

# **Oracle Improvement Programme Business Case**

**February 2024**

# 1 DOCUMENT CONTROL

## 1.1 Approvals

Name	Position	Approved	Date
Alan Layton	Project Sponsor	YES	06 February 2024
Paul Golland	Interim Chief Digital Officer & Director of Resident Access	YES	06 February 2024
Jane West	Corporate Director of Resources & S151 Officer	YES	06 February 2024

## 1.2 Change Record

Date	Author	Version	Change reference
29 January 2024	Mark Moody	0.1	Initial draft of business case
06 February 2024	Mark Moody	0.2	Incorporating approver and consultees feedback and feedback from the Finance and HR Systems Steering Group Meeting on 02 February 24.
06 February 2024	Mark Moody	1.0	Version 1.0.
09 February 2024	Mark Moody	1.1	Updated Procurement costs to reflect phasing - no change to overall costs.
27 February 2024	Mark Moody	1.2	Updated following comments from Mayor's Advisory Board.

## 1.3 Document Consultees

Name	Position	Date
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Name	Position	Date
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## 1.4 Abbreviations

Abbreviation	Description
EPM	Enterprise Performance Management (Strategic financial management)
ERP	Enterprise Resource Planning
HCM	Human Capital Management
SoD	Segregation of Duties
AI	Artificial Intelligence
RPA	Robotic Process Automation

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## 3 STRATEGIC CASE

### 3.1 Programme Aims and Objectives

#### 3.1.1 Scope

The scope of this business case is to deliver Finance and Procurement Improvements to Oracle Cloud Fusion. The HR and Payroll improvements business case will follow for approval in June 2024 and will be fully incorporated into the delivery programme. The programme begins a renewal of Croydon's continuous improvement journey with the Oracle system and the associated business processes.

#### 3.1.2 Background

The Oracle Enterprise Resource Planning (ERP) application (Oracle's Cloud Fusion and referred to at Croydon as My Resources) is one of the most critical IT systems used across the council. It is a suite of inter-dependant modules that cover finance, HR, procurement, and supply chain operations. It enables the payment of staff and suppliers, the collection of income and management of the Council's finances and employees. It went live in May 2019 replacing several disparate systems.

The council has a contract with Oracle for licences to use their Fusion product and a separate contract with Mastek (previously called Evosys), who both implemented the system and provide ongoing support.

Since 2019 little investment has been made to further develop the system and it is now, in its current configuration, holding back further changes to back-office services and the wider transformation of the council.

As reported in September 2023 Oracle were commissioned to undertake a review of the My Resources system to understand where improvements can be made to align the system with Oracle best-practice and ensure the Council maximises the benefits it can achieve from its investment.

The review involved over 70 key users across the council with over 12 workshops held.

The review measured the council's systems process maturity against four levels:

- Stage 1: Marginal
- Stage 2: Stable
- Stage 3: Best Practice
- Stage 4: Transformational

Regarding the HR processes they assessed at Stage 1 maturity and are characterised by several off-system activities and functionality gaps with consequent human-intensive effort.

In Finance, the majority of the processes they assessed at Stage 2 maturity with the major problems highlighted pertaining to establishment data sync issues and a lack of automation in collections.

Procurement was assessed as consistently at Stage 2 maturity but with key issues highlighted on supplier set up and user compliance.

Oracle conclude that it should be realistic to aim for a best practice level of maturity and identified illustrative, best practice process changes, ranging from quick wins using reporting and functionality already in place to utilising functionality we have available but not deployed or where we have potential configuration/process design issues.

Cabinet in September 2023 agreed that it was essential that the improvement plans are properly constructed and in sufficient detail, are fully costed and proper engagement is undertaken with business process owners to ensure buy-in. To achieve this Cabinet agreed initial funding of £0.9m as an initial upfront investment to undertake this planning and put in place a core resource complement through to March 2024.

### 3.1.3 Context

Croydon is home to 390,800 people - more than any other borough in London – and the council spends around £300m a year providing them with a huge range of essential services. Croydon Council has been facing serious financial challenges and requires a change in direction to enable it to deliver financially sustainable services. The Mayoral Business Plan states that getting a grip on the finance is a top priority.

The Council's total spend with suppliers for 22-23 was £377m. We have 492 contracts in place with a total contract spend of just over £3bn. 9073 Purchase orders were raised in 22-23:

- During this period over 3000 invoices needed to be returned to suppliers prior to being processed due to various errors.
- 70% of these returns were due to either no purchase order number being included on the invoice or to 'overbilling' against the purchase order value.
- This data infers a significant number of purchase orders being raised retrospectively or not being amended in a timely manner.

### 3.1.4 Aims and Objectives

The aims and objectives of the Oracle Improvement Programme are:

- To provide the Council with confidence that it has a robust Oracle platform for Finance, HR, Payroll and Procurement systems. To reflect best practice and enable further council transformation.
- A single "version of the truth" for all Council Finance, and HR data.
- Promote greater simplification of processes and exploit the automation of these.
- A reduction of multiple hand-over between teams through the expansion of self-service.
- Address known culture and behaviour issues within the organisation through business change activity.
- Users have access to quality information to support timely and effective decision making.
- Improve user experience.
- Embed and proactively promote a continuous improvement approach across the Organisation that includes placing greater emphasis upon business partnering and promoting how the service areas can be better customers.

### 3.1.5 Design Principles

A set of design principles have been agreed to support the aims and objectives of the programme. These design principles take into account the technology and business change requirements of the programme. An essential component of our design principles is to ensure a simplified, common, and engaging user experience across all modules. There will be an emphasis on reducing excel spreadsheets and third-party solutions within our business processes.

- Start with the Oracle recommended "best practice" processes and configuration.
- "Adopt not Adapt" this may mean changing our process to work with the system – don't bespoke the system to match our process.
- Move to "on system" processes where we can; to support Oracle as a "single version of the truth".
- The system should record sufficient detail to support processes.
- Data not to be stored outside of the system e.g. on spreadsheets.
- Management and Business Information to be made available through dashboards.
- Avoid the need to re-key data.
- We need to become a "Best Value" Council.

- Increasing value from the investment in the system.

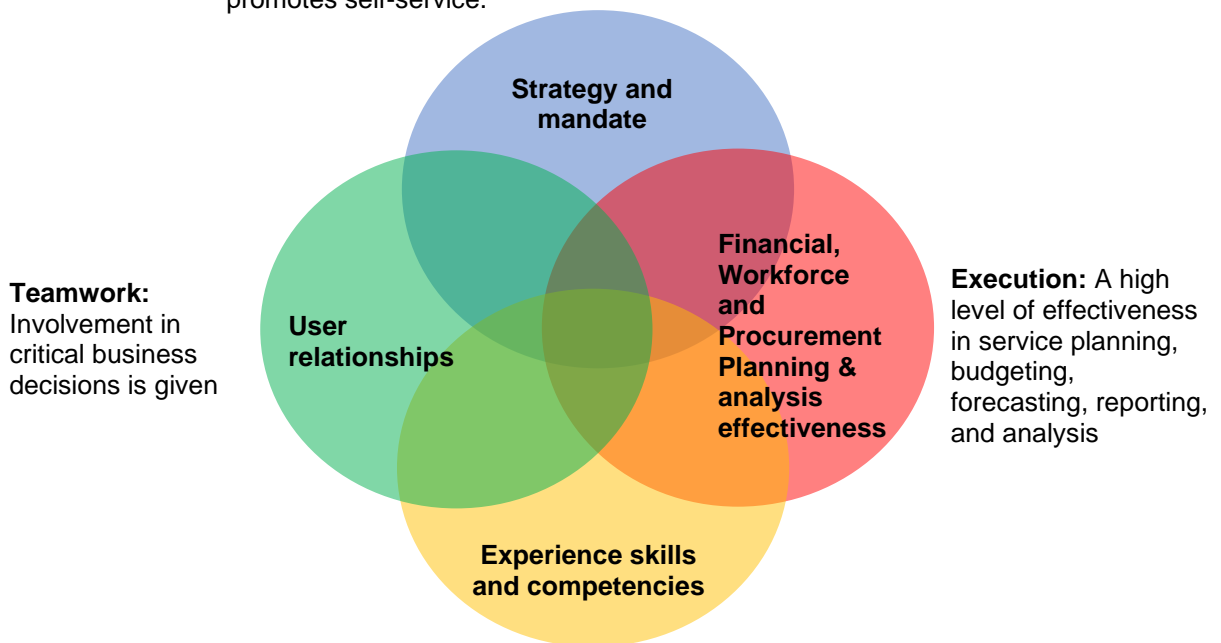
### 3.1.6 Enabling the Customer with effective Business Partnering

Though the concept of business partnering for Finance, HR and Procurement has been in place for many years, there is a continued drive to identify ways to evolve and ultimately be a more effective “business partner”. To achieve this, it requires a shift away from transactional and historically focused activities, that are aligned with basic “scorekeeper” role, and towards more analytical and forward-looking activities that help drive better service outcomes.

Effective self-service is essential to the success of a business partnering model; therefore we will be working closely with self-service users, with added engagement for hard-to-reach teams to help ensure that they understand how to use the solution and get the most benefit from it. The business change plan also heavily emphasises the importance of improving self-service and embedding it into the Council’s culture.

There is often a perceived gap between the role that Finance, HR and Procurement plays in the Council, and how the service perceives the roles they play. To assist in ensuring that the understanding of what is meant by ‘business partnering’ means, the following framework has been developed.

**Alignment:** Finance, HR, and Procurement professionals have a strategy and mandate to take on a business partnering role that promotes self-service.



**Teamwork:** Involvement in critical business decisions is given

**Execution:** A high level of effectiveness in service planning, budgeting, forecasting, reporting, and analysis

**Talent:** Appropriate business experience and skills are in place

There are four key enablers for effective business partnering, covering alignment, teamwork, talent, and execution. This business case focuses upon the “execution” of the business partnering model, with the aim of removing any barriers that would prevent high quality budgeting, forecasting, reporting, and analysis from being undertaken.

## 3.2 Business Requirements and Outcomes

### 3.2.1 Business Requirements

This section sets out the business requirements which have been considered when the business case has been developed.

#### **Finance Workstream**

##### ***Planning and Budgeting:***

Developing and implementing tools and processes that will enable better planning and budgeting. As part of the review, it was identified that there are several system capabilities that we can take advantage of that will deliver improved budget management, by supporting budget managers to produce accurate and reliable forecasts, whilst reducing the manual effort of finance to report the information they need.

The aim, which the plan is predicated to deliver is to streamline our existing business processes, promote and rigorously apply processes that will support data driven decision making. As part of the Plan, there are three main areas of focus:

- Improved user experience
- Automation of forecasting
- Reduction in the reliance on Excel

By taking advantage of new functionality within the system, we will implement and deliver new operating procedures that will allow budget managers to take more control of Council resources. We will deliver further training for budget managers to help predict, forecast, and identify finance related risks earlier.

##### ***Receivables and collections:***

The council aims to collect all the £820m of income it bills annually, however some debt is not paid on time and requires action from officers to ensure collection is achieved. We continue to look for ways to improve our collection rates and ensure that collection officers can focus upon value-add activities. As part of the Plan, there are three main areas of focus:

- Reduction of manual effort managing customer
- Improved collection process
- Improved income collection

##### ***Expenses (including P-Cards):***

Promoting better discipline with the management of employee expenses which will ensure that guidance is followed and will reduce the number of audit enquiries.

##### ***System Controls:***

External audit reports have identified concerns over the overall security management of 'My Resources'. As part of the business plan, there will be a focus on identifying a solution for

- Enhanced functionality to support the management of user access.
- Automatic identification of segregation of duties issues.



## **Procurement Workstream**

The procurement requirement can be broken down into two distinct areas: the purchasing process (covering requisitions through to invoice entry) and the strategic procurement and contract management process (covering the pipeline planning stage through to management of the contract delivery).

### ***Purchasing Process:***

These requirements can be further sub-divided into 3 key themes:

- Process enhancements: to simplify the purchasing process, reduce manual entry (particularly invoices) and to provide additional controls better monitor contract spend.
- Improved learning and training: to reinforce good practice for new and existing users and to embed guidance within the system.
- Effective reporting: to help identify specific areas of non-compliance & bottlenecks in the purchasing process; to aid procurement decision making and improved value for money.

### ***Procurement and Contract Management:***

The requirement is best described against each of the steps in the process, recognising also the need to integrate/interface the stages to allow the efficient transfer of information from one to the next.

- Pipeline Management: an improved ability to plan future procurements, publish key data to support early market engagement and track the progress of procurements through a pipeline plan.
- Sourcing: to support the tender process from advertising an opportunity through to awarding a contract (including electronic signatures) in line with legislative requirements.
- Contract Management: the ability to maintain, report & publish key contract data. Also to support the monitoring of contract/supplier performance.

### ***Continuous Improvement***

To develop a sustainable environment and culture that supports:

- The evolution of new system processes that are aligned with the Oracle quarterly release of new features.
- Process owner led forums to assess and exploit new functionality.
- Regular training and communication about new features.
- Develop a new sustainable, support model that meets the organisations needs for the future:
  - Sufficient resources to support the improved solutions.
  - Procurement of a revised third-party support model.

## **3.2.2 Outcomes**

The primary outcome of the programme is to deliver a set of processes and operating procedures that is based upon a single version of the truth, removal of third-party solutions that don't talk to each other, and to reduce the reliance upon excel based dual monitoring.

Managers will proactively use the systems and tools provided because it will support data led decision making across the Council. Optimised processes and increased efficiency are essential outcomes of this programme. This will be achieved by developing clear process maps, user-training, and the removal of duplication of processes across teams.

Workstream	Business Process	Outcome
Finance	Revenue Planning & budgeting	Operational income and expenditure (revenue) and Capital Projects are effectively managed by those with delegated responsibility. Income and expenditure is managed within the allocated budgets, and where variances occur, they are forecast accurately and explained to senior leaders on a timely basis.
Finance	Capital Planning & budgeting	<p><b>Capital Forecasting</b> Capital Projects are effectively managed by those with delegated responsibility. The total project costs are managed within the approved budget and where variances occur, they are forecast accurately and explained to senior leader on a timely basis.</p> <p><b>Capital Budgeting</b> The process for creating capital budgets is robust, enabling senior officers and councillors to make informed decisions as what is affordable and make tough decisions as to which projects to prioritise in the forthcoming year. Officers are clear of the funding available to deliver projects they are responsible for.</p>
Finance	Accounts receivables and collections	The process for raising and creating income is robust enabling debt to be collected on a timely basis. Where the debt is not paid on time there is an effective process for attempting to recover the income.
Finance	Expenses – including Purchase Cards	The process for submitting expenses is robust, enabling officers to be reimbursed for expenses which have been incurred. Expenses (which are claimed) and purchase card transactions are consistent with the appropriate policy and are supported by the appropriate documentation. Non-compliance with the policy is minimised via automated validation checks on entering the claim or audit checks.
Finance	Cash management	The process for completing bank reconciliations is robust and is completed on a timely basis. Any differences between the cash books and the bank's records are investigated, understood and any issues identified are rectified. Management review and confirm the effectiveness of the reconciliation process.
Finance	General Ledger	All financial transactions are accurately recorded within the general ledger, all sub ledgers and feeder systems are fully loaded into the general ledger and are fully reconciled.
Finance	Support Service Allocation and Recharging	The process for recharging support service costs is accurate and enables the true cost of providing services to be understood (in accordance with the CIPFA code of proactive), and costs are efficiently allocated to front line services.
Finance	System compliance and risk management	System access, roles and key processes are actively monitored to ensure that any non-compliance issues are identified and resolved. This reduces the risk of fraud or errors occurring in the system.
Procurement	Purchasing Process	Purchase requisitions/orders are raised 'right first time' without further information having to be added later. They are raised at the 'right time' to provide appropriate visibility and control of expenditure.

Workstream	Business Process	Outcome
		<p>Approvals are also done in a timely fashion, preventing delays in the process.</p> <p>Unnecessary duplication and manual working are eliminated speeding up the supplier registration and invoicing process.</p> <p>Users are clear on the importance of adhering to the process and consequences if they do not. Similarly, suppliers also have an understanding of the risks of undertaking work without the appropriate purchase order.</p> <p>Management reporting is used to identify areas of non-compliance to the process with resource in place to address this through support, training, and where appropriate escalation.</p>
<b>Procurement</b>	<b>Pipeline Management</b>	<p>Future procurement projects are entered onto the pipeline to provide an overview of all upcoming procurement activity. This allows effective resource planning to support delivery of these procurements and where necessary to prioritise them. A comprehensive published pipeline also provides visibility to the market to enable them to plan for upcoming procurements and to engage early with the council in inputting into the development of future strategies.</p> <p>Reactive procurements are significantly reduced. Instead, effective planning ensures that the options to deliver requirements are thoroughly researched and robust commercial strategies are in place.</p>
<b>Procurement</b>	<b>Contract Management</b>	<p>The speed of contract award approvals/signatures is increased due to the removal of unnecessary manual processes.</p> <p>All key contract data is accessible in one location.</p> <p>Risks and contract performance are reported on at the contract, Directorate and Corporate level.</p> <p>Contract spend is monitored and controlled against what has been agreed in the contract and 'early warnings' are provided to support the planning process. Similarly, users are alerted in good time to upcoming contract expiry dates.</p>
<b>Programme</b>	<b>Support Model</b>	<p>The improvement programme will develop a new sustainable, support model that aligns with the council's aspirations supporting:</p> <ul style="list-style-type: none"> <li>• Redesigned self-service processes for managers and employees.</li> <li>• A data led organisation by ensuring that reference data is accurate and timely.</li> <li>• A framework to understand, review and deploy process enhancements and technical updates at pace.</li> <li>• Process automation and guided learning to reduce the demand on the support team.</li> </ul>

## 3.3 Workstream Summary

The discovery phase of the Oracle Improvement Programme considered the existing processes and technology relating to the Oracle systems (more commonly known at Croydon as 'My Resources' and 'My Finance').

In addition to discussions with Oracle and partners, we have had extensive consultation with other councils as to assess functionality and best practice.

The review of the current processes and systems has identified a significant number of improvements which should be implemented to improve our processes and systems. This section sets out the key improvements which are recommended to be implemented.

### 3.3.1 Finance Workstream

The **finance** workstream will deliver the following:

- Improvements to the Accounts Receivable and Collections processes and systems to reduce the manual effort required by officers, whilst providing them with additional tools and information to improve likelihood of the delinquent debt being collected. The key enhancements are:
  - Introduce the ability to trigger SMS messages to be sent to customers to request the payment of debt.
  - Introduce the ability to trigger a debt to be transferred to an Enforcement Agent (EA) or Debt Collection Agent (DCA).
  - Refine the customer statements to provide more information and ensure that it is clear to the recipient as to what debt is due for payment.
  - Utilise robotics to automate the creation of collection notes in the system. This will enable the team to have a full picture of the interaction with the customer.
  - Update the interface to automate the creation and maintenance of customers (including adult social care customers). The current process requires the receivables team to manually enter some of the details.
  - Collection strategies will be managed at invoice level, rather than by customer, providing greater flexibility over how the collection of debt for each invoice is managed.
  - Create a new smart form to enable the business to register a new customer, which will be subject to review of approval by the receivables team before becoming available for use.
  - Enable paperless direct debits to be initiated from the system allowing the team to easily set up a reliable payment method.
  - Engage with business intelligence teams to determine best solution to provide a single view of the customer and the debt. Develop outbound reporting feeds to support the solution.
- Improvements to the process supporting the reconciliation of bank accounts. The General and Payroll bank accounts will be brought into the system to enable the auto-reconciliation functionality to be utilised, improving the timeliness and completeness of the bank reconciliations.
- Detailed review of the overall control environment will be completed, enabling reconciliation processes to be strengthened.
- Non-compliance with expense and p-card claims is a significant issue which leads to many claims being rejected when they are subject to audit. There are several improvements which will remove barriers to utilising the system, improve compliance and ensuring that audits are focused on high-risk claims. The key enhancements proposed are:
  - Enable expense claims to be entered via an individual's personal device, including mobile phone, providing greater flexibility to the user when claims are submitted.

- Enhance the mileage claim template removing the need for the user to record each individual journey outside of the system. Incorporate mapping within the mileage template to enable the user to calculate the total miles to be claimed within the application.
- Refine the expense validation rules to notify the user, if the claim they are going to submit, is in violation of the expenses policy.
- Refine the expense audit criteria to focus on high-risk claims.
- Develop guided learning where the user can obtain advice and support whilst completing their claim.
- Enhanced functionality to enable vehicle checks to be stored in the system.
- Develop new reporting to provide greater oversight of the expense and p-card approval process.
- Redefine the role of project costing on the basis that capital budgeting and forecasting will be undertaken in My Finance. Develop training to ensure that users are effectively utilising the functionality with the module.
- Refine the revenue forecasting forms to improve the user experience and improve the quality of the forecasts being produced. The key enhancements proposed are:
  - Change the basis of identifying actuals in salary forecasting, to ensure they align to the costs recorded in the general ledger.
  - Introduce a salary journal category to enable corrections to staff costs to be automatically incorporated into the forecast.
  - Total cost centre commentary is to be a mandated field to provide an overall view of the current financial position.
  - Cost centre summary form to be developed to provide senior managers and finance with an overview by cost centre. This will include the total cost centre commentary.
  - Users will be able view historical forecasts and the commentary previously entered.
  - Utilise predictive planning technology to produce a statistically robust system forecast.
  - Develop revenue forecast cost driver models for high risk/high value forecasts.
  - Improve the access to transaction detail underpinning the actuals.
  - Reallocation of cost centres to ensure those responsible for completing the forecasts are influencing the spend and can explain the financial position.
  - Enhance the reporting so that key finance reports can be produced directly from the system, including the updating of commentary.
  - Develop budget holder training and guidance to ensure that all budget holders have the skills and knowledge to complete the forecast on a timely basis.
- Develop capital forecasting within the planning application, removing the need to produce the capital forecasts in excel. The key enhancements proposed are:
  - Create capital forecasting forms to capture project forecast and commentary.
  - Develop capital finance forecasts to ensure that the funding sources are effectively managed.
  - Capital forecasts will cover both the current financial year and the whole life of the project.
  - User will be able view historical forecasts and the commentary previously entered.
  - Reallocation of projects to ensure those responsible for completing the forecasts are influencing the spend and can explain the financial position.
  - Enhance the reporting so that key finance reports can be produced directly from the system, including the updating of commentary.
  - Develop project manager training and guidance to ensure that all project managers have the skills and knowledge to complete the forecast on a timely basis.

- Develop capital budgeting within the planning application, removing the need to produce the capital budgets in excel. The key enhancements proposed are:
  - Develop capital budgeting within the planning application, removing the need to produce in excel.
  - Develop capital financing sources budgeting within the planning application, removing the need to produce in excel.
  - Capital budgets will cover both the current financial year and the whole life of the project.
  - Capital budget virements are to be managed within the application, providing a clear audit trail of changes to the budget.
- Develop a support service allocation and recharge model within the planning application, removing the need for these to be calculated in excel.
- My Resources processes a high volume of transactions across a complex set of modules. It is important that there is a robust compliance framework in place to ensure that processes are operating effectively, and the risk of fraud and error is minimised. The key enhancements proposed are:
  - Implement functionality to identify areas where individuals access and permissions is identified as a segregation of duties issue. This will reduce the risk of fraud and prevent external audit failures.

### 3.3.2 Procurement Workstream

The **purchasing process** workstream will deliver the following:

- Guided Learning within Oracle Fusion will be piloted across the purchasing process to provide guidance on specific activities within the system as people are about to undertake them.
- Documentation/materials used in the purchasing process will be updated to reflect key compliance messages (internally and for suppliers).
- Blanket Purchasing Agreements (BPAs) will be introduced to enable better control of spend, contract expiry dates and more efficient approval flows. This will also support improved control of waivers.
- E-invoicing for the remaining invoices entered manually will be introduced via the Fusion i-Supplier portal.
- Dashboard reporting will be developed, drawing on systems across purchasing, procurement and contract management to support Procurement and Directorates in decision making.
- A variety of other enhancements to the process within Fusion will be adopted such as self-service registration for new suppliers.
- A new role is recommended to be created with responsibilities including analysis of the reporting data, delivering improvements, enforcing compliance, and developing/delivering ongoing learning.

While the purchasing process improvements focused on enhancements to Oracle Fusion, the **Strategic Procurement and Contract Management** business case (due to a lack of take-up of this functionality within Croydon and across other councils) reviewed the viability of Oracle's offering in this area and included comparisons to other available systems (costs/benefits). The key business case recommendations are as follows:

Fusion is not recommended for pipeline management, e-tendering, and contract management requirements. This is due to a combination of functionality, costs, and feedback from other councils.

The existing system in place for e-tendering (In-tend) is recommended to be developed for the above.

E-signature functionality will be introduced. The aim is to integrate this into In-tend to support a more complete contract repository. This will also form part of a wider corporate initiative to introduce e-signatures across the council; the scoping and procurement of this will be led by the Procurement workstream.

Required support for developing Contract Management skills will be addressed ahead of contract management system implementation.

## **3.4 Interdependencies**

The realisation of the benefits which the potential enhancements could deliver is dependent on several factors which need to be effectively managed. The key dependencies and interdependencies are as follows:

### **3.4.1 Finance restructure and improvement plan**

The finance leadership team has been heavily reliant on individuals acting up and temporary resource over recent years. The Director of Finance is currently actively recruiting to positions in the finance leadership team. Once the permanent individuals are in post, it is critical that they buy into the proposed improvements to ensure that they become embedded in the business.

### **3.4.2 Establishment management and data**

The cost of staff is a major cost driver for the Council; therefore, it is important that we can accurately forecast this expenditure type. The current 'My Finance' solution provides functionality to support budget managers in preparing a salary forecast for each employee in their team, however in some areas, it is difficult to complete this accurately, as the current staff list is not always up to date. The cause of this is that the employee information is obtained from the HCM system, which is known not to be up to date.

A key enhancement for the HR workstream is addressing the issue with establishment data, improving the accuracy. This will directly impact on the ability to accurately forecast and how the forecasting enhancements are received.

### **3.4.3 Finance core activities**

The detailed planning for the delivery of the key enhancements will need to consider the timeline for core finance activities. For example, the capital budgeting functionality would ideally be deployed before the commencement of the development of the 2025/26 capital programme, or income collection changes would not want to be made during the council tax billing window.

### **3.4.4 Procurement improvement plan**

A Procurement and Contract Management programme of improvements is being developed in parallel to the system improvements. Its aim is to develop a strategic Procurement Service that provides expert commercial input throughout the procurement lifecycle. It is dependent on the improved management information that the system improvements will provide to support its success.

The plan also looks to ensure effective contract management is in place across the council. Any implementation of a contract management system needs to take careful account of the extent to which the appropriate contract management skills and resources are already in place. The implementation plan will prioritise those areas where the contract management of key contracts can be evidenced to be at agreed minimum standards.

## **3.5 Business Change Summary**

### **3.5.1 Business Change**

Croydon has a history of poor Change Implementation, although previous projects have included structured Change Management activity and approaches, issues around embedding change within the Organisation persist. As with many Organisations the programme of improvement and change within Croydon has been vast over recent years, due to both financial saving targets and ever-changing technology landscapes, which has led to change fatigue and a lack of engagement from staff. Additionally, Croydon has undergone a period of high staff turnover particularly at Senior Levels and there has been a strong focus on Financial Management and Compliance in recent years due to the Organisations financial issues, both of which may have contributed to the lack of buy-in that

currently exists. Often during times of intense change, employees feel as though change is being done to them instead of feeling that they are an important part of driving the change forward.

There is a significant issue around non-compliance across the whole organisation with regard to Oracle based processes and procedures. Significant activity will be required to understand the drivers behind non-compliance so that they can be rectified in the appropriate way and clear structured processes will need to be implemented to prevent this non-compliance moving forward.

The Business Change Approach for the Oracle improvement Programme aims to address these key issues by not only undertaking Change Activity to support and embed the identified improvements as part of the Oracle Improvement Programme but also undertaking significant activity to address the cultures and behaviours across the organisation, working closely with HR around the People and Culture strategy.

Data, Metrics and Continuous improvement processes will be introduced that will be embedded into BAU activity going forward, which will not only target behavioural issues but will empower staff to take control of their own processes and procedures going forward.

Transparency is key throughout the programme and therefore there will be a strong focus on communication and engagement delivered through innovative approaches, so that there is a change in feel to what has been delivered before. There will be strong alignment to key organisation comms and other transformation / improvement programmes to ensure that messaging is clear, concise and relevant.

The Change element of the Programme will be a significant and complex undertaking that will require dedicated resource, focussing not only on the large volume of activity involved in the Programme itself but also fundamentally changing Croydon's approach and adoption of change going forward.

### **3.5.2 Change Challenges**

The following are examples of specific business change challenges for Croydon:

- Inaccurate establishment data
- This is due in part to poor compliance with off-system processes.
- Issues with self-service processes
- Self Service is not being fully utilised both at an Employee and Manager Level, with off system processes being undertaken.
- Poor absence records
- This is linked to the lack of self-service activity and is often managed off system with manual processes
- Lack of My Resources skills and competence across the organisation
- Although training material is readily available, it is not being fully utilised and there is little knowledge of end-to-end processes and the impact of non-compliance on other areas of the business.
- Poor engagement from managers and staff across the organisation
- Change fatigue and a high level of senior manager turnover in recent years have caused poor engagement across the Organisation.
- Lack of ownership and usability of some business processes
- This is due to some processes not being fit for purpose and a lack of ownership around the responsibility for updating and amending processes where required to align with Organisational need.
- Lack of awareness of the capabilities of the system - not exploiting the full potential of Oracle
- This is linked to the lack of My Resources skills and competence, which has led to the Organisation not fully understanding how to best use Oracle and there is no method, capability, or capacity to explore Oracles full potential.



### 3.5.3 Change Activities

The following table shows examples (and is not exhaustive) of some of the business change activities that can be applied to some of the specific issues facing Croydon.

Challenge	What will we do?	How will we do it?	How will we track and monitor?	What does good look like?	What does it mean?
<b>Establishment Control – inaccurate data due to process and behaviour issues</b>	Implement clear on system starters, leavers and movers processes. Develop targeted training materials for line managers around managing their establishment.	Train managers, provide support and mentoring for line managers.	Formulate report to identify starters, leavers and movers processes undertaken.	Managers reflecting changes within their teams on the system to ensure that Establishment data is accurate.	Establishment data is accurate, and managers take accountability for managing their own team structure and information within the system.
<b>Manager self-service - not fully utilised due to compliance issues</b>	Analyse current information to identify areas of non-compliance and why.	Improve self - service Training for Managers.  Address any issues around Manager self-service processes.	Formulate reports to monitor Manager self-service.  Monitor and address non-compliance.	All managers using manager self-service including "hard to reach".	Team information is accurate and up to date.  Staff personal and employment information is correct.
<b>Recruitment – Use of off system processes and workarounds</b>	Technical implementation of ORC, clear process guidance, develop targeted training materials for line managers that promotes self-service.  Clearly define roles and responsibilities within ORC.	Train managers, provide support and mentoring for line managers.	Metrics and KPI's put in place to monitor recruitment process compliance.  Formulate system reports to monitor compliance.	Managers undertaking self-service for recruitment processes, which are completed on system.	Recruitment processes are streamlined and auditable. Candidate experience is improved and time to hire process is optimal.
<b>Budget Management – issues around usability of the system to manage and monitor budgets</b>	Implementing a new tool for budget managers. Ensure that budget management is part of induction for budget managers.	Training for budget holders and finance managers on how to use the new tools and processes and their responsibilities.	Formulate metrics and reports to monitor budget management.  Regular reviews of budgets by finance managers.	Improved budget management and ownership of Council resources by budget holders.	Improved forecasting and budget Management. Accurate and up to date view of financial landscape of the Organisation.

Challenge	What will we do?	How will we do it?	How will we track and monitor?	What does good look like?	What does it mean?
<b>P2P – Lack of compliance around no PO no Pay</b>	Training of key staff, brief suppliers on process.	Online training, review supplier portal and existing materials.	Develop reports to identify compliance issues, understand exceptions e.g. utility bills.	No PO No Pay policy fully embedded to ensure that POs are raised before invoices.	Tighter control of spend, less payment delays, requisitioners will understand importance of receipting correct amount.

### 3.6 Programme Risks

We are detailing the risks in the table below that we believe are current. Croydon over the last 10 years have embarked upon many organisation-wide programmes and the poor cultures and behaviours persist. As a result, it is only prudent to identify these as current risks within the organisation. This will require an approach that recognises the need for change, identifies and shows the organisation what good look like and is led by the Board, OD professionals and leadership networks.

Risk	Impact	Initial score (likelihood x impact)	Mitigating Action	After Mitigation score (likelihood x impact)
There is a risk that our scope and ambition of the programme is not widely understood.	Increased cost.  The ambition of the programme will not be met.  Wider transformation programmes will be severely hampered.	4x5=20	Ensure that the scope and ambition is clear and agreed with suppliers and business owners.  Business owners must take ownership of outcomes and ambition of the programme.  Key suppliers to attend programme governance meetings.	2x5=10
The key business changes enabled by the programme are not understood and fully adopted across the Council.	The ambitions and objectives of the programme will be partially met therefore poor compliance and manual interventions will continue to prevail.	4x5=20	Business change is effectively planned, resourced, delivered and agreed by all.  Continuous improvement and a sustainable support model will be developed as part of the core objectives of the programme.  The People and Cultural Change Strategy must be inextricably	2x5=10

Risk	Impact	Initial score (likelihood x impact)	Mitigating Action	After Mitigation score (likelihood x impact)
			<p>linked with the Programme's Business change activity.</p> <p>The consequences of non-compliance must be unambiguous with support from appropriate training materials.</p>	
Competing demands across the organisation	<p>Competing demands may not allow the Organisation to deliver the programme milestones on time.</p> <p>Competing priorities timescales may clash and cause confusion and anxiety.</p>	5x4=20	<p>The Programmes key milestones are developed, and inter-dependencies confirmed, following wide consultation across the organisation.</p> <p>Programme board will keep this risk under constant review and will work with the Corporate Management Team to manage any inter-dependencies.</p>	3x3=9
There is a risk that knowledge may not be transferred from the programme team to Croydon Staff	<p>Unable to sustain improvements.</p> <p>Increased costs.</p>	4x4=16	<p>Backfill of key Croydon resources to allow them to work on the programme.</p> <p>Updated documentation and training is delivered as part of the programme.</p>	3x3=9
HR Workstream Business case delivery delayed	<p>Negatively impact cross-cutting initiatives.</p> <p>Delays wider HR improvement programmes.</p>	3x5=15	<p>Develop detailed action plan.</p> <p>Additional resources onboarded from mid-February 2024.</p> <p>Two-weekly workstream progress report to board.</p>	2x3=6

## 3.7 Constraints

As with any Programme of this size and complexity, we expect to encounter challenges. We will be delivering robust project management that will enable us to manage the task and the key factors listed below will be incorporated within the planning assumptions:

- Finance and HR Year end.
- Capacity and capability of Croydon staff.
- Oracle Quarterly Updates, including mandatory user interface changes and enhancements.
- Absences work and other changes to infrastructure, configuration, and interfaces requested through “Business as Usual” initiative pipeline.
- Payroll cycle and deadlines.

## **4 ECONOMIC CASE**

### **4.1 Options Appraisal**

Croydon Council embarked upon an Oracle Cloud implementation which can be regarded as a successful implementation. Therefore, we are focusing our resource on optimising what we already have and ensuring that the users use the solution as intended, as opposed to using local workarounds or spreadsheets. In September 2023, the Cabinet considered the options which included “do nothing”, “change the platform”, or “enhance what we already have”.

Cabinet concluded that the Council should improve and extend their Oracle Cloud Platform and develop a detailed business case, which recognised the high level of business change required to meet the Council’s future ambition.

The use of the support provider has been considered, alongside several other factors. This includes: the firsthand knowledge of the incumbent supplier, as well as the highly complex changes associated with payroll and absence management. The decision has been taken to continue with the Mastek, based upon the risks and likelihood of success.

### **4.2 Recommended Option**

As agreed by Cabinet in September 2023, the Council is pursuing a detailed planning exercise around the improvements its needs to make to the Oracle Cloud Platform. The proposals in this business case present the recommended options coming from the detailed planning which is being undertaken.

# 5 COMMERCIAL CASE

## 5.1 Commercial Summary

### 5.1.1 Summary

In October 2023, the Finance and HR Systems Steering Group considered and approved the following recommendations for a 10-year strategy to support the day to day running of the system and delivery of the Oracle Improvement Programme.

The recommended procurement activities together with the rationale for the decisions are set out below. The detailed case for the route to market is documented in the Oracle Cloud Fusion (My Resources) Licence and Support Strategy Report submitted to the Procurement Board.

#### Licences

Procure Oracle Fusion Software as a Service (SaaS) licences required for the next 5 years with an optional extension for a further 5 years (**via a direct award to Oracle using a compliant framework**).

##### *Rationale:*

- Confirms the long-term commitment to remain with Oracle.
- Provides the basis for a discount on licence costs at renewal.
- The business case currently being developed will confirm licences required so that licence volumes can be set at the appropriate level.

#### Universal Credits

Procure an Oracle Fusion PaaS Universal Credits Agreement required to for the next two years and renew this agreement to end co-terminus with the Oracle Fusion SaaS licence agreement (**via a direct award to Oracle using a compliant framework**).

##### *Rationale:*

- Provides essential services required to support the interfaces with other Council systems and other pay as you use services, for example data storage to facilitate reporting using Azure BI services.
- Renewing every two years ensures that the appropriate number of Universal Credits can be matched to requirements to support the services that will be consumed.

#### Support Partner

Retain Mastek (who now own Evosys) as Support Partner for two years from the end of the current contract, August 2024 (**via a compliant framework**).

##### *Rationale:*

- Maintain Continuity of support for Finance, Procurement, HR, and Payroll through the improvement programme.
- Retain Mastek knowledge and skills for modules that they configured e.g. Planning and Budgeting.
- Retain Mastek support for components they have developed e.g. Interfaces.
- Short term contract which allows time to prepare for a major re-procurement for a new support services contract to start from 2026.

## Technical Implementation Partner

Engage Mastek to deliver the technical solutions required by the Oracle Improvement (**via a compliant framework**).

### **Rationale:**

- Mastek know the Croydon configuration.
- Time required for another systems integrator to understand the Croydon solution would slow the pace of delivery.
- The business case currently being developed will confirm.

## Ongoing Support Partner

Let a new support contract, that provides break points in line with the overall Oracle licence agreement, by August 2026 (**via an open tender**).

Note this will be the subject of a future strategy report and will be listed in the Annual Procurement Plan for 2025/26.

### **Rationale:**

- Market test of support providers.
- Allows for support to be based on transformed solution.
- Arrangements will be co-terminus with Oracle licence.
- Let a new support contract, that provides break points in line with the overall Oracle licence agreement, by August 2026 (via an open tender).

### 5.1.2 Form of Contract

The contracts with Oracle and Mastek will be via Crown Commercial Services compliant frameworks as set out in the Oracle Cloud Fusion (My Resources) Licence and Support Strategy Report submitted to the Procurement Board.

### 5.1.3 Social Value

We will seek to secure social value from our contractual discussions with suppliers.

## 6 FINANCIAL CASE

The workstream costs for Finance and Procurement as well as programme management and change are set out in the table below. The HR business case is yet to be constructed, and when known it will be reported. However, the cost of the work through to June to build the HR business case is included, noting this is effectively funded from the carried forward 2023/2024 approved budget. A prudent contingency has been included based on best practice for this type of project.

The total cost (excluding HR business case) is **£4.5m** which is reduced by the £0.5m balance remaining from the 2023-24 budget of £0.915m. The budget requested at this stage to deliver the Finance and Procurement improvements is **£3.9m**. Noting that a further request to fund the HR business case will be presented later in the Summer.

	2024/25 (£000's)	2025/26 (£000's)	2026/27 (£000's)	Total (£000's)
Procurement workstream	620.7	120.0	0	<b>740.7</b>
Finance workstream	829.5	400.5	0	<b>1,230.0</b>
HR & Payroll workstream (Design)	113.0	0	0	<b>113.0</b>
HR Workstream business case	TBC	TBC	TBC	<b>TBC</b>
Programme & Change Management workstream	1,113.7	904.7	0	<b>2,018.4</b>
Contingency (c10%)				<b>350</b>
<b>Total</b>	<b>2,676.9</b>	<b>1,425.2</b>	<b>0</b>	<b>4,452.1</b>
<b>Remaining budget previously approved</b>				<b>(530.0)</b>
<b>Net funding requested</b>				<b>3,922.1</b>



# 7 MANAGEMENT CASE

## 7.1 Programme and Project Management Arrangements

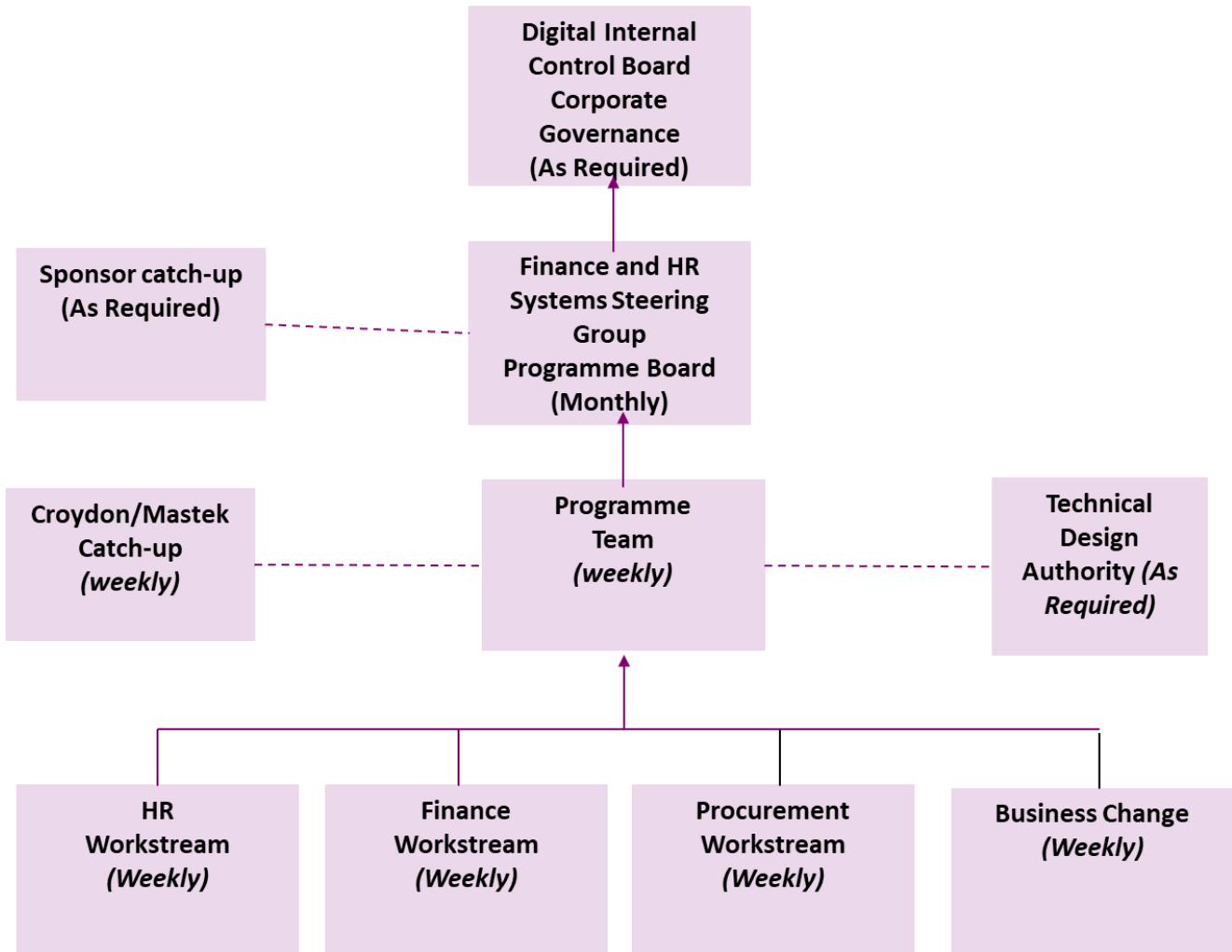
### 7.1.1 Programme Governance

The following Programme Governance arrangements have been put in place.

#### Finance and HR Systems Steering Group (Programme Governance Board)

The Finance and HR Systems Steering Group is the main decision-making body of the Oracle Cloud Improvement Programme. This governance board, chaired by the Senior Responsible Owner (SRO) will include representation by nominated Directors and other senior members of staff and representatives from the system integrator, Mastek and Oracle.

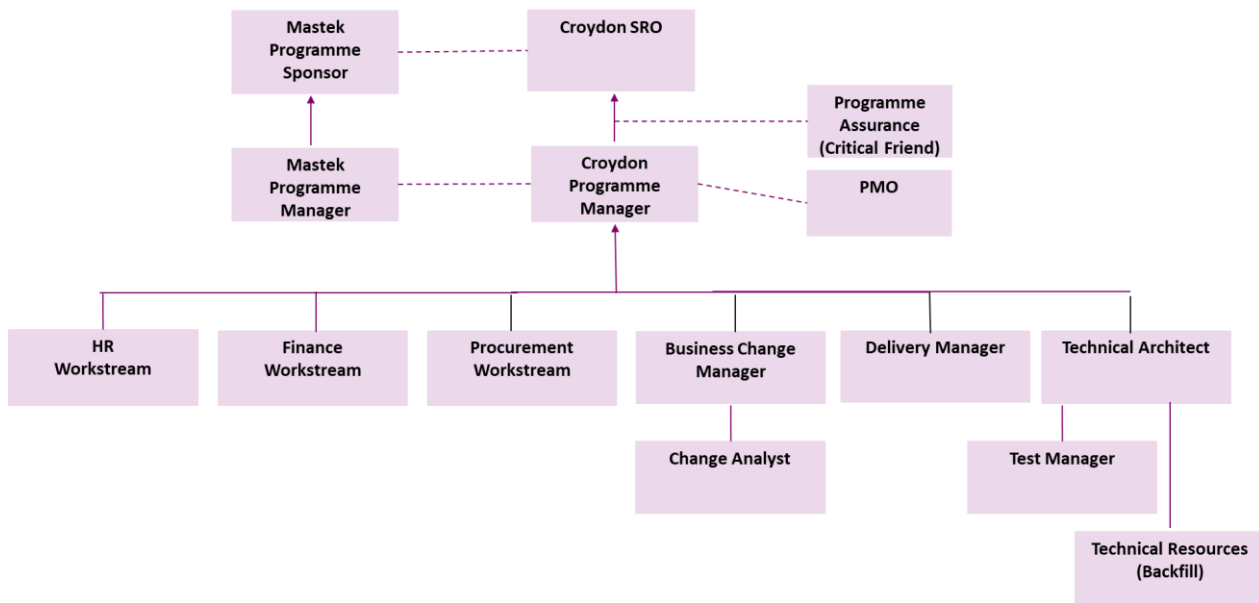
### Oracle Cloud Implementation Governance Model



### 7.1.2 Programme Roles

The proposed structure and roles to support the effective delivery of the programme are as follows:

## Oracle Cloud Implementation Programme Roles



Role	Key Responsibilities
<b>Senior Responsible Owner</b>	<ul style="list-style-type: none"> <li>Owner of the programme, a vocal and visible champion who defines and drives the programme's vision and target outcomes.</li> <li>Accountable for the successful delivery of the programme.</li> <li>Responsible for objectives, specification, budget, finished product.</li> </ul>
<b>Programme Assurance (Critical Friend)</b>	<ul style="list-style-type: none"> <li>Providing project and programme assurance including advice on aligning Oracle best-practice in a local authority context.</li> <li>Advise on improvements and critically review solutions.</li> <li>Contribute lessons learned from other local authority projects.</li> </ul>
<b>Programme Manager</b>	<ul style="list-style-type: none"> <li>Communicates and engages with senior members of staff and builds buy-in and support within the business community to drive the programme forward.</li> <li>Overall responsibility for the delivery of the programme and achievement of target business outcomes. Manages the overall programme plan, risks, and issues to ensure accuracy and alignment with workstreams and dependencies are managed.</li> <li>Establishes a collaborative programme working environment, ensuring all team members (including suppliers) can operate effectively and deliver their obligations.</li> </ul>
<b>PMO</b>	<ul style="list-style-type: none"> <li>Support the programme team by maintaining a governance structure and associated activities such as ongoing risk assessments and mitigation across all workstreams, capturing actions and minutes at governance board meetings.</li> <li>Provide management reporting support such as status of milestones and deliverables across the programme, financial information about the budget, forecast, actuals.</li> </ul>

Role	Key Responsibilities
	<ul style="list-style-type: none"> <li>Reporting on project risks and progress on mitigating these risks.</li> </ul>
<b>Delivery Manager</b>	<ul style="list-style-type: none"> <li>Facilitates a collaborative team working environment between the programme team and supplier throughout the project.</li> <li>Creates, maintains and manages the programme delivery plan, and client and supplier deliverables to ensure effective delivery.</li> <li>Ensures a common understanding across all key users of the programme's critical path and key decision points.</li> </ul>
<b>Change Manager</b>	<ul style="list-style-type: none"> <li>Overall lead for business change and communication for the programme.</li> <li>Produces the Communication and Engagement Approach and Plan for the programme.</li> <li>Develops the Business Change Approach for the programme to ensure consistency of approach, techniques and templates used across all impacted service areas.</li> </ul>
<b>Change Analyst</b>	<ul style="list-style-type: none"> <li>Work with business teams to ensure they are listened to and the impact on their work is understood.</li> <li>Support workstream leads to carry out change impact assessments and gather requirements.</li> <li>Engage with Key users, business teams and staff to Work with Implement change initiatives.</li> </ul>
<b>Workstream Leads (Finance and Procurement)</b>	<ul style="list-style-type: none"> <li>Lead the design and delivery of appropriate technology and process solutions to support improvements to Croydon Finance and Procurement business processes.</li> <li>Engage and manage users to build buy-in and support within service departments and the wider Council, to drive improvement.</li> <li>Lead improvement processes and ensure these are reflected in the Oracle or other technical solutions as well as "joining up" with the other relevant organisation processes.</li> </ul>
<b>Technical Architect</b>	<ul style="list-style-type: none"> <li>Oversee the design and delivery of technical aspects of the programme, working closely with the programme team, third party technical teams, and implementation consultants to ensure quality solutions are implemented.</li> <li>Plan, manage and coordinate the release and deployment of new solutions to ensure that "business as usual" is not adversely impacted.</li> <li>Liaise with the Council's technical and support teams to ensure solutions are documented, understood and supportable.</li> </ul>
<b>Test Manager</b>	<ul style="list-style-type: none"> <li>Leads the coordination of Systems Integration and User Acceptance Testing across the programme.</li> <li>Responsible for defining the Test Strategy and Plan for the programme.</li> <li>Keeps the programme team and business leads, and subject matter experts, informed of the progress and results of the testing activities.</li> </ul>

Role	Key Responsibilities
<b>Technical Resources (Backfill)</b>	<ul style="list-style-type: none"> <li>• Work closely with Mastek implementation consultants implement new solutions, interfaces, and reports.</li> <li>• Ensures hand over to support of new technical solutions and processes is effective and appropriately documented, understood and supportable.</li> <li>• Prepare environments to support configuration and testing.</li> </ul>

## 7.2 Change Management Arrangements

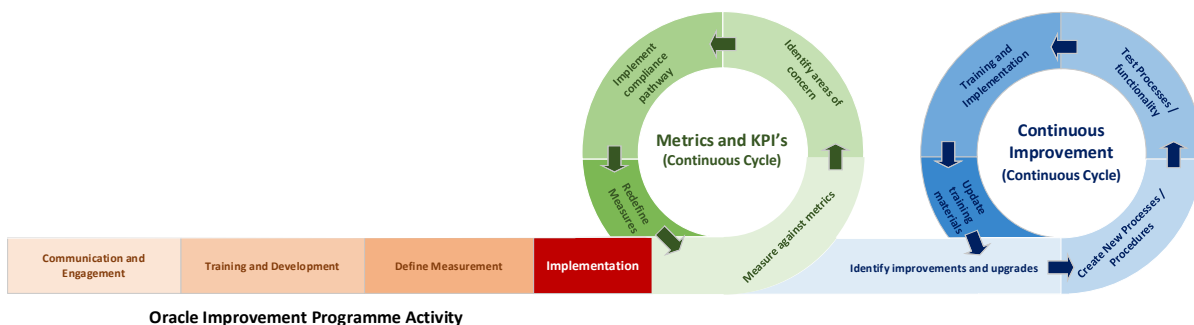
Whilst the Programme focuses heavily on technological improvement to ensure the Council makes better use of its Core Systems, there is a recognition that Change Management will not only help to drive and deliver these improvements, through training, communication and engagement, but will also focus on embedding the change in the longer term by developing key metrics, pathways and escalation routes for addressing behaviour where organisational procedures are not being followed.

There will be a strong focus on building a Continuous Improvement culture within the organisation, providing training and development to enable employees to identify opportunities for improvement in their day-to-day processes and building resource to enable the organisation to support the delivery of this activity.

Change Activity will be undertaken at both a workstream and Programme level to ensure that we not only focus on activity that will deliver the workstream outcomes but also to ensure that we identify cross cutting activity and work with end-to-end processes that impact multiple workstreams.

As with any Organisation that has undertaken a large volume of improvement activity over recent years Croydon has experienced change fatigue, a lack of engagement and issues with compliance around new processes / procedures. To address some of these issues the change activity for the programme has been split into three main parts:

- Oracle Improvement Programme Change Activity
- Metrics and KPI Activity
- Continuous Improvement Activity



## **7.2.1 Oracle Improvement Programme Activity**

As the Improvement Programme progresses, detailed change impact assessments will be undertaken at both a workstream and programme level to capture all the change activity required to support the implementation of the improvements identified.

The Impact Assessments will capture all communication, engagement and training activity required, which will then feed into detail communication / engagement plans and Training Impact Assessments. Measures will be identified for each workstream to enable the development of metrics and KPIs to monitor and address compliance, alongside the capture of any reporting requirements that will be required to enable us to report against these.

Due to the issues identified around change fatigue and lack of engagement, there needs to be an innovative approach to this activity so that it is not seen as a rework of the original implementation and shows that the programme is adapting to our culture and people.

## **7.2.2 Metric and KPI Activity**

A Metric and KPI Cycle will be developed to monitor compliance and improve accountability across the organisation. This will enable the identification of key areas of concern, which can then be targeted for further investigation and intervention.

A further support and escalation process will be developed, which will clearly define the steps and actions to be taken where there is non-compliance, including additional training, 1:1 support and escalation routes if the behavioural issues persist.

This will be a continuous cycle of activity undertaken at an agreed frequency and will enable Croydon to oversee compliance at an organisation level. The metrics should be redefined at regular intervals to ensure they reflect priority areas and any system or process changes.

## **7.2.3 Continuous Improvement Activity**

A Continuous Improvement Cycle will be introduced to empower employees to identify issues and potential improvements within their own areas.

A training and development approach will be defined along with the development of key tools to enable staff to challenge their own processes to continually improve and update the way we work.

A process for raising these issues will need to be introduced so that they can be investigated and supported by the appropriate team. This approach will encourage employees and teams to identify how processes can be improved and developed rather than defaulting to utilising off system workarounds.

This will be a continuous cycle of activity that will eventually be embedded into everyday working, encouraging staff to challenge their processes and determine more efficient and effective ways of working.

## 7.3 Benefits Realisation

### 7.3.1 Cashable Benefits

While not immediately able to deliver a payback on the investment being made, the improvements set out in the business case will be key enablers of future cashable efficiency savings for the Council and directly support the Mayoral business plan priorities:

- Priority: Get a grip on the finances and make the Council financially sustainable.
- Priority: Ensure good governance is embedded and adopt best practice.

The significant savings ambitions implied by the council changing its operating model set out in the updated Transformation Strategy will rely on the major changes proposed to the Procurement and Finance workstreams and the future changes that will come forward in the HR workstream.

There are in the current Medium Term Financial Strategy and existing Transformation Plan evidence of a return from this investment, through cashable savings relating to the transformation of the HR, Finance and Procurement functions which will rely on major improvements to the Oracle platform. A procurement and contract management improvement plan will set out savings to be delivered through business improvements enabled by the Oracle business case proposals.

The key non cashable benefits which will be realised through the delivery of the improvements set out in the programme are as follows:

### 7.3.2 Finance Workstream Benefits

Business Process	Benefit	Success Measures
<b>Income Collection</b>	<ul style="list-style-type: none"> <li>• Reduces manual effort to enable officers to focus on collection activities and improves the income recovery.</li> <li>• Provide additional tools to collection officers to improve collection rates.</li> <li>• Improved connections between finance and operational business area, ensure key information is shared.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in the outstanding debt collected.</li> <li>• Reduction in the % of debt which becomes overdue.</li> </ul>
<b>Planning &amp; Budgeting (Revenue &amp; Capital)</b>	<ul style="list-style-type: none"> <li>• Enabling budget managers to complete reliable forecasts on a timely basis.</li> <li>• Improve reporting productivity by reducing the amount of time spent on gathering and manipulating data, delivering reports faster, with greater data integrity and more accurate insights.</li> <li>• Utilise the system to reduce the manual effort to produce forecasts, and target individuals not completing the forecasts.</li> <li>• Utilise the system to generate a more accurate forecast.</li> <li>• Utilise the system to reduce the input required by finance to support the generation of the financial forecasts.</li> </ul>	<ul style="list-style-type: none"> <li>• % of budget managers completing forecast within the budget monitoring timeframe.</li> <li>• Reduce # of finance reports generated manually.</li> <li>• Increase % of Financial Reports published on-time.</li> <li>• Reduce % of time taken for data gathering, consolidation and reporting.</li> <li>• Reduce average cycle time to produce monthly forecasts.</li> <li>• % reduction in monthly forecasts variance.</li> <li>• % reduction in outturn forecast variance.</li> </ul>

Business Process	Benefit	Success Measures
		<ul style="list-style-type: none"> <li>Reduce % of time spent on routine finance activities vs % time spent on strategic activities.</li> </ul>
<b>Expenses – including Purchase Cards</b>	<ul style="list-style-type: none"> <li>Utilise the system to assist staff in only making claims which comply with the policy.</li> <li>Enable staff who do not have access to Croydon IT equipment to make online claims.</li> </ul>	<ul style="list-style-type: none"> <li>Reduce % of expense claims which are rejected when subject to audit.</li> <li>Reduce the number of paper expense claims submitted.</li> </ul>
<b>Cash management</b>	<ul style="list-style-type: none"> <li>Utilise system functionality to automatically reconcile further bank accounts.</li> </ul>	<ul style="list-style-type: none"> <li>Increase % of bank account reconciliations which are automatically reconciled.</li> </ul>
<b>General Ledger</b>	<ul style="list-style-type: none"> <li>Utilise the system functionality to automatically complete reconciliations and provide greater transparency over completeness.</li> </ul>	<ul style="list-style-type: none"> <li>Increase % of control reconciliations which are fully reconciled and reviewed.</li> </ul>
<b>Support Service Allocation and Recharging</b>	<ul style="list-style-type: none"> <li>Automate the support service allocation and recharge model.</li> </ul>	<ul style="list-style-type: none"> <li>Reduce the time spend completing the internal recharges.</li> </ul>
<b>System compliance and risk management</b>	<ul style="list-style-type: none"> <li>Utilise the system to reduce the number of role conflicts. This will prevent segregation of duty issues occurring.</li> </ul>	<ul style="list-style-type: none"> <li>Reduce number of role conflicts.</li> </ul>

### 7.3.3 Procurement Workstream Benefits

Business Process	Benefits	Success Measures
<b>Purchase Order Creation</b>	<ul style="list-style-type: none"> <li>Self-service supplier registration reduces the time to raise a purchase order.</li> <li>A more efficient requisition approval process reduces delays of commencement of work by suppliers.</li> <li>Improved control of purchase order spend against agreed contract value (via blanket Purchase Agreements) supports reduced instances of contracts expired and unapproved cost overruns.</li> <li>Improved reporting of retrospective POs supports creation of POs at the right time to ensure the Council is adequately legally protected and separation of duties are enforced.</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in average time to register a new supplier.</li> <li>Reduction of average requisition approval time.</li> <li>Increase in contracted spend as a % of total Purchase Order spend.</li> <li>Increase in number of suppliers used in agreed classifications (e.g. micro &amp; SMEs, VCSEs).</li> <li>Reduction in the number and value of retrospective purchase orders.</li> </ul>

Business Process	Benefits	Success Measures
	<ul style="list-style-type: none"> <li>Improved reporting of supplier spend by classification will support the Mayor's Priorities and allow us to report progress against these.</li> <li>Improved training/learning supports compliance to the process so reducing unnecessary effort to resolve issues and reputational damage with suppliers due to payment delays.</li> </ul>	
<b>Receipting</b>	<ul style="list-style-type: none"> <li>Improved learning and reporting support greater accuracy of the spend that appears on the general ledger due to individuals receipting the right amount at the right time.</li> </ul>	<ul style="list-style-type: none"> <li>Reductions in instances where total receipted amounts incorrectly exceed invoiced amounts per annum.</li> </ul>
<b>Invoice entry</b>	<p>Introduction of e-invoicing leads to:</p> <ul style="list-style-type: none"> <li>Less manual inputting - freeing up Accounts Payable staff for other activities.</li> <li>Improved supplier experience – better visibility of status of invoices. More invoices presented 'right first time'.</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in number of invoices entered manually.</li> </ul>
<b>Pipeline Management and Reporting</b>	<ul style="list-style-type: none"> <li>Supports improved visibility of future requirements with our supply base, enabling them to plan for upcoming procurements.</li> <li>Ensures appropriate time for development of procurement strategies and evaluation of potential options.</li> <li>Supports effective resourcing of procurements.</li> <li>Reduces instances of contract extension requests due to poor planning.</li> </ul>	<ul style="list-style-type: none"> <li>Reductions in unplanned additions to the pipeline.</li> <li>Reductions in waivers.</li> </ul>
<b>Contract Award</b>	<ul style="list-style-type: none"> <li>The introduction of e-signatures improves the time for contract signature, reducing risk of delay in commencement of service.</li> <li>The contract repository supports the creation of an easily accessible, complete record of all contract documentation to help ensure that terms are visible &amp; complied with.</li> </ul>	<ul style="list-style-type: none"> <li>Reductions in average time taken for procurements.</li> <li>Re-audit of completeness of contract documents for contracts awarded after implementation of repository.</li> </ul>
<b>Contract Management</b>	<ul style="list-style-type: none"> <li>Supports Contract Managers in contract administration, performance &amp; risk management to the required standards.</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of contracts with up-to-date performance status captured via the system.</li> </ul>



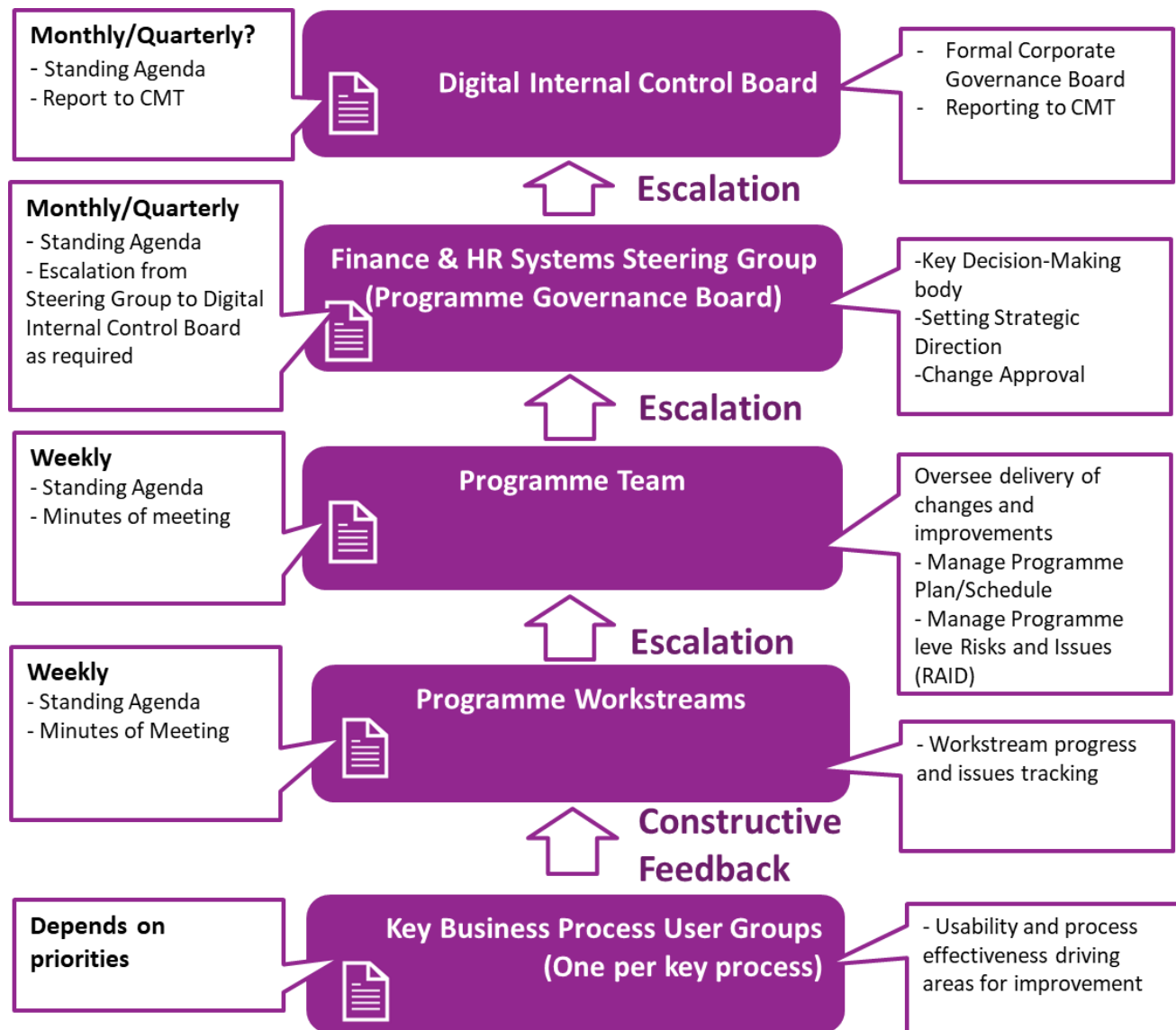


## 7.4 Implementation and Post Implementation arrangements

This Improvement programme will be delivered by a joint programme team that includes Croydon and Mastek resources.

The council has invested in a dedicated Programme Delivery Manager to monitor and manage the delivery schedule and a Business Change Manager to drive improvements and embed organisational change.

The following diagram shows the approach and governance to monitor progress and manage any issues during implementation:



### 7.4.1 Progress Monitoring

Progress towards delivery of the outcomes and milestones will be reported to the programme governance board monthly.

### Audit and Governance Committee oversight

The programme will provide regular updates to the Audit and Governance Committee.

## **Programme Scope Changes**

If during the delivery phase of the programme it becomes apparent that the scope of what will be delivered differs significantly from what has been agreed in the business case, then a change control request will be submitted to the Programme Manager and SRO for consideration. The governance board will either approve the change or provide a solution so that the project can be delivered within the original parameters.

As the improvement programme progresses there may be potential to consider using Oracle Cloud solutions to replace third-party solutions. These potential changes to scope will be assessed and considered using the programmes change process. An example of a solution currently out of scope is the Facilities Management Helpdesk solution.

## **7.4.2 Post-Implementation Arrangements**

### **Programme Closure**

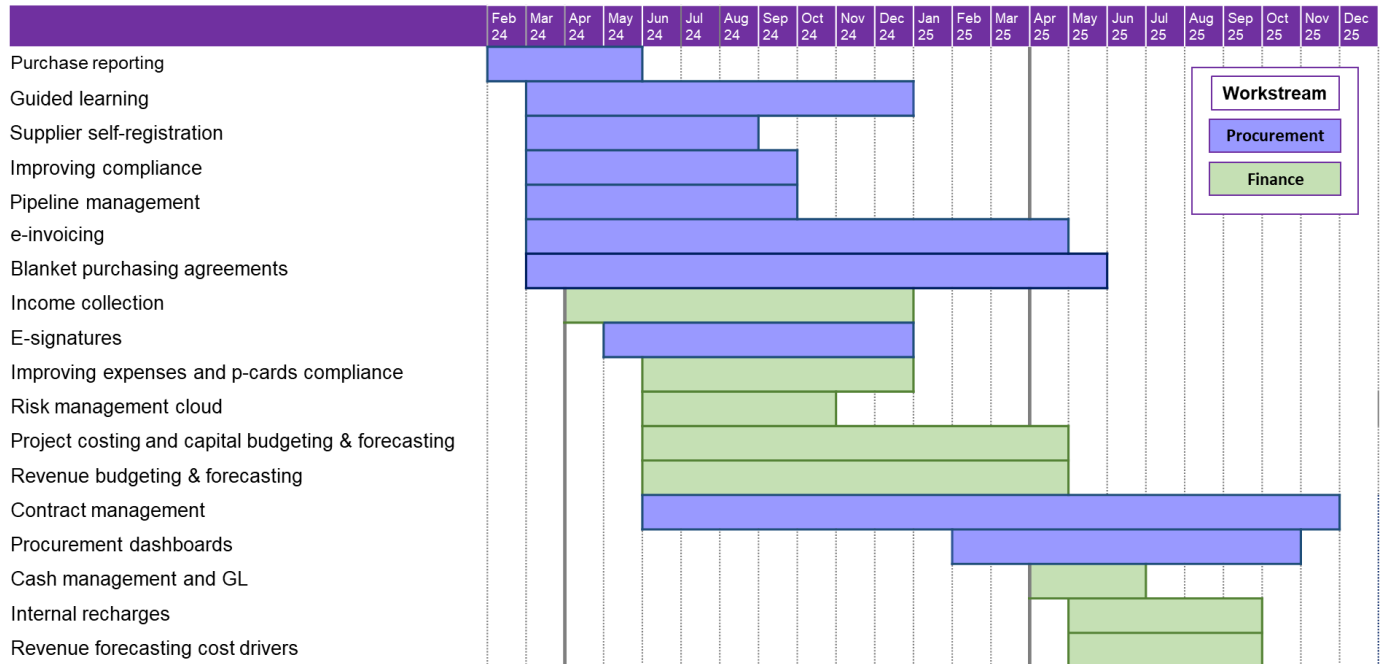
Once the delivery activity has been completed a Programme Closure Report will be completed and submitted for approval by the governance board.

The focus of the project closure report is:

- Status of the delivery of outcomes and benefits.
- Assessment of the health of the programme.
- Final report on risks and issues.
- A report of lessons learned.

## 7.5 Milestone Plan

The projects key milestones and their indicative delivery dates are included in the table below.



Workstream	Milestone Title	Milestone Description	Indicative End Date
Procurement	<b>Purchasing Reporting</b>	Deliver Purchasing reporting to support compliance & decision making.	May-24
Procurement	<b>Guided Learning</b>	Deliver embedded guidelines to support the purchasing process within Fusion.	Dec-24
Procurement	<b>Supplier Self Registration</b>	Go live with supplier self-registration to speed up the supplier set up process.	Aug-24
Procurement	<b>Improving Compliance</b>	Complete implementation of a range of activities to improve compliance to the purchasing process and measure impact.	Sep-24
Procurement	<b>Pipeline Management</b>	Go live with pipeline management system to support procurement planning process.	Sep-24
Procurement	<b>e-invoicing</b>	Complete implementation of e-invoicing to improve efficiency of invoice entry.	Apr-25

<b>Workstream</b>	<b>Milestone Title</b>	<b>Milestone Description</b>	<b>Indicative End Date</b>
Procurement	<b>Blanket Purchase Agreements</b>	Complete implementation of Blanket Purchasing Agreements to support control of contract spend.	May-25
Finance	<b>Income Collection</b>	Delivery of Improvements to account receivables and collections solution to reduce manual effort and provide tools to help Income collection.	Dec-24
Procurement	<b>E-signatures</b>	Complete roll out of electronic signatures for all contracts to aid process efficiency and lodging of contracts.	Sep-25
Finance	<b>Improving expenses and P-cards compliance</b>	Delivery of improved expenses solution and associated business process.	Dec-24
Finance	<b>Risk Management Cloud</b>	Delivery of a solution to give improve system controls.	Oct-24
Finance	<b>Project Costing and Capital Budgeting &amp; Forecasting</b>	Delivery of an improved solution to manage capital project finances.	Apr-25
Finance	<b>Revenue budgeting &amp; forecasting</b>	Delivery of an improved solution to manage revenue budget and financial monitoring.	Apr-25
Procurement	<b>Contract management</b>	Complete contract management system roll-out to support improved contract management practices and reporting (this will form part of a wider corporate implementation of e-signature functionality).	Nov-25
Finance	<b>Cash Management and GL</b>	Delivery of process improvements to the financial reconciliation and control environment.	Jun-25
Finance	<b>Internal Recharges</b>	Delivery of a solution to better manage internal recharges.	Sep-25
Finance	<b>Revenue Forecast Cost Drivers</b>	Delivery of a solution to automate the creation of high risk/high value financial forecasts.	Sep-25

Workstream	Milestone Title	Milestone Description	Indicative End Date
Procurement	<b>Procurement Dashboards</b>	Implement Purchasing, Procurement & Contract Management Dashboard to aid improved decision making (using data from multiple systems)	Oct-25