

# Oracle Improvement Programme Business Case

Audit & Governance Committee  
11 April 2024

# Why we are here

- Oracle HR Finance and Procurement system implemented in 2019
  - Minimum viable configuration
  - Did not take full advantage of what was available
  - Development team stood down post go-live
- Only essential updates since
- Oracle has been enhancing applications on a quarterly basis
- Summer 2023 maturity assessment – a long way from best practice
- Council still operating many manual systems, relying on off system reporting, compliance issues.....

# Developed Guiding Design Principles

Start with the **Oracle recommended “best practice”** processes and configuration.

**“Adopt not Adapt”** this may mean changing our process need to change to work with the system – do not bespoke the system to match our process.

Move to **“on system”** processes where possible.

The system should **record sufficient detail** to support processes.

**Data not to be stored outside of the system** (e.g. on spreadsheets, emails etc).

Management and Business Information to be made available through **dashboards**.

Avoid the need to re-key data, **automate and use AI** where possible.

We need to become a **“Best Value”** Council.

**Increasing value** from the investment in the system.

# Summary of the Procurement improvements planned

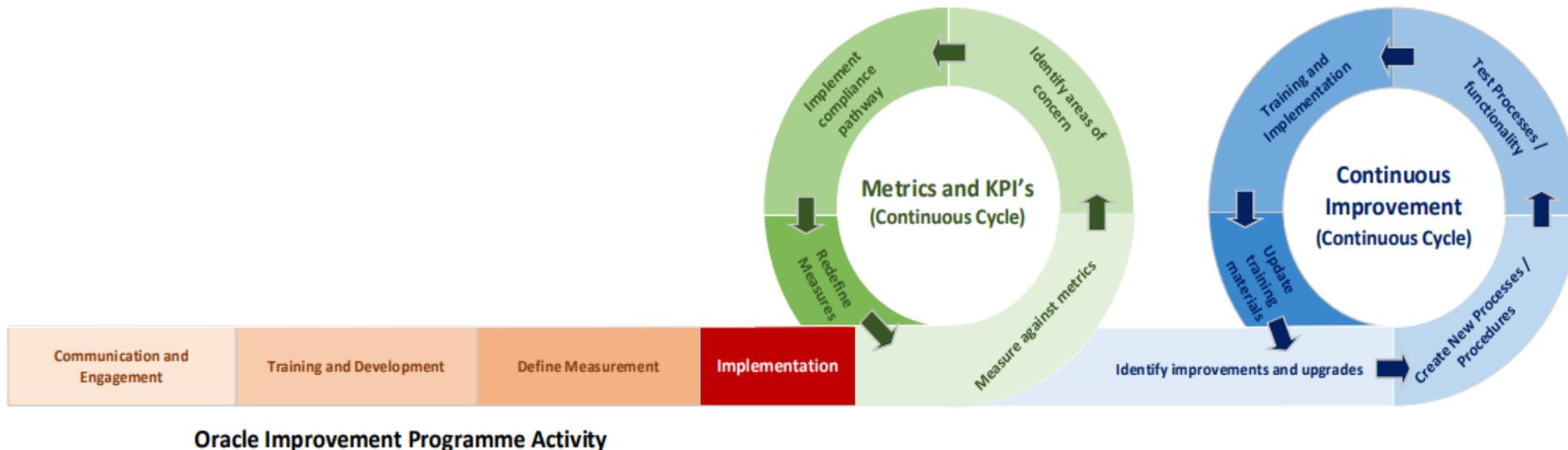
- **Guided Learning** within Oracle Fusion will be piloted across the purchasing process to provide guidance on specific activities within the system as people are about to undertake them.
- **Documentation/materials** used in the purchasing process updated to reflect key compliance messages (internally 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 such as **self-service registration for new suppliers**.
- The existing system in place for e-tendering (**In-tend**) to be developed for **pipeline management, e-tendering and contract management** requirements.
- **E-signature's** will be introduced. The aim is to integrate this into In-tend to support a more complete contract repository

# Summary of the Finance improvements planned

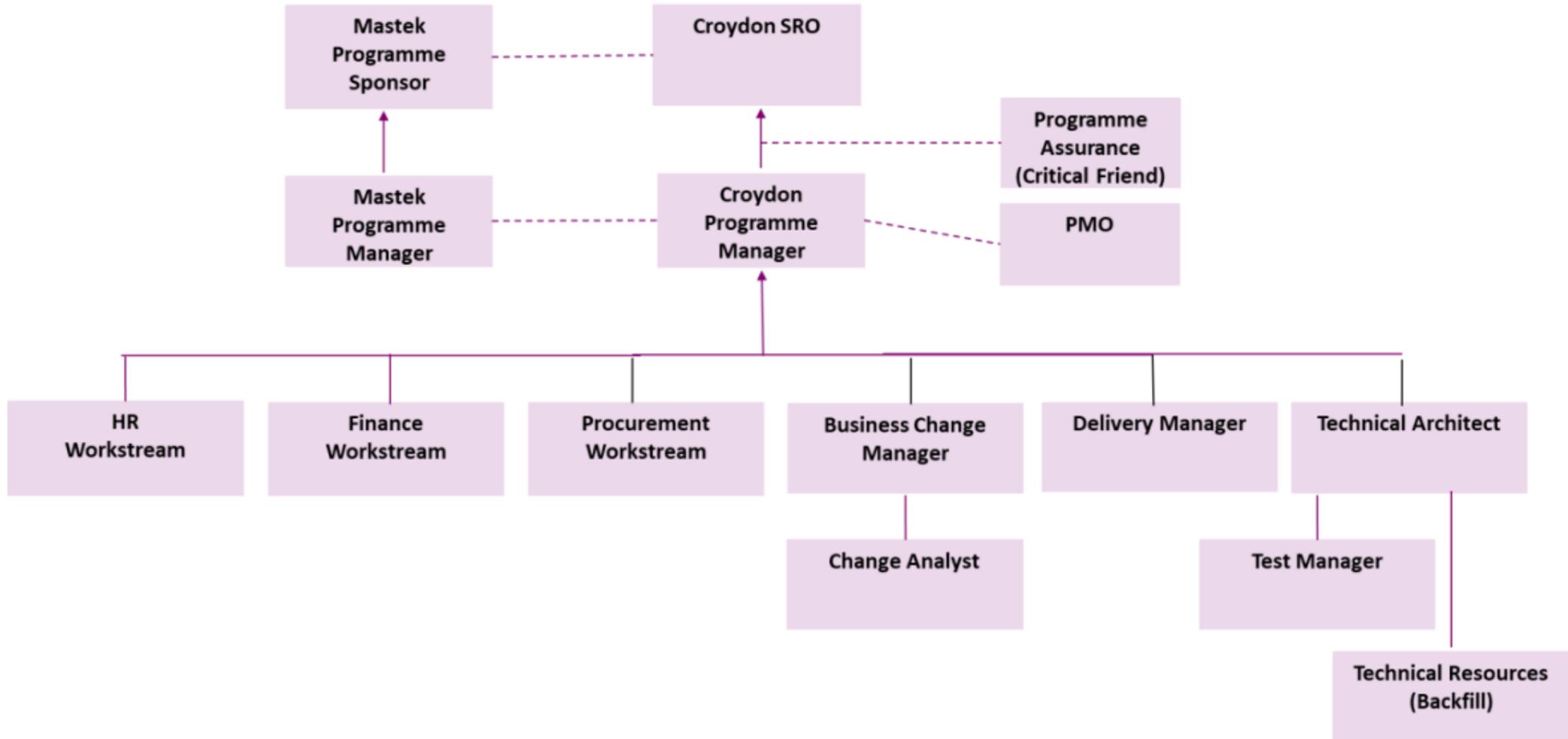
- **Accounts receivable and collections** - SMS reminder messages, refine the customer statements, Robotic automation, paperless direct debits
- **Cash management** - New bank file integration, automatic reconciliation, timely management review process
- **General ledger** - automation of sub ledger reconciliations, automation of key control account reconciliations, key reconciliation dashboard
- **Expense reimbursement and p-cards** - Entry securely via personal devices, mileage claim enhancements, improve violation rules, improve audit & reporting
- **Revenue forecasting** - improved user experience, corrections to staff costs automatically incorporated, cost center summary and commentary, historical forecasts, predictive planning to improve forecasting, transaction detail, key reports produced by system, including commentary.
- **Capital forecasting** - Move capital forecasting on system, move to whole life forecasting, historical forecasts, key reports to be produced directly from the system, including commentary.
- **System Compliance and Risk Management** - Monitor key processes to ensure they are operating effectively, & anomalies quickly identified, Identify areas of non-compliance and take action to resolve. audit of transactions and configurations to detect error, fraud, and waste.

# Change Management

- Significant change to current ways of working and behaviours
- Only be successful if the business process improvements enabled by the programme are thoroughly embedded into the business.
- Change activity for the programme has three main components: Oracle Improvement Programme Change Activity, Metrics and KPI Activity and Continuous Improvement Activity



## Oracle Cloud Implementation Programme Roles



# Financial Cost

- Capital expenditure funded from one off reserves
- Finance and Procurement business case
- Programme management
- Change management
- Contingency
- Excludes cost of HR Business Case at this time

	2024/25 (£000's)	2025/26 (£000's)	2026/27 (£000's)	Total (£000's)
Procurement workstream	620.7	120.0	0	740.7
Finance workstream	829.5	400.5	0	1,230.0
HR & Payroll workstream (Design)	113.0	0	0	113.0
HR Workstream business case	TBC	TBC	TBC	TBC
Programme & Change Management workstream	1,113.7	904.7	0	2,018.4
Contingency (c10%)				350.0
<b>Total</b>	<b>2,676.9</b>	<b>1,425.2</b>	<b>0</b>	<b>4,452.1</b>
Remaining budget previously approved				(530.0)
<b>Net funding requested</b>				<b>3,922.1</b>

# Benefits Summary

- **Main Benefits**

- key data is held on system,
- single version of the truth from one system,
- strengthening data retention, data security, and improving audit trails.

- **Finance:**

- Improved revenue and capital budgeting and forecasting
- Improved income collection
- Stronger financial controls

- **Procurement:**

- Improved control of purchase orders
- Improved compliance with purchasing processes
- More effective sourcing and management of contracts

- Also enables cashable savings planned for HR and procurement and contract management and a key foundation for the Transformation Plan

# Key Risks

Risk	Mitigations	Residual Risk
<p>There is a risk that our scope and ambition of the programme is not widely understood.</p>	<ul style="list-style-type: none"> <li>• Ensure that the scope and ambition is clear and agreed with suppliers and business owners.</li> <li>• Business owners must take ownership of outcomes and ambition of the programme.</li> <li>• Key suppliers to attend programme governance meetings.</li> </ul>	
<p>The key business changes enabled by the programme are not understood and fully adopted across the Council.</p>	<ul style="list-style-type: none"> <li>• Business change is effectively planned, resourced, delivered and agreed by all.</li> <li>• Continuous improvement and a sustainable support model will be developed as part of the core objectives of the programme.</li> <li>• The People and Cultural Change Strategy must be inextricably linked with the Programme's Business change activity.</li> <li>• The consequences of noncompliance must be unambiguous with support from appropriate training materials.</li> </ul>	
<p>Competing demands across the organisation</p>	<ul style="list-style-type: none"> <li>• The Programme's key milestones are developed, and interdependencies confirmed, following wide consultation across the organisation.</li> <li>• Programme board will keep this risk under constant review and will work with the Corporate Management Team to manage any inter-dependencies.</li> </ul>	

# Key Risks continued

Risk	Mitigations	Residual Risk
There is a risk that knowledge may not be transferred from the programme team to Croydon Staff	<ul style="list-style-type: none"><li>• Backfill of key Croydon resources to allow them to work on the programme.</li><li>• Updated documentation and training is delivered as part of the Programme</li></ul>	
HR Workstream Business case delivery delayed	<ul style="list-style-type: none"><li>• Develop detailed action plan.</li><li>• Additional resources onboarded from mid-February 2024.</li><li>• Two-weekly workstream progress report to board.</li></ul>	

# Personas



March 2024



# What it Means to me - Manager



## Current

## After Improvements

☹️ There is no clear process in place for forecasting and many of the forms I need to complete are located in different locations off of the system, making the process difficult to navigate. I am unable to review my historical forecasts and commentary to understand how my budget has changed or effectively align my budgets from year to year

😊 There is a clear and straightforward process in place to enable me to accurately forecast against my budget, with fit for purpose links and forms to enable me to complete the process. I am able to view my historical forecasts and any commentary previously entered to ensure that my current forecasting reflects and aligns with historical data



# What it Means to me - Employee



## Current

## After Improvements

☹️ The process for adding new suppliers within Procurement is time consuming as we need to request the information from the supplier and then enter it all onto the system. The approval process for my requisitions is slow and where staff are on leave some requisitions can get stuck in the system.

😊 I like the use of supplier self registration to onboard new suppliers is much more efficient than the previous process where we had to request and enter information ourselves. The approval process for my requisitions is also quicker.

☹️ I only raise a few requisitions a year and every time I go into the system I forget the steps that I am supposed to follow. I know that there are guidance documents available, but it means I have to come out of the system to review the document or often have to swap back and forward between the two screens

😊 As a requisitioner, I really like the Oracle Guided Learning. It provides hints and tips at key points in the purchasing process, so we input the right information first time. I know my procurement colleagues also like it as they have far fewer queries.



# What it Means to me - Supplier



## Current

☹️ When registering as a supplier with Croydon I receive an email requesting my information and then I have to wait until they have entered me onto the system before I can start any work or get paid

😊 I have been working as a supplier for Croydon for a long time. It can often be difficult getting my invoices paid on time particularly when purchase orders were not raised in advance

## After Improvements

😊 I am able to self register as a Supplier on Croydon's Supplier Portal, and I will receive training and guidance documents to assist me in the process

😊 With the new system I can only enter my invoice details on the system if a PO for the right value already exists. I make sure I do not start work until the PO is in place. This has greatly improved the process and my experience