



Management Plan 2017

PMO



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INTRODUCTION

As elaborated in the Strategic Plan¹, the PMO mission is to provide a high quality and user friendly service to beneficiaries from the European Commission and many of the other EU institutions, agencies and other bodies, by promptly and accurately establishing and paying individual entitlements and expenditure, providing clear and relevant information and ensuring efficient and effective controls. It aims to be an organisation that is recognised across the Commission and other EU institutions, agencies and bodies for its commitment, quality and efficiency.

On 1 October 2016, Veronica Gaffey, the new Director of the PMO, took office and will give in the year to come a new emphasis in achieving the goals set for 2020.

In particular, in recent years, a strong focus was put on efficiency gains, through new IT systems that are now operational (e.g. Joint Sickness Insurance Scheme "JSIS" on line for medical expenses and Sysper for rights management). While keeping delays to a minimum, particular attention will now be given to the quality of the service provided, for example through the use of professional portals like *PMO Contact Pro* and *Staff Matters Portal* and through targeted consultations on the level of client satisfaction. In addition, PMO will reinforce its customised reception and the possibility of appointment in its three sites (Brussels, Luxemburg and Ispra) in order to strengthen the quality of customer relationships and responses to requests from our customers.

In addition, PMO continues to expand on its offer of services to other European bodies. In 2017, it will integrate the management of mission payments for the European Court of Auditors and will continue the development of an IT system (Payment Factory) that could be of interest for other Services and European bodies. Within the Commission, PMO, together with DG HR, EAC, EPSO, and DIGIT, will organize the new services for the management of the "blue book" trainees that will be delivered as from 2018.

The activities of PMO are highly dependent on IT Systems and on its single solution provider, DG DIGIT. PMO will continuously seek improvements in the development and maintenance of the IT systems it operates to the benefit of the quality of our service and the well-being of our employees.

PMO will move in early 2017 to new offices in Brussels. This move will be more than a simple change of building and address as it will impact on the way the PMO staff currently work: from individual offices to an open plan setting with collaborative spaces. This will require increased digitalisation of the work of the Office, with a drastic reduction in paper archives in line with conservation rules. The PMO will continue to foster a flexible approach to reconcile professional and private life, the recourse to teleworking arrangements being one significant example of this.

¹ Strategic Plan 2016-2020, PMO, Ref. Ares(2016)1120301 - 04/03/2016, http://ec.europa.eu/atwork/synthesis/amp/doc/pmo_sp_2016-2020_en.pdf

Finally, there will be modifications in the organisation chart of PMO. Firstly, in the context of the amended Regulation 883/2013² concerning the European Anti-Fraud Office (OLAF) whereby the Secretariat of the OLAF Supervisory Committee is to be provided directly by the Commission, the Secretariat will be administratively attached to PMO as from 1 January 2017. There will be no interference with the monitoring functions of the Supervisory Committee. Secondly, the PMO will participate in the second wave pilot of the HR Modernisation exercise. This will affect its current Communication and Human Resources Unit. A Business Correspondent team will be created and attached to the PMO Director. This team will support the PMO Director and units in all strategic HR-related functions. The other HR functions will be devolved to the competent AMC in DG HR: AMC 7 in the case of PMO. The DMO and Communication functions will also be directly attached to the PMO Director.

² Regulation (EU, Euratom) 2016/2030 of the European Parliament and of the Council of 26 October 2016 amending Regulation (EU, Euratom) No 883/2013, as regards the secretariat of the Supervisory Committee of the European Anti-Fraud Office (OLAF). The Secretariat of the OLAF Supervisory Committee "will be provided by the Commission, independently from the Office and in close cooperation with the Supervisory Committee. The commission shall refrain from interfering with the functions of the Supervisory Committee."

PART 1. MAIN OUTPUTS FOR THE YEAR

To realise the policy and goals set forward in the Strategic Plan, the PMO will continue to focus in 2017 on its following **specific objectives**:

- Ensuring at all times the correct and timely handling of all types of transactions
- Offering better quality of customer service
- Deepening inter-institutional synergies

1. Ensuring at all times the correct and timely handling of all types of transactions

Given the specific nature of all PMO activities, where the main importance lies with the process achieving the result (i.e. the payment of entitlements and reimbursement of claims), it is vital to ensure the correct and timely handling of salary, pension related entitlement payments as well as reimbursement claims. As a result, outputs are consistent over time.

As detailed in Part 2 below, the internal control structures of the operational units were reviewed in 2014 and continue to work well, with fine tuning when necessary. For example, in 2017, the workflow of direct billing from hospital will be improved.

In 2017, the roll out of IT systems (e.g. "JSIS Online" for medical expensis, "PABS for pensioners, "AGM" for the management of experts, "Payment Factory" for payment execution, accounting preparation and debt management) should bring additional efficiencies to reach the specific objectives set as regards payment delays and reliability of calculations of entitlements. The IT developments are performed by PMO's single solution provider, DG DIGIT, and are monitored through an IT Steering Committee and through the corporate tool GovIS.

2. Offering better quality of customer service

Staff satisfaction with the quality of PMO's services was indicated as suboptimal in the Strategic Plan. Raising quality is one of PMO's priorities and particularly for the year ahead. In addition to the regular surveys, PMO will develop a strategy to capture staff feedback in a more targeted way, to understand better the customer experience and how it can be further improved.

Improved efficiency of IT systems will also facilitate increased client satisfaction. For example, PMO will be more involved in the development process of the new IT tool for reimbursement of experts "AGM" and will promote the AGM-system to other DGs. The aim is to reimburse 25% of the claims via AGM by the end of 2017 and 100% in 2019.

Finally, PMO will reinforce its customised reception spaces and the possibility of personal appointments in its three sites (Brussels, Luxemburg and Ispra). This will strengthen the quality of the customer relationship and response to requests from our customers. In order to provide a better and quicker response to questions related to the JSIS in Luxemburg, the PMO-contact team moved locations to be with the HR-welcome desk. The team will be reinforced and some specific training will take place.

Specific objectives (non-spending)		
2. Provide prompt, good quality and relevant information and ensure high quality client services across the board		
Output	Indicator	Target
Assessing staff satisfaction through targeted surveys	Strategy to define (e.g. identification of population to be surveyed, method to identify to capture also positive feedback, draft of the questions)	Implementation of the strategy
Assessing staff satisfaction with PMO roadshows	Analysis carried out, survey tools and indicator defined, implementation of a button vote after each presentation.	Definition of targets and indicators, roll-out

3. Deepening inter-institutional synergies

The Service Level Agreements (SLAs) with other Institutions, agencies and other bodies have resulted in an overall improvement in synergies, administrative efficiency and cost sharing, through a consistent application of the charge-back model.

Basic services provided to 50 agencies with a total of approximately 10,300 active staff, cover the management of accidents and occupational diseases, the determination of entitlements linked to termination of service, the preparation of payments under Articles 42 and 112 of the CEOS and the salary calculation for active staff members. PMO provides specific services for 9 Institutions other than the Commission, for a total of nearly 19,000 staff (e.g. medical insurance, missions, insurance). PMO manages the payments of the remuneration and other entitlements to the persons working with the European Court of Auditors (budget of EUR 38.8 million). In addition, PMO manages the inter-institutional corporate insurance contracts, operates the Laissez-Passer Central Service on behalf of the EU, together with the Visa Service for the Commission and bodies having signed an SLA and initiates contact with the Council of the European Union in order to integrate the management of their missions' claims.

In 2017, PMO will extend the provision of services to the European Court of Auditors, with the integration of the management of mission payments (annual budget of EUR 3.6 million)³. This will be reflected by an SLA elaborated between the Court of Auditors and the PMO. Within the Commission, PMO, together with DG HR, EAC, EPSO, and DIGIT, will organize the new services for the management of the "blue book" trainees that will be delivered from 2018 (e.g. grant management and reimbursement of medical expenses). It will continue the management of the OLAF Supervisory Committee's budget to guarantee the independence of the Committee from OLAF (in place since 2016).

³ Inter-institutional SLAs are subject to the prior approval of the Management Board supervising PMO's activities

PMO will promote its services through the development of a catalogue of services and will define KPIs for their delivery. It will also revise the SLAs with the other Institutions to further harmonise their conditions. It will explore further the possibility to share IT tools with interested parties (e.g. modules under development of the IT tool "Payment Factory").

PMO will continue to offer every year two training days in Brussels for all agencies and interested colleagues of other DGs or institutions (DG HR, Legal Service of the Commission, EEAS) with presentations and specific sessions to exchange experience and deal with specific questions.

To achieve its objectives, PMO relies heavily on its IT systems and on its single solution provider, DG DIGIT. In 2017 PMO will further enhance the IT governance structure put in place in 2016 with a network of colleagues in all units of PMO. It will reinforce coordination with DIGIT through the regular use of a dashboard and it will complete the planned IT developments in due time. In particular, a decision on the replacement of the ageing system of the pay calculation ("NAP") will be taken and a roadmap will be developed with an action plan for the transition to the system that will be chosen.

In addition, PMO will continue to follow up the improvement of the Sysper rights system taking into consideration the inter-institutional dimension, having regard to the increasing number of EU Institutions and bodies expected to join Sysper in the coming years, as well as completion of the transcode Sysper-NAP for the executive agencies.

PART 2. MAIN ORGANISATIONAL MANAGEMENT OUTPUTS FOR THE YEAR

A. Human resource management

The HR Modernisation project implemented according to the Communication on Synergies and Efficiencies of April 2016 makes changes to the way that HR services are delivered. HR services will be delivered by an Account Management Centre (AMC) inside DG HR. Each Service will have an HR Business Correspondent, responsible for defining HR strategy and taking HR decisions, in consultation with the management of the Service, as well as ensuring that the Service gets what it needs, in cooperation with the AMC.

PMO will move to the new way of working in 2017. PMO will be supported by AMC 7 which serves the following group of DGs/ Services: BUDG, DIGIT, EPSO, HR, OIB, PMO, SCIC.

Definition of the HR strategy and priority actions to make progress towards the Strategic Plan targets are the responsibility of the HR Business Correspondent and will continue to be addressed in the Service Management Plan and Annual Activity Report.

The HR Modernisation exercise as far as the HR Delivery Model is concerned, the centralisation of the mail distribution and logistics and the move of the Brussels offices into a new building with a new working setting – collaborative space – determine the main outputs for 2017:

1. Make the HR modernisation and logistics recentralisation a success and ensure business continuity and quality of service on the different PMO sites (Ispra – Luxemburg – Brussels).
2. Reinforce PMO's management culture at all levels, improve working conditions and staff well-being.
3. PMO Brussels: ensure that any negative impact of the move to the new open plan offices is minimal in terms of staff engagement and well-being, and organisation of work.

The PMO will continue working towards the objectives and targets listed in its Strategic Plan. PMO is committed to supporting female representation in middle management and aims to maintain the percentage already reached in 2016 (37.5%) which is higher than the 30% target for 2020 set in the SEC(2015)336.

Staff engagement is stable and slightly increasing, as shown by the staff survey 2016 results (from 59% in 2014 to 60% in 2016), but still under the 2014 Commission average of 64% and the 2020 SP target of 70%. As the move to open spaces may prove slightly disruptive at first, specific communication has been developed and a specific webpage has been created to further support staff. A training will be offered as well, and a satisfaction survey is planned in 2017.

With 24% of staff feeling that the Commission cares about their well-being, this remains below the 2014 Commission-wide average of 35% (target for 2020 listed in the SP), but marks a 6 point increase from the 2014 staff survey. In order to further support staff, PMO will provide in its new open plan offices, facilities to cater for well-being (e.g. well-being rooms, cafeteria with terrass, kitchen on each floor).

Objective: The DG deploys effectively its resources in support of the delivery of the Commission priorities and core business, has a competent and engaged workforce, which is driven by an effective and gender-balanced management and which can deploy its full potential within supportive and healthy working conditions.

Main outputs in 2017:

Output	Indicator	Target
Design a training on " working in an open plan office: how to prepare and adapt to it"	Sufficient number of sessions organised	All PMO staff is offered the opportunity to attend

The following table shows the total human resources available within the Office as of January 2017 (including the OLAF Supervisory Committee Secretariat):

(Post and/or person)

ABB Activity	Officials and temporary staff	Contractual agents	Other external personnel	Total
Administration	164 ⁽¹⁾	404 ⁽²⁾	20	588

⁽¹⁾ 164 job quotas available in Sysper on 01/01/2017: 37 AD and 106 AST posts and 21 SC (ex-C).

⁽²⁾ Total of 406 contractual agents in January 2017 including 2 on leave on personal grounds. 221 paid on budgetary appropriations, 185 paid on earmarked revenues. Included in the total are 22 paid by the JRC and the University of Florence.

B. Financial Management: Internal control and Risk management

The internal control structures of the operational units were reviewed in 2014 and work well, with continuous fine tuning when necessary. For example, there is a monthly monitoring of key indicators by management and a follow up of the tools put in place to measure the quality of the work (e.g. control of the answers given through the professional portal *PMO Contact*).

The tables in annex show the scope of PMO's operational expenditures, available financial resources and key figures for its activity.

The specific outputs for 2017 are detailed below.

The Authorising Officer by Delegation should have the reasonable assurance that resources has been used in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions including detection, prevention, correction and follow-up of fraud and irregularities.

Objective 1: Effective and reliable internal control system giving the necessary guarantees concerning the legality and the regularity of the underlying transactions.

Main outputs in 2017:

Output	Indicator	Target
Maintain effectiveness and reliability of controls in place to ensure the legality and regularity of the underlying transactions.	Error rate	< 1%

Objective 2: Effective and reliable internal control system in line with sound financial management.

Main output in 2017

Output	Indicator	Target
Financial transactions: continue to ensure all financial transactions are initiated and validated within the deadlines.	All financial transactions are initiated and validated within the deadlines	100 %
Budgetary situation: monitor on a monthly basis the budgetary execution of the operational budget	% of budget execution (payments) with respect to budget appropriations.	> 99 %
Internal control: implementing the new Internal Control Framework to be adopted by the Commission end 2016/ beginning of 2017	Tailored PMO framework	Set up by the end of the year
Internal control: regarding budget implementation, to continue to implement the reinforced effective control strategy, to maintain the cost efficiency of the implemented control strategy. Implement new control strategies regarding the determination of rights and obligations.	Degree of revised internal control strategies adopted documented and implemented in the operational units.	Ongoing action.

Objective 3: Minimisation of the risk of fraud through application of effective anti-fraud measures, integrated in all activities of the DG, based on the DG's anti-fraud strategy (AFS) aimed at the prevention, detection and reparation of fraud.

Main outputs in 2017:

Output	Indicator	Target
Develop procedure with IDOC on the identification of cases to be transmitted to PMO. Develop a working methodology with OLAF.	Percentage of OLAF and IDOC final case reports transmitted for which follow-up has been established	100% transmitted
Identify, via ex-ante and ex-post controls, and address potential fraud cases concerning the reimbursement of medical and accident insurance expenses.	Percentage of potential fraud attempts being successfully addressed (analysis, clarification requests, OLAF notification if deemed necessary)	100% addressed

More specifically, concerning the fraud aspects for JSIS, the PMO will document and constantly update in the system the information on the beneficiaries of primary JSIS coverage who are not members of the scheme, based on the results of the ex-post control on the rights of spouses to the primary JSIS coverage. This will reduce the risk of fraud by unjustified claims for primary JSIS coverage.

D. Information management aspects

On data management, an awareness campaign on data protection will be developed to help reduce the risks that working in an open plan setting might bring. Adequate solutions will be offered to PMO units for document management in the implementation of paperless processes, taking into account the constraints linked to external beneficiaries (i.e. some pensioners) who continue to use paper.

On internal communication aspects, the following streams will be developed, as detailed in the table below.

Main outputs in 2017:		
Output	Indicator	Target
PMO will reinforce its customised reception and the possibility of appointments in its three sites (Brussels, Luxemburg and Ispra), in order to strengthen the quality of customer relationships and responses to customers' requests.	<ul style="list-style-type: none"> - Number of visitors to the reception desks - Impact of the opening of these desks assessed in the next Staff Opinion Survey on the services provided by PMO 	<p>A first assessment of the number of visitors to this new service will be carried out at the end of Q3 Q1 2017</p>
<p>Campaign to fully deploy "PMO Contact Pro": PMO will extend its offer to all services delivered by PMO indirectly to staff, via local HR correspondents. It will integrate the "PMO Contact Staff" and "PMO Contact Pro" in the new planned structure "Staff Matter Portal". It will ensure that current and future needs, including a high level quality of service, are fully taken into account.</p> <p>The objective for 2017 is to maintain the level of information on our services to the European staff (active and non-active) through the new "Staff Matter Portal".</p>	<ul style="list-style-type: none"> - Number of business solutions (PMO sector) implemented - Number of local HR correspondents visited for information and trained on the application - The migration from the current configuration to Staff Matters Portal is successful 	<p>PMO contact Pro used by all PMO Units for Communication purposes with HR professionals in Agencies and Institutions by the end of 2017</p> <p>10 information sessions with Agencies and Institutions' HR Professional by the end of 2017</p> <p>End 2017</p>
<p>Campaign regarding the move to new offices in an open plan setting: development and distribution of folders to present how to work in an open space and the well-being at work, videos to educate staff compliance with privacy standards.</p> <p>New working tools (video VOIP) will be distributed to facilitate the work</p>	<ul style="list-style-type: none"> - The collaborative space "PMO on the Move" will continue to be the main channel of information on all matters related to the move into the new building and the new working setting. 	Continuously

<p>in collaborative spaces.</p> <p>Other initiatives to allow staff cohesion will be offered (e.g. inauguration of the new buildings).</p>	<p>- Training on how to work in an open space will be made available to all staff in Brussels</p>	<p>Before June 2017 35% of the staff concerned by the move will have been able to attend the trainings</p>
<p>To comply with our obligations in terms of information and communication to Agencies and others Institutions who have signed a SLA with PMO, an information letter will be distributed every 2 months.</p>	<p>Targeted satisfaction survey (sample of readers belonging to the Institutions and Agencies)</p>	<p>Q4 2017</p>

F. Example(s) of initiatives to improve economy and efficiency of financial and non-financial activities of the DG

PMO plans to undertake several initiatives to improve the efficiency and/or economy of its operations. Some examples are outlined below.

1. Improve services through IT tools

Concerning the treatment of pensions, a front office will be developed to promote on-line dialogue with the pensioners. This will include for example consultation of the pension statement, generation of certificates, transmission of the statement of life, and introduction of school returns.

In order to improve the service provided in terms of planning and booking tickets for missions, during 2017 PMO will undertake initiatives to implement the Online Booking Tool for client institutions and agencies, notably the EEAS.

In this context PMO is also considering introducing a single point of entry for all online PMO services (mission, insurance sickness, salary and pension). This would strengthen in particular the relationship with the Agencies, lightening the administrative procedure for introducing data.

2. Streamlining processes

During the year 2017 there will be reallocation of tasks and resources in the interest of continuous improvement of the client service. For example, with respect to the Settlements office, the medical files of retired staff residing outside EU will be managed by one single Settlements office that already manages the files related to staff in Delegations.

Regarding the payments of entitlements (salaries), PMO implemented in 2016 a transcode between the two systems dealing with information on entitlements (Sysper and NAP) for different executive agencies (ex EASME, EACEA). Before, PMO file handlers manually encoded the same information in two different IT systems. The automated flow of information generated increased efficiency and effectiveness and decreased significantly the risk of errors linked to manual encoding. Some human resources will be deployed to other tasks. The objective for 2017 is to have the last two remaining executive agencies (CHAFEA and REA) transcoded by year end.

3. Continued improvements of internal control methodologies

With regard to the reimbursement of sickness and accident insurance expenses, PMO is taking the following initiatives:

- improving the direct billing workflow with the hospitals. This will optimize the use of resources and will lead to a more transparent, user-friendly and timely process. For example, the JSIS beneficiaries will be involved before the actual payment of the invoices, which will result in a significant decrease in a posteriori corrections.
- on the basis of past experience, studying and defining the criteria and the procedures for a new call for expression of interest for hospitals/clinics and providers, as well as a system that allows the affiliates to easily find complete information on the agreed providers and structure.

- improving the handling of the files linked to disabilities of JSIS beneficiaries by further fine-tuning the database available and offering, in addition to the disability types, the health facilities providing the treatments.
- undertaking research on the types of psychotherapy treatments available in the EU in order to provide the beneficiaries of JSIS with a consolidated and medically approved list of reimbursable treatments.

ANNEX TO THE MANAGEMENT PLAN

Annex 1. Tables

The table below gives, based on the 2017 voted budget, the scope of the PMO's operational expenditure and shows how the PMO's available financial resources are distributed:

(Payment appropriations in EUR million, rounded figures)

Activity	Operational Expenditure	Administrative expenditure (DG managed)	Total
Members of the Commission ⁽¹⁾	15.2		15.2
Officials and temporary staff ⁽²⁾	2,682.4		2,682.4
Pensions ⁽³⁾	1,796.8		1.796.8
Contract staff and SNEs ⁽²⁾	323.8		323.8
Missions/Meetings ⁽²⁾	108.3		108.3
Legal claims, interests and others	1.8		1.8
Expenditures for the mandate of the OLAF Supervisory Committee	0.2		0.2
Personnel PMO ⁽⁴⁾		35	35
Operating PMO		7.3	7.3
IT Developments PMO		6.2	6.2
Total (of financial resources managed by the PMO)	4, 928.5	48.5	4,977
PM: Unemployment fund (off budget) ⁽³⁾	16.5		16.5
PM: Sickness Insurance Scheme (off budget) ⁽³⁾	299.7		299.7

source: voted budget (Dec 2016) and PMO own budget

⁽¹⁾ including special advisers, missions and representation costs

⁽²⁾ European Commission, excluding PMO

⁽³⁾ for all Institutions and agencies

⁽⁴⁾ includes the Secretariat of the OLAF Supervisory Committee

In addition, as detailed in Part 1 – 3, PMO runs a number of SLAs with other institutions and agencies.

Key figures for the activity of PMO are presented below and can be linked with the targets in terms of average time to handle files presented in the PMO Strategic Plan for years 2016-2020 and in the present Management Plan.

Key figures for Activity		Volume				
Determining and paying individual rights and expenses		Activity Indicator (Number of)	2016 Results as at 31/10/2016	2016 Forecast (per 2016 MP)	2017 Forecast	Evolution of forecast
1	Determination of individual rights(1)	Created/modified entitlements	120,000	135,000	145,000	7.4%
2	Calculation, payment and accounting of salaries (per month)	Salaries	41,654	41,000	42,000	2.4%
3	Calculation, payment and accounting of pensions (per month)	Pensions	22,751	22,500	22,938	1.9%
4	Management of inward transfer pension files	Files closed	3,489	3,750	3,750	0%
5	Management and payment of severance grants	Treated files	270 files opened 238 files paid	275	275 to be paid	0%
6	Management and payment of outward transfer pension files	Treated files	612 files opened 388 files paid	1,000	460 to be paid	-54%
7	Management and payment of unemployment benefit	Treated files	516 files opened 820 files closed	1,100	1,300	18.2%
8	Management and payment of medical claims of JSIS beneficiaries	Reimbursements	2,508,500	3,000,000	3,000,000	0%
9	Payment of cost claims linked to accident declared by staff	Reimbursements	1,655	1,800	2,000	11.1%
10	Management and payment of missions expenditure	Reimbursements	110,391	135,000	140,000	3.7%
11	Management of requests for visa	Visas	3,622	4,000	4,000	0%
12	Management of requests for laissez-passer	Laissez-passer	3,300	4,000	4,000	0%
13	Management and payment of expert expenditure	Reimbursements	50,350	65,000	65,000	0%
14	Management and payment of SNEs (per month)	SNEs	1,673	1,800	1,700	-5.56%
15	Management of insurance claims for non-statutory staff	Insurance claims	56	N.C.	70	N.A
16	Management of PMO Contact	Tickets Phone calls	103,196 30,312	N.C. N.C.	120,400 36,000	N.A

(1) Figures extracted from Sysper Commission and Sysper-NEA. Modifications given to individual rights have been counted

(2) Indicative figures of treated files; target should be to avoid backlog and to deal with all incoming files within normal deadlines.