

BIRMINGHAM CITY COUNCIL

RESOURCES O&S COMMITTEE – PUBLIC MEETING

1400 hours on Thursday 8 April 2021 (On-line Meeting)

Present:

Councillor Sir Albert Bore (Chair)

Councillors: Muhammad Afzal, Meirion Jenkins, Yvonne Mosquito, and Paul Tilsley

Also Present:

Councillor Tristan Chatfield, Cabinet Member, Finance and Resources

Peter Bishop, Director of Digital and Customer Services

James Couper, ERP Programme Director

Rebecca Hellard, Interim Chief Finance Officer

Alison Jarrett, Assistant Director, Development and Commercial

Jayne Bowles, Scrutiny Officer

Emma Williamson, Head of Scrutiny

1. NOTICE OF RECORDING/WEBCAST

The Chair advised the meeting to note that this meeting will be webcast for live and subsequent broadcast via the Council's Internet site (www.civico.net/birmingham) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

The Chair also reminded Members of the pre-election period guidance which had been issued by the Council's Monitoring Officer.

2. APOLOGIES

Apologies were received from Councillor David Barrie.

3. DECLARATIONS OF INTERESTS

None.

4. ACTION NOTES – 11 MARCH 2021

(See document 1)

RESOLVED:-

The action notes of the meeting held on 11 March 2021 were agreed.

5. REVISED FULL BUSINESS CASE FOR THE FUTURE DELIVERY OF THE COUNCIL'S ERP SYSTEM

(See document 2)

Councillor Tristan Chatfield, Cabinet Member for Finance and Resources, Rebecca Hellard, Interim Chief Finance Officer, Peter Bishop, Director of Digital and Customer Services, and James Couper, ERP Programme Director, attended for this item.

The Deputy Leader had also been invited, however she was unable to attend and Cllr Chatfield passed on her apologies.

The Chair stated that the Committee had had an interest in the ERP system in the past and that Members were pleased to have this report from the relevant Cabinet Members and officers giving an update on the current position with the business case and delivery of the ERP system.

In introducing the report, Cllr Chatfield and officers highlighted the following key points:

- This is a significant programme in terms of change and money and the report contains substantial changes to the programme, most obviously around cost and timing of implementation;
- Final costings could not be done until the final design stage had been reached;
- There is a clear pathway forward but still a lot of challenging areas of work, eg data migration and training of staff, and the involvement of this committee is welcomed as part of a continuing process of overview and scrutiny;
- The previous Full Business Case (FBC), which went to Cabinet in June 2019, was based on assumptions which have now been tested and they are now at the ready to build stage, so it was important to update the FBC and bring it to Scrutiny;
- The revised timetable will see delivery in April 2022;
- A new process called “conference room pilots” to show to officers and agree design has been approved and signed off;
- By the middle of April they will have a fully built system to look at to make sure it is consistent with the design and by the middle of May they will have finished migration from the old system;
- Between now and the end of the summer they will look at base testing of the system and integration with other core systems and in late August/early September there will be six months of detailed testing, training users and getting people read to move to the new system;
- They know where the challenges are and have plans in place to address those and are on track for April 2022.

In the course of the discussion, and in response to Members' questions, the following were among the main points raised:

- The Chair noted that the report provided the required detail of why the cost changes had come about;
- It was queried whether staff turnover within the programme was a continuing problem and Members were told that they are not seeing the same level of staff turnover now and some changes have been made to the team;
- With regard to the EY assurance review, it is normal to invite a third party to review how things are going and where improvements can be made;
- There were 60-70 key findings within the EY report, ranging from how the planning process is being managed to the content of the risk log and a plan has been put in place to address each of these, and a significant number of those issues around governance processes have now been addressed;
- It is also proposed that at an appropriate point they will look to do that assurance review again to ensure everything has been addressed;
- There was a pivotal, although disappointing, decision taken in October to not sign off the design at that point and although that contributed to the delay it was the right decision as they were not convinced the design would meet the requirements, which was an important learning point from the review undertaken;
- In response to a comment about the original SAP implementation and the fact that the system had to be adapted to meet the council's requirements, Members heard that there is strong pushback on all business areas which want the solution to adapt to the way they work rather than adopting the business processes and solution we have bought into – the Oracle product;
- Some adaptation has been necessary, for example in treasury management where, because of our scale, Oracle cannot meet our requirements, however the focus is on implementation of adopted business processes and any adaptation has to go through vigorous governance;
- Integrations have been developed to help deliver more efficiently and effectively but there is a lot of third party involvement which we cannot control;
- They are doing at least five courses of data migration, with at least three parallel runs of payroll migration as part of the testing process, and a live data set will be used from April 2022;
- One of the challenges was reconciliation and sorting out ten years' worth of data, which is why data migration is now on a critical path;
- Cllr Jenkins referred to the letter he had written when the working group had first looked at this matter and said that he remains concerned about the budget for the project and the possibility that the April 2022 date might not be met;
- Recommendation 2.3 of the report regarding monitoring of progress at Resources O&S Committee was welcomed and it was suggested that ideally there should be a briefing against a high level project plan at each meeting between now and "go live" in April 2022 so that Members could keep a check on budget expenditure and any proposed changes or variations;

- It was agreed that monthly ERP updates would be programmed for 2021/22, starting with a “deep dive” in June to look at the delivery plan and risk register.

RESOLVED:-

- Monthly ERP updates to be programmed for 2021/22, starting with a “deep dive” in June to look at the delivery plan and risk register;
- The report was noted.

6. WORK PROGRAMME

(See document 3)

The work programme was discussed and the following points were raised:

- **CityServe Review** – the Chair queried the status of the report which had previously been listed on the Forward Plan and Members were told that some changes had been made which meant that a report had not gone to Cabinet. It was suggested that a report be brought to Committee for a general discussion so Members can have an understanding of the current position and challenges;

Alison Jarrett, Assistant Director, Development and Commercial, in attendance at the meeting, told Members that a review had been done looking at various delivery models for the future. A number of interim measures have been put in place to see if that turns around some of the market flow and they are looking to see if those measures will transform the service or put it on a better footing.

- **Waste Vehicle Replacement Programme** – Concern was expressed that there had been a slippage with the report now scheduled for the May Cabinet meeting and Cllr Chatfield undertook to get an update on the current position for circulation to Members.

It was noted that the work programme does not go beyond April, however the work on Procurement and Contract Management would continue and a work programme would be put together for 2021/22.

RESOLVED:-

The work programme was noted.

7. REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)

None.

8. OTHER URGENT BUSINESS

None.

9. **AUTHORITY TO CHAIRMAN AND OFFICERS**

RESOLVED:

That in an urgent situation between meetings, the Chairman jointly with the relevant Chief Officer has authority to act on behalf of the Committee.

The meeting ended at 1507 hours.