availability

Since the original review, CSOs are becoming quicker at answering phones calls, reducing the number of time they spend on the phone to clients, and marginally reducing after call work – despite an increasing rate of calls received per week

- Since 17 April the Pilot FM pods have together received an average of 921 calls per week, but this has grown since the original review.
- Calls can have an impact on staff’s ability to close tasks – as the most calls received was in the week of 21 August, when on-time completion of tasks was also at its lowest, at 12%.
- When Trusts and POAs were transitioned out over the two week period, the number of matters reduced to 1,800, and the next week 211 less calls were received than the week prior.
- Calls answered in less than 3 minutes was at its peak toward the end of the review scope period (4 December), but has continued to improve nearly week-on-week since mid-August, even though the number is relatively regular, between 900 and 1,000 per week.
- The average number of calls and call handle time has progressively reduced each week, which has allowed more calls to be answered in less than 3 minutes (82%) – making CSOs more available.



Metric / Period (week commencing)	Full Service Centre 17 April to 16 July	FM Pods 17 April to 16 July	FM Pods 17 July to 13 November	FM Pods* 14 Nov to 11 December
Total calls answered	14,838	11,077	17,208	3,962
Average number of calls answered per week	1,141	852	962	991
Average call handle time	9 mins 10 secs	7 mins 52 secs	7 mins 28 secs	7 mins 1 secs
% of calls answered <3 minutes	70%	62%	77%	82%
Average speed to answer a call	1 min 37 secs	3 mins 32 secs	2 mins 30 secs	1 mins 36 secs
Average after call work	3 mins 59 secs	2 mins 39 secs	2 mins 35 secs	2 mins 24 secs

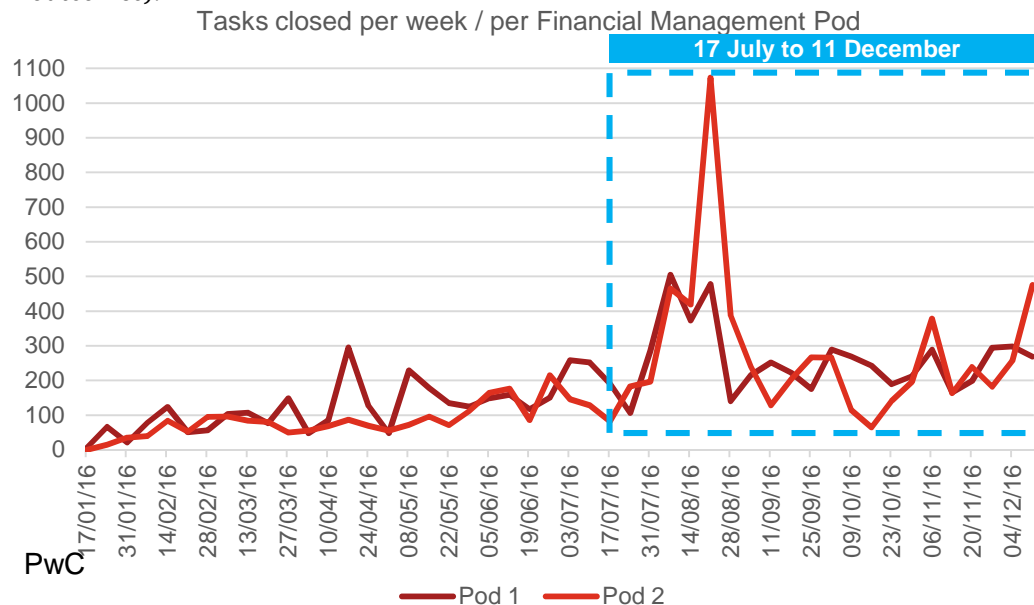
* New phone system implemented

Financial Management task completion (by week)

Each week, more tasks are being completed by the Service Centre FM pods, and with an increasing on-time completion rate, compared with the data analysed in the original review.

- The Financial Management teams have progressively completed more tasks on time each week. The on-time completion rate for tasks improvement has moved them closer to the rates maintained by non-Pilot FM branches.
- The number of tasks completed each week is roughly the same between both pods, although Pod 1 has generally maintained a higher ratio for tasks to mid-August, and then Pod 2 had a higher number of tasks closed per week.
- The tasks completed on time each week (as a % of tasks completed) was roughly the same in the final four weeks, but generally Pod 1 performed better – as both moved closer to the on-time completion rate maintained by non-Pilot services of NSWGTG.
- While the volume of tasks completed each week increased, the percentage of those tasks that were completed on-time trended down week-by-week and for both Pods ended at between 50 and 60%.
- The volume of tasks completed is a positive, however, the timeliness of the task completion may be more important for more critical tasks (impacting client outcomes).

Date	Financial Management Pod 1			Financial Management Pod 2			Pilot pods 1 & 2	Non-Pilot
	Completed	Completed on time	% of tasks completed on time	Completed	Completed on time	% of tasks completed on time		
17/01/2016 Pilot Wk 1	9	5	56%	0	0	0%	33%	69%
10/07/2016 PwC Report	66	41	62%	15	7	47%	39%	72%
17/07/2016	191	77	40%	82	33	40%	40%	64%
24/07/2016	106	60	57%	183	62	34%	42%	62%
31/07/2016	285	91	32%	197	61	31%	32%	74%
7/08/2016	505	111	22%	465	63	14%	18%	78%
14/08/2016	373	126	34%	419	106	25%	29%	73%
21/08/2016	478	117	24%	1074	65	6%	12%	69%
28/08/2016	140	65	46%	388	59	15%	23%	68%
4/09/2016	215	75	35%	240	50	21%	27%	71%
11/09/2016	252	108	43%	128	40	31%	39%	72%
18/09/2016	222	101	45%	203	89	44%	45%	70%
25/09/2016	175	98	56%	267	136	51%	53%	75%
2/10/2016	289	159	55%	266	91	34%	45%	75%
9/10/2016	269	131	49%	114	33	29%	43%	74%
16/10/2016	243	115	47%	65	13	20%	42%	74%
23/10/2016	189	82	43%	141	52	37%	41%	69%
30/10/2016	212	118	56%	196	56	29%	43%	68%
6/11/2016	289	155	54%	378	190	50%	52%	72%
13/11/2016	165	109	66%	163	109	67%	66%	76%
20/11/2016	198	112	57%	239	117	49%	52%	74%
27/11/2016	294	181	62%	182	100	55%	59%	75%
4/12/2016	298	154	52%	257	159	62%	56%	76%
11/12/2016	269	159	59%	475	281	59%	59%	77%

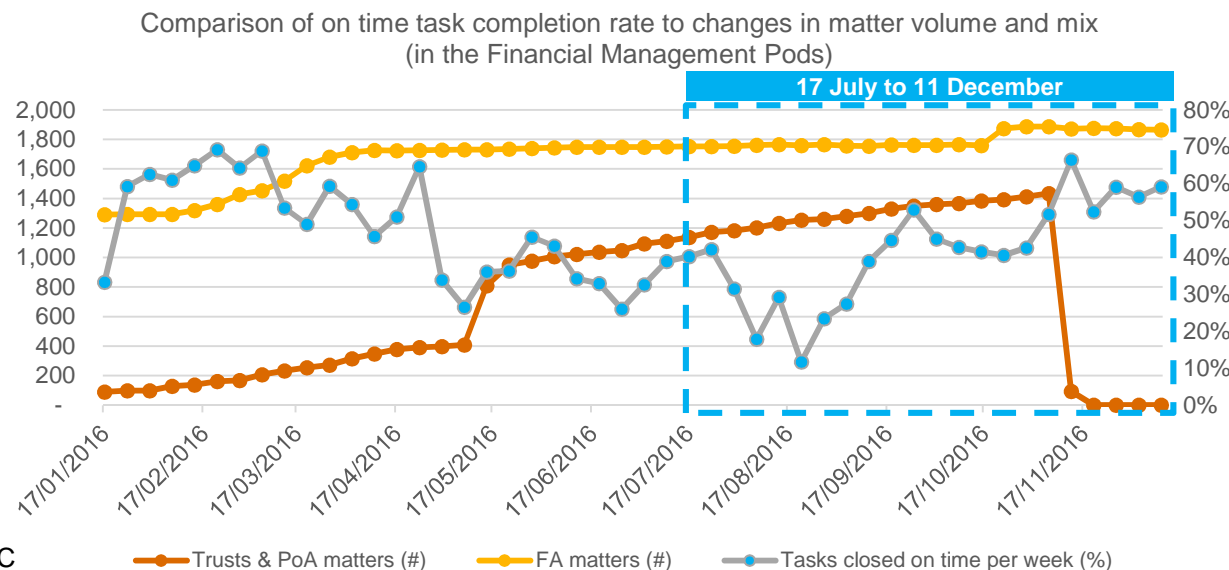


On time task closure rate

As PoA and Trust responsibilities were moved out of the FM pods, and the number of matters reduced, the on-time completion of tasks increased by nearly 20%, and maintained an average of nearly 60% for the last month

- The percentage of tasks completed on-time each week has increased by nearly 20% since the first Report. Before the rate increased to 59%, on-time closure rate of tasks reduced significantly for a period of time, and was lowest in August 2016.
- After the Trust and PoA matters were removed over two weeks from the Pilot in early November 2016 – although more Financial Management matters were added – the Pilot experienced its highest rate (%) of tasks closed on time since the original review.
- The rate of matters closed on time then dropped again, but maintained a rate higher than at any time in the Pilot since May 2016 (when substantially less matters were being managed). The change may be said to have had a positive impact of work on CSOs ability to complete client work.

Date	Trusts & PoA matters (#)	FM matters (#)	Total matters (#)	Tasks closed on time per week (%)
17/07/2016	1,136	1,751	2,887	40%
24/07/2016	1,172	1,753	2,925	42%
31/07/2016	1,182	1,754	2,936	32%
7/08/2016	1,201	1,760	2,961	18%
14/08/2016	1,233	1,765	2,998	29%
21/08/2016	1,254	1,758	3,012	12%
28/08/2016	1,260	1,764	3,024	23%
4/09/2016	1,280	1,756	3,036	27%
11/09/2016	1,299	1,755	3,054	39%
18/09/2016	1,330	1,762	3,092	45%
25/09/2016	1,350	1,761	3,111	53%
2/10/2016	1,359	1,761	3,120	45%
9/10/2016	1,367	1,764	3,131	43%
16/10/2016	1,384	1,758	3,142	42%
23/10/2016	1,392	1,873	3,265	41%
30/10/2016	1,411	1,887	3,298	43%
6/11/2016	1,433	1,886	3,319	52%
13/11/2016	94	1,872	1,966	66%
20/11/2016	1	1,875	1,876	52%
27/11/2016	1	1,873	1,874	59%
4/12/2016	1	1,867	1,868	56%
11/12/2016	1	1,865	1,866	59%

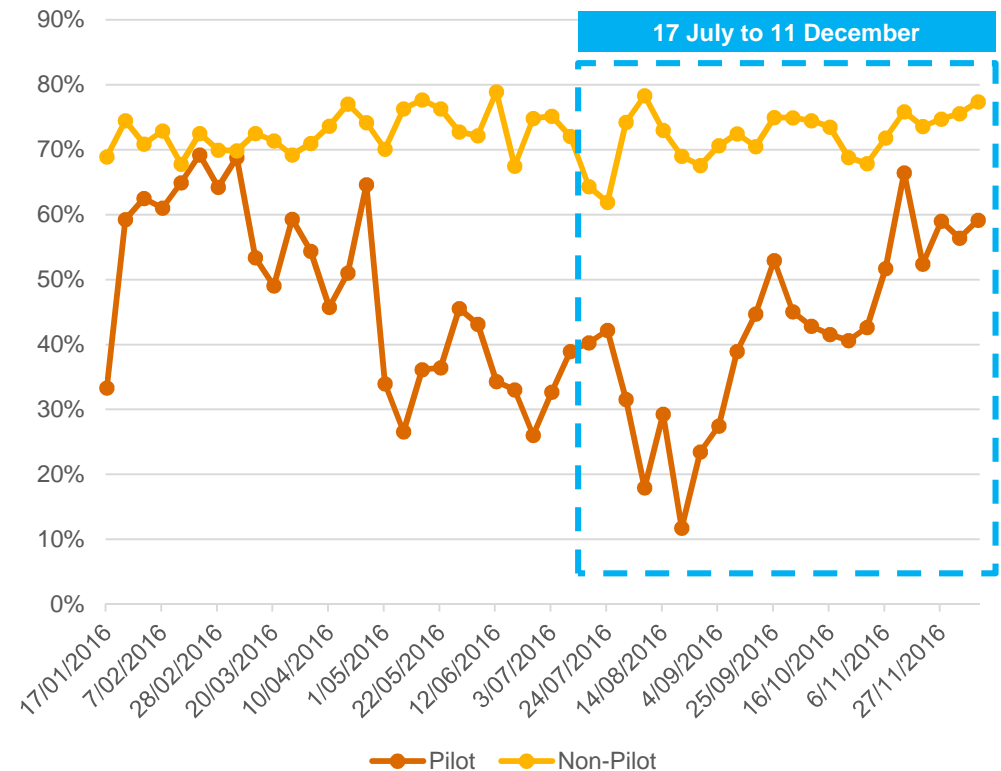


Percentage of tasks completed on time

As PoA and Trust responsibilities were moved out of the FM pods, and the number of matters reduced, the on time completion

- Since the start of the Pilot, the non-Pilot NSWTG on-time task completion rate has averaged 72%.
- The FM pods on-time completion rate did not achieve a rate of more than 40% until September 2016, which in:
 - Week commencing 7 Aug was 60% lower in the FM pods
 - Week commencing 18 Sept was 26% lower in the FM pods
 - Week commencing 9 Oct was 32% lower in the FM pods
- The FM pods' on-time completion of tasks was boosted after the Trust and PoA matters were removed from the Pilot.
- In the week commencing 13 November, the Pilot experienced its highest rate of (%) of tasks closed on time since the first PwC Report – at 66%, which was 10% lower than in the rest of NSWTG.
- The rate of matters closed on time then dropped again, but maintained a rate higher than at any time in the Pilot since May 2016 (when substantially less matters were being managed). The change may be said to have had a positive impact of work on CSOs ability to complete client work.
- NSWTG should consider how the improvements in the rate of tasks closed on-time can be extrapolated over a much larger FTE in the Phase 2 rollout.

Comparison of percentage of tasks completed on time per week
(as a % of tasks completed that week)



Workload

Since the first Report, the Service Centre has been better used to determine an appropriate caseload for staff in a Service Centre – of approximately 900 matters per pod – noting commensurate higher and lower ratios for high needs and long-term clients.

Planned: Phase 2 Financial Management Services

	FM teams (#)	FTE	Matters (Approx.)
SC3 Parramatta	4	32	3,600
SC4 Parramatta	3	24	2,700
SC5 Long-term and finalisation	2	17	3,200
SC6 Newcastle	2	16	1,600
SC7 Client Specialist Centre (Wentworth Ave)	1	11	350
Total		100	11,100

Analysis summary

- The Pilot commenced on 17 January, at which time two FM pods were made responsible for 1,380 matters. Financial Management, Trust and PoA matters were introduced over the course of the Pilot, and at its height on 6 November reached 3,319 matters. 1,433 Trust and PoA matters, and 1,886 Financial Management.
- This workload was reviewed and at the end of the in scope period, the Financial Management pods were responsible for 1,865 matters – which represents 18% of Financial Management matters at NSW TG.
- The Pods are now staffed by 17 staff, including a support 7/8 resource.
- The staff mix in the pods changed between June and December – adding FTE and experience to the Service Centre pods. Seven of the nine staff members that were added to the Pilot had previous FM experience. This increased the familiarity these staff members had with matters and may be a factor that has contributed to the increased task completion numbers and on-time completion rate of tasks.
- Using information in the Pilot, a caseload analysis was performed and the planned phase 2 staff:client mix (Table: left) was planned at the time of this Report – accounting for teams managing long-term (lower impact) clients to be managed by more staff, and higher impact clients to be managed at a much lower ratio of staff:clients.

Considerations:

- Before moving to Phase 2, NSW TG should consider how to transition in and train staff members without experience in FM to ensure familiarity with the subject matter.

The Service Centre has been better used to determine an appropriate caseload for staff in a Service Centre. If NSW TG decide to implement Phase 2, management should consider how a stepped or staged introduction of clients, tasks and Service Centres may make the transition smoother for staff and ensure continuity of service delivery.

Qualitative analysis

Staff interviews

Since the original review, staff have found more structure and greater focus in their work. Work is being done more efficiently, but the volume still feels high to some. The level of support is good but more emphasis on mentoring and upfront training is important to successfully implement a broader rollout

Perception on Workload

“The workload is more demanding than in a Branch”

“How long it takes you to do something depends on the client”

“In April we were chasing our tails, no light at the end of the tunnel – always behind. Training and staff knowledge were the big issues. But there has been a big to getting specific training, to reduce the backlog – things just clicked for me then”

“Some changes they have made have had a positive impact – for example making the Pods responsible for emails and scanning (instead of separate admin staff) has reduced the number of clients calling to follow-up”

“Focusing on Financially Managed clients (and only one system) has made us more focused as a team, even though I enjoyed learning new skills / client types”

“The work feels constant. When I get my tasks it is manageable, but when we are under staffed it is difficult – particularly when we do not backfill”



Ease of Use

“The system has slowed, and sometimes we will be booted out of CIS 3 or 4 times a day – which is frustrating”

“Our shared caseload has been accrued over time, and there are inconsistencies across the team about how client files, file names and file notes are maintained and worded – before the next phase it is very important to make files in a good consistent state before they come in”

“Policies and procedures can be difficult to find.”

“There are ways to develop people before throwing them in – including cadetships, starting in Long-term, or shadowing for a few days. This would make things easier for new starters down the track”



Support Provided

“We are concerned that when property comes to us, that will be extremely time consuming, and we need training and procedures”

“On the job training and asking peers is easiest.”

“Policies are not ‘step-by-step’ or in plain English. I am more likely to seek support from my Manager that to consult a policy or procedure.”

“The team culture is good and we are all happy to help each other”

“Before we started in the Service Centre we needed more in upfront in Classroom training to prepare you for the experience”

“We should try a dedicated email / mail experienced resource – to make decisions on the spot. That would reduce our workload and tasks like in-budget spend.”

“Need to set clear standards (with examples) ‘this is what good work looks like”

“We need more one-on-one coaching and mentoring to develop and grow skills in our people – but these conversations need the support of senior NSW TG staff”



Job Satisfaction

“In my previous role at NSW TG I was doing my minimum hours, and now I am doing full days because I have a renewed vigour for the work – I feel like I am helping my clients”

“It is hard to plan your days because you do not know what to expect, and you can end up on the phones all day – which makes getting my tasks done very difficult”

“Some days you feel like you haven’t accomplished anything because you have just done phones and TRIM information.”

“I am feeling a bit better and more in control”

“Sometimes the stress is a bit overwhelming”

“I am not satisfied, and I find the push to get things done before the end of the week stressful.”



Appendices

Review considerations

The following key considerations have informed the review approach

Key considerations	Questions to address	Evaluation approaches
Validity of design	<ul style="list-style-type: none"> • Does the design work as planned? • Are there any aspects of design that need to be changed prior to roll out? • Is the Pilot demonstrating benefits of new ways of working? • Is the impact of the new operating model understood and being managed for other areas of NSWTCG (e.g. Disability Advisory, TAGS project)? 	<ul style="list-style-type: none"> • Document review – determine how the design is currently operating in the Pilot compared to proposed approach, and PwC’s recommendations • Performance analysis – review of key metrics and assessing the progress of the Financial Management pilot teams • Interviews – discussions with relevant stakeholders, including those involved in design and pilot delivery, as well as other areas impacted in NSWTCG to identify and address design issues
Readiness for roll out	<ul style="list-style-type: none"> • Through the Pilot, have all procedures, training materials and other deliverables been developed and tested, ready for wider roll out? • Has the Pilot given an indication of the level of stakeholder support for full roll out and likely areas of challenge? • Are branches ready to transition to the new model? Is there a process in place to manage these transitions? • Has the Pilot identified risks and issues, and helped show how they will be mitigated? 	<ul style="list-style-type: none"> • Document review – check whether key roll out artefacts are ready • Interviews – discussions with key stakeholders (those involved in delivering or being a recipient of the change) to identify and address readiness issues • Readiness assessment – understand the key changes required to roll out new ways of working, and understand the extent that the Pilot has prepared readiness from an outgoing and incoming basis

DRAFT

This Report has been prepared by PricewaterhouseCoopers Australia (PwC) at the request of the NSW Trustee & Guardian (NSWTG) in our capacity as advisors in accordance with the Terms of Reference and Terms and Conditions contained in the PwC proposal, dated 10 November 2016.

This document is not intended to be utilised or relied upon by any persons other than NSW Trustee & Guardian (NSWTG), nor to be used for any purpose other than that articulated in the Terms of Reference. Accordingly, PwC accepts no responsibility in any way whatsoever for the use of this report by any other person or for any other purpose.

Whilst our engagement involved the analysis of performance data and financial information and accounting records, it does not constitute an audit in accordance with Australian Auditing Standards or a review in accordance with Australian Auditing Standards applicable to review engagements and accordingly no such assurance is provided in this report.

© 2017 PricewaterhouseCoopers. All rights reserved. In this document, "PwC" refers to PricewaterhouseCoopers a partnership formed in Australia, which is a member firm of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity. . Please see www.pwc.com/structure for further details.

Liability limited by a scheme approved under Professional Standards Legislation