

Resources Overview & Scrutiny Committee

25th November 2021

1B ERP Programme

Becky Hellard (Senior Responsible Owner)

James Couper (Programme Director)



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Summary

The 1B programme committed to providing regular progress reporting to ensure oversight of the programme timeline and budget, as well as visibility of the 1B programme at key moments in time. We are now reporting on a bi-monthly basis to the Committee.

This update includes:

- Our Programme Delivery Dashboard – provides a snapshot of our status
- Our Delivery Plan and key milestones on the critical path to an April '22 Go-Live
- Our budget position
- An extract of highest rated risks and issues
- Lessons Learnt – this will be developed between now and project closure, at the request of the September Committee

The appendix to this pack includes updates from our Testing and Data Migration activity. It also includes background on the programme for any new Committee Members.

1B PROGRAMME UPDATE



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1B Programme Dashboard November 2021

SRO:

Becky Hellard

Prog Director:

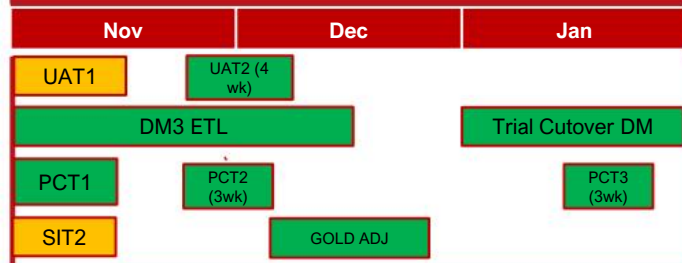
James Couper

Previous RAG
(Oct)

Overall RAG
(Nov)



3 Month Forward Plan



Completion percentage



Programme controls

	Previous RAG	Current RAG
Time		
Costs		
Resources		
Benefits		

Breakdown	R	A	G
Previous RAG	2	7	5
Current RAG	1	8	6

Workstream	October RAG	November RAG
Outbound Integrations		➡
PaaS extensions		➡
Reports Development		➡
Build & Config (Evosys)		➡
Testing		➡
Payroll		➡
HR & Schools		➡
Finance		➡
Business Change		➡
Data Migration		➡
P2P		➡
Inbound Integrations		➡
Architecture & Infrastructure		➡
Service Transition		➡
Cutover	NEW	

Summary Update

- The programme is reporting an amber status due ongoing issues to agree dates for outbound integration delivery (dependent on CoA solution) and the risk sitting in the HR workstream.
- DM3 has been planned in a slightly different way to enable improvements in the migration process and to mitigate delays from previous cycles by prioritising HR/Payroll data (DM3A) required for PCT2 with ERP (DM3B) kicking off slightly later. DM3A is progressing well with high load completion rates.
- Three important testing cycles are underway; user acceptance testing (UAT), payroll comparison (PCT) and systems integrations (SIT). UAT and SIT will run for an additional week in order to fix outstanding defects and re-run failed tests. PCT was able to conclude with all 3 payroll tests exceeding the 60% exit target.
- User adoption and communications activity is beginning to increase in line with our planning for deployment readiness, cutover and service transition ramping up with workshops planned.
- It is important that the business areas increase their engagement with the adoption and communication activity in support of the 1B outcomes.

Return to Green Plan

- Completion of PaaS Extensions delivery (Nov '21)
- Completion of outbound integrations development (Nov '21)
- UAT, PCT and SIT2 to complete to timeline (Dec '21)

Commercial Priorities

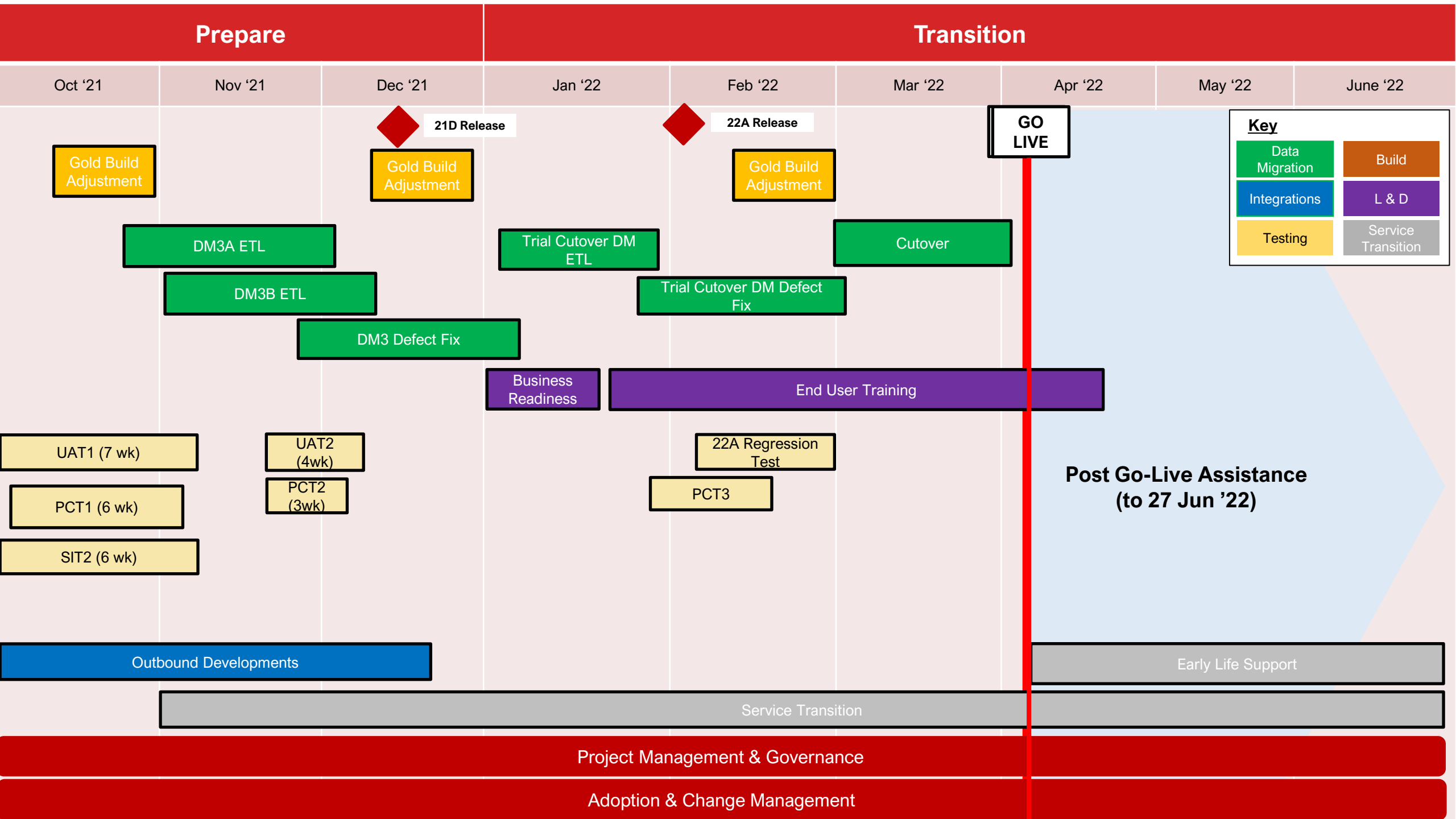
Procurement activity for:

- End user training
- Data archiving
- Invoice scanning
- Oracle Support & Maintenance

Management Support Required	R	At risk	A	On target	G
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Improving	↗	Worsening	↘	Stable	→
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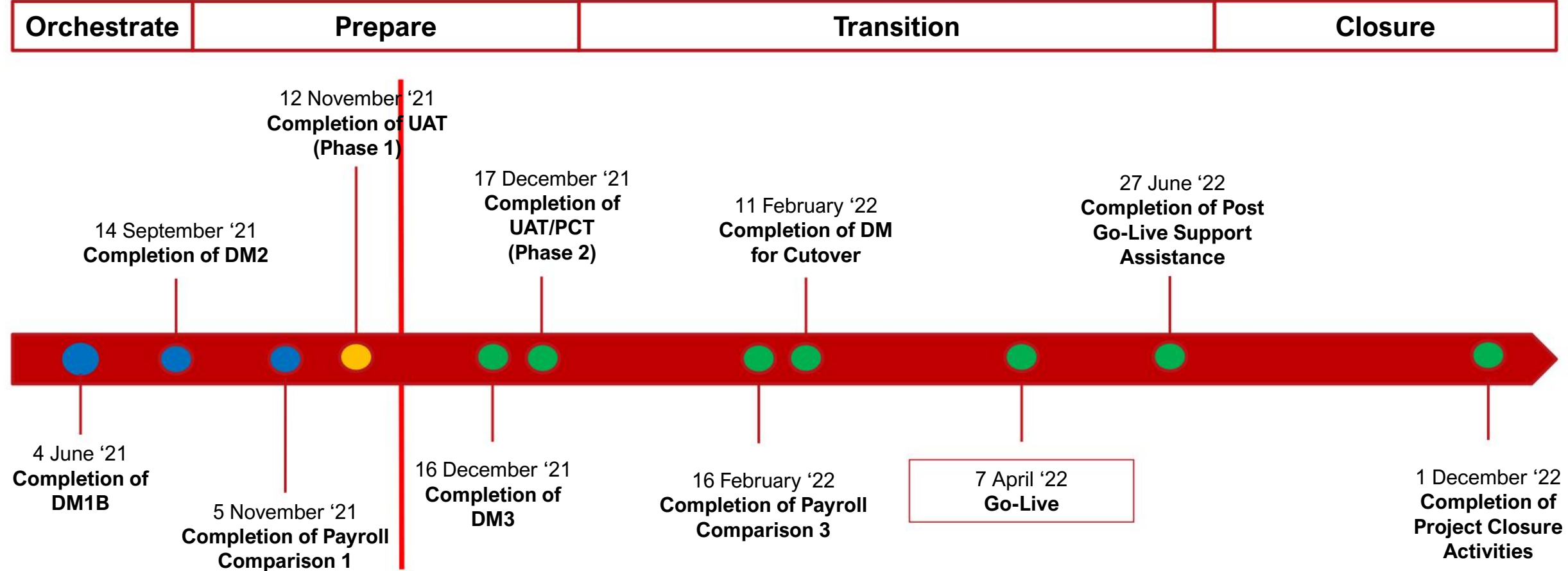
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Programme milestones for reporting

Ref	Milestone description	Baseline completion date	Actual or forecast date	RAG	Commentary
ERPM004	Delivery of Design Phase (CRP 1&2) Contract commercial milestone	15/06/20	01/02/21	C	
ERP MS01	Completion of Data Migration 1b	19/05/21	04/06/21	C	
ERP MS02	Completion of Data Migration 2	14/09/21	08/10/21	C	
ERP MS03	Completion of Data Migration 3	16/12/21	16/12/21	G	
ERP MS04	Completion of Validation Testing (UAT) – Phase 1	12/11/21	19/11/21	A	• Yet to meet exit criteria
ERP MS05	Completion of Validation Testing (UAT) – Phase 2	17/12/21	17/12/21	G	
ERP MS06	Completion of Payroll Comparison 1	05/11/21	10/11/21	C	
ERP MS07	Completion of Payroll Comparison 2	17/12/21	17/12/21	G	
ERP MS08	Completion of Payroll Comparison 3	16/02/22	16/02/22	G	
ERP MS10	Completion of Data Migration for Cutover	11/02/22	11/02/22	G	
ERPMS11	Go-Live – Finance and Procurement, HR and Payroll (PPR, Go-Live)	07/04/22	07/04/22	G	
ERPMS12	Completion of Post Go Live Assistance	27/06/22	27/06/22	G	
ERPMS13	Completion of Project Closure Activities	01/12/22	01/12/22	G	

1B ERP Milestone Plan



1B RAID Dashboard November 2021







	Open Risks	Open Issues
October	54	12
November	41	7

Summary Update







- There has been good progress this period closing out open risks and issues. However, there remains significant work to do to drive down the high and very high severity risks and issues in the months leading up to Go-Live. Between now and Christmas, there will be an increased push with workstream leads to ensure risks and issues carried into Go-Live run-in have robust mitigation plans, owners and their resolutions are timebound.
- There are three areas of high risk sitting in the programme; HR, Service Transition and Outbound Integrations. PMO is providing extra support to these areas.
- Dependency management will be an increasing priority as we move to Go-Live and the Corporate PMO and Fit for Purpose Council Portfolio Board will be key mechanisms to support.

Risks	Assumptions	Issues	Dependencies
41	5	7	16
LEVEL			
6 Very High	0 High	1 Very High	2 High
21 High		6 High	
6 Medium	0 Medium	0 Medium	8 Medium
8 Low		0 Low	
0 Very Low	5 Low	0 Very Low	6 Low
TREND		TREND	
15 ▼ Declining		2 ▼ Declining	
17 ◀▶ Stable		4 ▶▶ Stable	
9 ▲ Improving		1 ▲ Improving	

Risk, Issues & Dependencies Update

R/I/D	Risk description	Likelihood / Impact	Mitigation plan & Update
R	Data migration delays There is a Risk that the delays in completing the data migration in previous cycles is repeated in DM3 and the dates for load completion are not met necessitating post-clone loading activity.	 	<ol style="list-style-type: none"> 1. Planning has taken into account previous file iterations and load times. Load split into HR Payroll (DM3A) and ERP (DM3B) to prioritise payroll data for PCT (complete) 2. Thorough lessons learnt session to identify process improvements (complete) 3. Support work undertaken to upskill SMEs in business reconciliation and quality checks (underway – mid Nov '21) 4. Evosys DM PM put in place to ensure smooth running of cycle (complete) 5. Egress to undertake analysis to reduce the number of iterations (Jordan – 12/11 for ERP) 6. Egress to provide regular updates on defect resolution
R	Roles Design Roles and security design and build contains potential gaps and conflicts and will impact effective operation management.	 	<ol style="list-style-type: none"> 1. Identify person(s) who will own roles and security under BAU and who can take on role until Go-Live 2. Appoint person(s) to work alongside the team resolving the issue, undertaking KT as they do so 3. Prioritise resources to review designs, integrate solution and apply a consistent design across the whole service and as a design document for formal programme approval 4. Design SoD tests and schedule time to test before cutover
I	CoA mappings solution Inability of current solution to cater for any Chart of Account data coming out of Oracle due to how SAP to Oracle mapping has been designed.		<ol style="list-style-type: none"> 1. Finance Lead to provide MD050 and mappings – due 2/11 to ensure OIC solution is feasible 2. Service Finance to take on longer term co-ordination of transitioning schools to Oracle mappings
I	Changes being requested of solution There have been a number of changes requested to designs, requirements or configurations after agreed dates for sign-offs. This has an impact on ability to test solution and resource allocation.		<ol style="list-style-type: none"> 1. Moratorium on changes being requested put in place 2. Review and prioritisation of current RFC pipeline to establish critical items vs. items for ERP Roadmap (w/e 5/11) 3. Evosys undertaking review of RFCs to determine capacity to implement

Risk, Issues & Dependencies Update

R/I/D	Risk description	Likelihood / Impact	Mitigation plan & Update
I	Outbound interface developments There remain a large volume of outbound interfaces without specifications signed off and an agreed plan in place for their development to enable them to be tested in the window.	 	1. Delivery plan to be agreed w/e 5/11 dependent on the outcome of CoA mapping solution for GL 2. Ongoing SIT activity will be required in run up to Go-Live to cater for outbounds
D	Invoice scanning Oracle Invoice scanning solution and automated invoice processing and payment. Procurement activity needs to complete to allow for April Go-Live.		1. Decision to implement IDR and as a mitigation bring in external provider for scanning as a service. 2. Dependent on decision at December Cabinet to initiate procurement activity.
D	Organisational change freeze to be agreed A date will need to be set for an organisational change freeze for ICT systems change and organisational restructures to be able to Go-Live with a clean mapping.		1. Cutover lead developing the approach to chills and freezes. 2. Steering Committee to agree date for change freeze 3. Communications to be issued to the organisation
D	Schools Traded Services Engagement Definition of how schools traded service offer will change once Oracle has implemented. Clarity on the engagement approach that the functions will use to communicate with schools		1. Schools engaged replanned with leads 2. Communications strategy to be developed once clarity on the officer is confirmed. 3. This will involve the Schools Working Group to be reinvigorated
D	Benefits realisation – TOM redesigns in Support Services There are a number of interlinked change programmes with similar benefits sets. The 1B programme is dependent on the cultural change taking place to maximise programme benefits		1. Business Change Team to take place in benefits workshop to avoid double counting 2. Dependency management to be prioritised by the Corporate PMO and Fit for Purpose Portfolio

Budget position (as of 31.10)

Activities	21/22 Forecast		22/23 Forecast		Total
Resources					
PMO	£	4,057,023	£	921,414	£ 4,978,437
ITDS	£	1,436,911	£	260,398	£ 1,697,309
BCT	£	475,000	£	-	£ 475,000
Providers					
SOCITM	£	929,840	£	232,460	£ 1,162,300
Egress					
Extension	£	826,000	£	126,000	£ 952,000
Evosys/Insight					
CCN	£	55,350			£ 55,350
Extension	£	1,232,873	£	926,127	£ 2,159,000
SAP	£	1,216,000	£	-	£ 1,216,000
Licences					
Oracle Fusion	£	1,609,938	£	804,969	£ 2,414,908
Evoys Workforce Scheduler	£	-	£	-	£ -
OTL	£	192,683	£	-	£ 192,683
PS Live	£	16,500	£	-	£ 16,500

Activities	21/22 Forecast		22/23 Forecast		Total
BDA	£	2,537,373	£	-	£ 2,537,373
Other					
Training	£	-	£	-	£ -
Procurement	£	-			£ -
Audit	£	-			£ -
Backfilling staff	£	1,330,524			£ 1,330,524
Miscellaneous	£	70,000			£ 70,000
Totals	£	15,986,016	£	3,271,369	£ 19,257,384
Contingency	£	742,616			£ 742,616
Total Requested in MTFS	£	16,728,631	£	3,271,369	£ 20,000,000
Reserves					
19/20 Contribution	£	1,450,255			£ 1,450,255
20/21 Contribution	£	1,920,844			£ 1,920,844
Total	£	3,371,099			£ 3,371,099

1B Lessons Learnt (so far...)

Learning the lessons will help BCC increase their chances of success when they undertake large and complex transformation projects in the future. A full lessons learnt process is following through to project closure.



Technology

- Full organisational buy-in required for a successful journey to 'living in the Cloud'
- Adaption of processes rather than adoption has provided challenges in solution design
- BCC has never moved their data on such a large scale making the data cleansing complex

Strategic challenges

People & Engagement



- Focus on standardising processes and non-differentiating features in the business change
- Manage expectations – timeline and solution

APPENDICES – TESTING UPDATE, DATA MIGRATION UPDATE & PROGRAMME BACKGROUND



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Appendix 1 - Testing Update



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Update from Testing Activities

- **Payroll Comparison Testing 1** completed to timeline achieving the 60% exit target
 - BCT (64.45%)
 - BCC (63.19%)
 - Externals (63.91%)

The Programme has made the decision not to exit **User Acceptance Testing 1** and **Systems Integrations Testing 2**. The reason we've taken this decision is:

- We have a number of outstanding P1 and P2 defects that are impacting testing and these need to be resolved.
- We have also not been able to carry out 100% of the tests in some modules due to gaps in the solution design.

Next steps

- We are working with Evosys on a remedial action plan for defect resolution and to address the gaps in the solution that are impacting testing.
- We will therefore be extending UAT1 until 19/11/21. In this period, teams should continue testing the no run tests and re-testing defects. The impact of this decision means that UAT 2 cannot commence until w/c 29/11/21 at the earliest.

Testing Dashboards

UAT1 and SIT2 Tests *(not including Reporting or Audit)*

Area	Planned	Passed	Failed	Blocked	No Run	Not Completed	N/A	Deferred	Other	% Tests Executed	% Tests Passed
Finance	707	366	63	121	27	6	102	22	0	61%	52%
HR (incl BCT)	873	371	141	2	16	0	196	133	14	59%	42%
Payroll (including PCT)	854	579	47	0	67	6	144	11	0	73%	68%
P2P	795	427	46	43	124	12	130	13	0	59%	54%
SIT2	72	46	16	0	0	0	0	10	0	86%	64%
TOTAL	3301	1789	313	166	234	24	572	189	14	64%	54%

Open Defects by Status	1-Critical	2-High	3-Medium	4-Low	Total
Assigned	9	68	48	4	129
Deferred	0	10	8	6	24
Failed Retest	0	8	5	0	13
Fixed	0	5	3	0	8
New	0	0	0	0	0
Open	0	0	1	0	1
Pending Business Clarification	0	5	10	0	15
Pending Oracle Fix/SR	0	5	8	0	13
Ready for Retest	2	35	37	4	78
Rejected	0	0	0	0	0
Request For Information	0	18	6	0	24
TOTAL	11	154	126	14	305

Appendix 2 - Data Migration 3 Update



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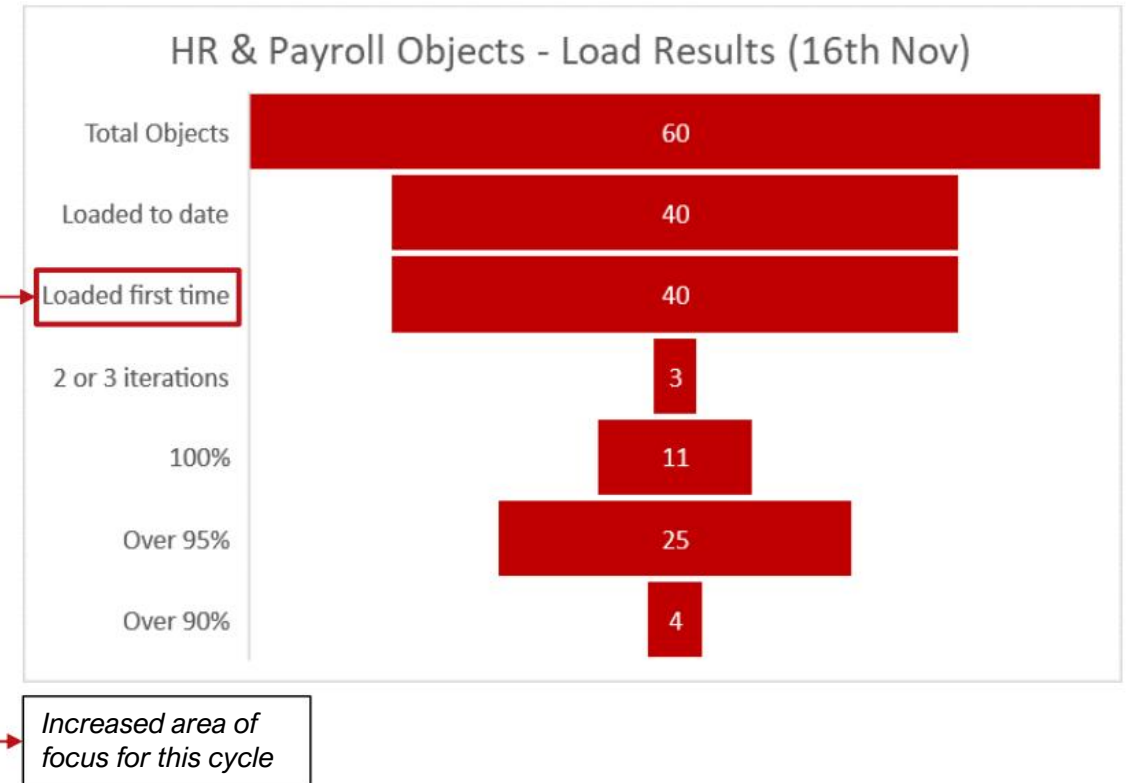
Data Migration 3

Objectives of DM3

- DM3 cycle is now split into two. DM3-A will cover the migration of HCM business objects and is a key requirement to support PCT2
- DM3-B will cover the migration of ERP business objects. The migration will use data from SAP based on a month-end data cut as of the 31st of October
- Like DM2, the load success are 95% for master data and 80% for transactional. However, the focus now is to reduce the end-to-end loading times and the number of iterations of files. In trial cutover we will be targeting 99% success across

Lessons Learnt from DM2

- Need to ensure consistency of mappings and if any changes are made to any configuration, everybody needs to be made aware. (BCC, Egress & Evosys)
- Improve communication with simple daily reporting with shared position between Egress, Evosys and BCC
- BCC SMEs given extra support to improve reconciliation times and perform sanity checks post-migration for data quality.



Data Migration 3 Timelines

DM3-A (HR & Payroll Objects) Activities

Task	Target Date	Owner
Extract, Transform & Load	13-Oct-2021 to 22-Oct-2021	Egress
Delivery of Tranche 1,2 and 3 Files	25-Oct-2021	Egress
SME's to verify the Tranche 1,2 and 3 Files	25-Oct-2021 to 01-Nov-2021	SME's
Data load into Oracle	29-Oct-2021 to 22-Nov-2021	Evosys with support from Egress
Oracle Environment Clone for PCT2	23-Nov-2021	Oracle
Reconciliation	08-Nov-2021 to 26-Nov-2021	SME's & Egress
DM3-A Defect Fix & Resolution	01-Nov-2021 to 31-Dec-2021	SME's, Egress & Evosys

DM3-B (ERP Objects) Activities

Task	Target Date	Owner
All DM2 Defects to be raised and fixed	05-Nov-2021	SME's, Egress & Evosys
SAP Data clone (month end of October)	01-Nov-2021	Infrastructure
Master Data Items delivery	10-Nov-2021	SME's
Mapping verification and business sign-off	12-Nov-2021	SME's, Egress & Evosys
Extract, Transform & Load	19-Nov-2021	Egress
Delivery of Tranche 1,2 and 3 Files	22-Nov-2021	Egress
SME's to verify the Tranche 1,2 and 3 Files	22-Nov-2021 to 29-Nov-2021	SME's
Data load into Oracle	29-Nov-2021 to 16-Dec-2021	Evosys with support from Egress
Reconciliation	06-Dec-2021 to 23-Dec-2021	SME's & Egress
DM3-B Defect Fix & Resolution	01-Dec-2021 to 31-Dec-2021	SME's, Egress & Evosys

Appendix 3 - Background



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The 1B Vision: supporting Council ambitions

- In July 2019 the Council selected *Oracle Cloud* as its preferred ERP software to support every day financial, HR and procurement processes, replacing SAP Voyager and People Solutions. This programme is called 1B because it will enable one single data set across the Council.
- Target operating model developments across the Council are embedded in 1B to enable the digital, financial and workforce agenda.



Standardised ways of working

Transforming our services by leveraging technology, adopting standard processes and delivering smarter ways of working.

User friendly self service

Keeping customer needs at the heart of our services, through delivery of a more user-friendly experience and better support for everyone.

Empowered decision making

Enabling managers to make effective decisions for their service areas by improving information and providing meaningful reports.

The 1B Business Case: the headlines

- Senior Responsible Officer for 1B is Becky Hellard
- Final Business Case and a **new Go Live date of April 2022** approved at Cabinet 16 March 2021
- The Council has defined a Modernisation Programme that seeks to invest in its capacity and leadership and invest in the changes it needs to make. The 1B Programme now sits within the New Type of Organisation portfolio alongside the Customer Services and New Ways of Working Programmes.

Benefits vs Drawbacks

131 vs 50

Percentage by Service Area

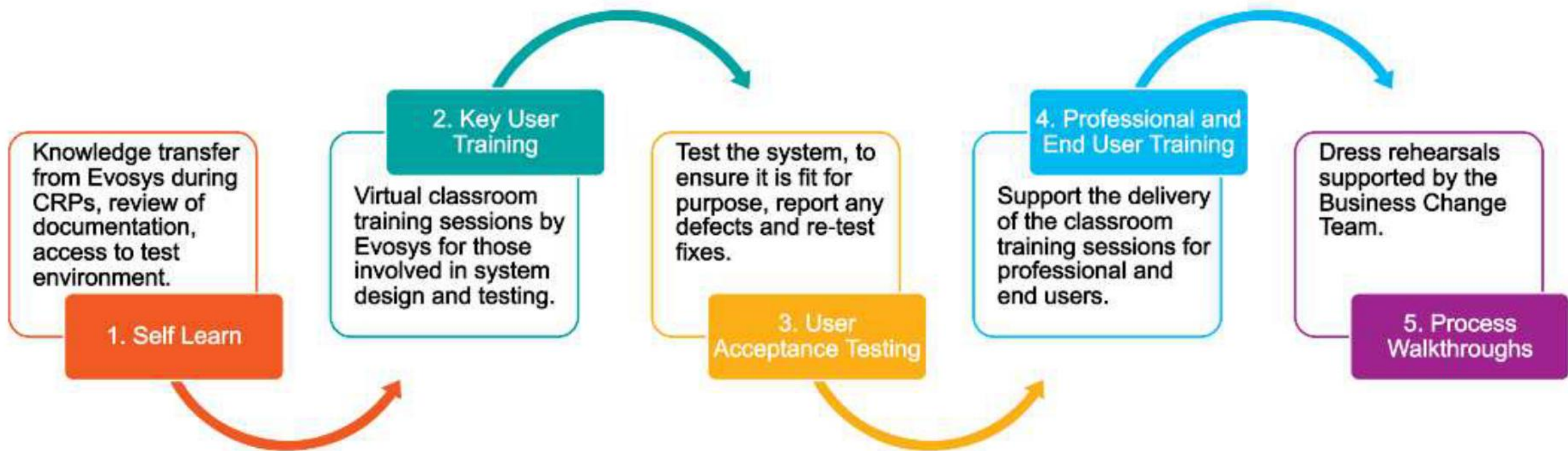
Benefits have been identified across all services impacted by the programme, and these broadly fit into our three Change Themes



Strategic Case for 1B

- Working smarter to improve integration between services/functions
- Increased commissioning skills and commercial skills
- Agile and flexible working to support a modern workplace
- Innovative and entrepreneurial
- Achieving more with less
- Improved digital and IT capability
- Make better use of customer insight and business intelligence to empower informed decision making at all levels and enable us to deploy all our resources appropriately
- Working in partnership and working with others to collaborate more as a 'One Council'
- Empowering citizens, preventing need

Key Users: the learning plan



Revised business case costs and benefits (financial)

Costs

The overall cost of the implementation phase of the programme have risen from an estimated £19.965m at the time of the original Full Business Case to a latest estimate of **£38.685m**.

The key reasons for this increase are:

- Delay in the go-live date from December 2020 to April 2022 and therefore the additional running costs of the programme as a result of the implementation complexities.
- The subsequent costs of extended need for the existing ERP solution (SAP) and associated infrastructure and support staff until it can be decommissioned.
- Additional essential functionality identified during the design phase, which has been robustly challenged by a Business Design Authority, but the validity of the requirement has been validated.
- Retention and archiving of existing data records essential for business operations.

Financial benefits

- The Revised FBC extends over a 12-year period (2019/20 to 2030/31) and recognises that as the organisational changes in culture, processes and procedures, from the wider ERP programme, become embedded, it will realise longer term benefits beyond the life of the new IT system and the initial seven-year contract period.
- Over the life of the FBC there is a forecast gross ERP system saving of **£10.918m**.