IT Audit Findings
Sandwell Metropolitan Borough Council

Oracle Cloud Implementation

Year ended 31 March 2023

17 October 2023

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1. Executive summary

Throughout the year, the Council has continued to pay careful attention to the progression of the Oracle Fusion implementation programme, undertaking revisions to timescales and resources where required.

Specialist external resources have been scaled up over the year to fill identified roles alongside ring fencing internal Council staff to assist with undertaking programme tasks. The skills and capacity requirements now appear to be aligned to the resourcing model.

Due to the delays in finalising the design specifications for HR and Payroll, the Steering Committee has recently taken the decision to split the programme into two distinct phases in order to ensure there is sufficient time to perform the build and system testing stages:

- Phase 1 includes Finance, Procurement and Core HR functionality to support finance processes.

- Phase 2 includes Payroll, HR, Expenses, Absence and Time and Labour modules

The phased approach will lead to increased costs due to the additional resources required to deliver the HR and payroll workstreams post April. The programme need to accurately forecast these additional costs and ensure these are closely monitored.

However, by carving out the core finance functionality, the Council now has a greater likelihood of successfully implementing the Finance and Procurement workstreams by April. Priority should be focused on delivering this phase to avoid further delays.

The Council has introduced more robust and appropriate governance arrangements to lead the Oracle Fusion programme. This has provided improved connections between the Programme Board, process workstreams along with cross-cutting working groups such as data migration. The Steering Board receives fortnightly reports covering workstream progress, risks and issues to actively challenge the implementation partner, project management team and team leads.

Key recommendations:

- **Procurement:** The Council needs to extend the licences and associated support for both Oracle EBS and Fusion as they are due to expire in April 2024 and October 2024 respectively. This needs to be based on accurate user forecasts. Future cost savings could be made if a rebalancing clause is introduced into the Oracle contract.

- **Security:** The Council currently has no capability to manage user roles and identify segregation of duty breaches. They need to acquire a risk and compliance tool to monitor the appropriateness of security privileges as the use of spreadsheets is not fit for purpose and will not provide a workable future solution. A review to identify segregation of duty conflicts should additionally be factored into the overall project timescales.

- **Program Change:** The Steering Committee should challenge any changes that affect the overall cost, resources and timelines for Phase 1 Go Live.

- **Reporting:** The Steering Committee needs to continue to evaluate the progress of designing and testing 233 custom reports across each functional area to ensure progress remains on track.

- **Training:** The Council should review the mix of sessions to be delivered to ensure that key user and professional user training is not over reliant on the user performing their own learning through online modules and self-paced study. The timing of the training should also be brought forward to allow sufficient time before Go Live.

- **Go Live:** While efforts are being made to meet the phased Go Live dates, the programme needs to outline their contingency plans in the event that further slippages occur. It is therefore critical that the Steering Committee keep a close eye on missed milestones and challenge the likelihood of recovering time.

2. Oracle Fusion programme

Background

The Oracle Fusion implementation programme commenced in October 2019 with an original project cost of £5.64 million for all workstreams (Finance, Procurement, HR & Payroll). The relationship between the original implementation partner (Inoapps) broke down and impacted on the progression of the implementation. A new implementation partner (Infosys) was determined after Cabinet approval in December 2021. SOCITM Advisory provide additional project management support as a contracted resource.

The revised financial model shows total project costs of £9.8m (including a contingency fund of £1.2m) based on revised system implementer contract costs, new resource model and implementation date. Infosys projected a Go Live date of January 2024 although the Programme Board preferred to coincide with the financial year end and set a Go Live date of April 2024 for all workstreams. Subsequent revisions to the project plan have now moved the Go Live date for HR and Payroll to July 2024. Over half of the contingency fund has been consumed through additional resources to get the project timelines back aligned with the April / July 2024 Go Live timescales.

The mantra of the original programme was billed as a "lift and shift" but the refreshed programme with the introduction of a new system implementor has redirected focus to a 'adopt not adapt' approach. As part of the programme review, a benefits case has also been prepared to identify the strategic priorities from the implementation of Fusion and the benefits/savings that are expected to be achieved.

Integrations

The system landscape involves migrating Oracle EBS (for finance and HR) along with 13 systems (having multiple inbound and outbound interfaces) to a cloud-based Oracle Fusion solution. There has been some delays with the integration builds as a result of the design specification phases taking longer to reach approval in the HR workstream.

Data cleansing and migration

The programme has established a data cleansing strategy with standards outlined for addressing the integrity of the data, e.g. completeness, accuracy, duplication, consistency. The approach for migrating the data has also been determined including how the data will be reconciled and validated by business users. The programme has split the migration of data into seven tranches (CRP2, CRP3, SIT, UAT, PPR, Dry Run, Cutover) in order to continually assess the progress made. Data migration targets have been set for both master data and transactional data for each data migration tranche. The programme completed CRP2 and CRP3 earlier this year and is now focused on system Integration testing (SIT) for Finance and Procurement workstreams. Attention is being paid to identifying known defects for resolution.

3. Scope of review

Grant Thornton has performed a high-level overview of the programme, assessing

- Revised project governance structures, budgets and resource plans;
- System and user acceptance testing;
- Data migration;
- Security;
- Go live planning;
- Training; and
- Business readiness and change.

Our review of the Oracle Fusion programme was performed between September and October 2023. Key meetings have been held with the Project Director and representatives from Programme. We have also inspected key project documentation to further our understanding.

Our findings for the Audit Committee are summarised in pages 6 to 11 and include recommendations for management.

4. Detailed findings

Procurement

Oracle Fusion licences were procured in October 2019 with a contract length of five years at £700k per annum. Inoapps, the former system integrator provided support with the commercial management of these licenses.

The licence cost of £3.5m was paid in full, although only a small proportion of licences are required to start development activities.

The Council has not revisited the project procurement decisions made in October 2019 and it is unclear whether there is in-house expertise with sufficient depth and knowledge to undertake the Oracle licencing activities. We have highlighted the following areas where additional focus is now required:

- Oracle Fusion licences – These are due to expire in October 2024.

- Oracle EBS licences- These are due to expire in April 2024.

- Recruitment platform licences- The vendor is changing the structure of their platform in March 2024 which will not be compatible with Oracle EBS. The Council will be required to upgrade the integrations with this platform although there will be limited benefit until Oracle Fusion is implemented in July 2024. The Council currently has no proposed solution to cover recruitment activity between March and July 2024.

Findings	Recommendations
Fusion Licences: Licences procured are based on the number of users. Therefore, it is imperative that the Council has accurately calculated future requirements. It is unclear whether the original contract included a rebalancing clause. This may lead to the Council being at risk of overpaying for licences across the contracted term Oracle will perform a licence audit within two years of Go Live.	**Fusion Licences:** The Steering Committee should revisit the contractual terms and conditions with Oracle and seek clarity on whether there is room to negotiate on the previous contract. They should also understand the proposed licencing costs and whether this aligns with a phased Go Live approach. It is imperative that future contractual arrangements include a rebalancing clause. Furthermore, the Council should develop processes for managing licences post Go Live to ensure they are optimised across the user base. In particular, the suspension of users upon leaving the Council will still result in an active and hence chargeable user licence.
EBS Licences: With the phasing of the project to extend to at least July 2024, and with a Finance requirement to access the system to perform year end reporting, an extension to the licence will be required. Delays to procurement decisions are likely to impact on Finance, HR and payroll business as usual activities.	**EBS Licences:** The Council should determine the number of licences required to perform year end reporting as well as HR activities by December 2023. Typically, Oracle only provides 12 month term agreements so it is critical to only procure the bare minimum licences.
Recruitment Platform Licences: The platform will not be useable from March 2024	**Recruitment Platform Licences:** As it is unlikely that the HCM module for recruitment will be ready in time for the platform redesign, the project needs to determine whether recruitment activities could be either performed manually during the gap time period or whether another interim solution could be employed.

4. Detailed findings

Security

The programme is in the process of defining the number of roles required for each workstream based on the approved functional specifications. These roles will be built using out -of -the -box 'seeded roles' with custom modifications where required. We have outlined a summary of current roles below although we understand that these are not yet finalised for HR, Payroll and System Administration.

Finance	Total	Split of roles	
		Custom	Seeded
G/L	4	1	3
Receivables	10	4	6
Collections	3	1	2
Expenses	4	not yet determined	
Payables	8	3	5
Cash Management	2	1	1
Total	31	10	17

Procurement	Total	Split of roles	
		Custom	Seeded
Requisitioning	5	1	4
Purchasing	3	1	2
Supplier Management	3	1	2
Supplier Portal	6	2	4
Contract Management	6	1	5
Supplier Qualification	2	1	1
Total	25	7	18

Segregation of duty matrices have been created for Finance and Procurement using spreadsheets. We understand that the project does not plan to procure a tool to monitor whether the roles create segregation of duty conflicts; preferring to use these spreadsheets to devise which privileges will be assigned.

The plan is to provide these custom roles for use during the user acceptance testing stage so that testers can closely represent the access rights that will be assigned to business users at Go Live.

Findings	Recommendations
Security Design: Even though Oracle, as the Council's cloud provider, will play a role in the security of your cloud infrastructure, the Council is still responsible for maintaining best practices to keep data safe.	**Security Design:** The Steering Board should have dedicated reporting on the development of custom and seeded roles per workstream, along with any changes to the total number of roles. While using seeded roles may be an easier option when timeframes are tight, it is not recommended if this transfers pre-existing segregation of duty conflicts across to the production system.
As at the end of September 2023, privileged administrative, HR and payroll roles have not yet been defined or created.	The programme needs to agree clear milestones for defining and completing Admin roles. Administrative privileges should be granted on the basis of least privilege. In particular, firefighter IDs should be setup as a temporary time-bound assignment of privileged access for contractors and service providers rather than permanent provision.
Monitoring Segregation of Duty Conflicts: To provide effective security management, the Council will need to ensure that they have the capability to manage user roles and identify segregation of duty breaches. However, the Council has not purchased the Oracle Governance, Risk and Compliance tool to monitor segregation of duty risks. Furthermore, there is no budget assigned for implementing a monitoring tool. Out-of-the-box seeded roles inherently contain segregation of duties conflicts. If custom roles have been build using a hybrid solution (seeded roles with modifications), there is a risk that • excessive access rights are assigned to users • system-enforced internal controls are bypassed • unauthorised changes made to system configuration parameters.	**Monitoring Segregation of Duty Conflicts:** The Council needs to procure a segregation of duty monitoring tool. While there are several tools available in the market to flag segregation of duty conflicts, careful attention should be paid to the reporting capability and whether there are supporting processes in place to monitor and resolve identified issues. We recommend that Internal Audit perform an initial review of the role design against a segregation of duty matrix in January to determine whether the roles are fit for purpose. There may be limited opportunity to make revisions to the roles ahead of Go Live if issues are identified too late.

4. Detailed findings

Program change

Changes to the functional design specification are considered by the Design Authority via the Change Control process. An impact assessment including time, cost, scope is reviewed.

While the design phase has now been approved, delays have occurred to the original timetable primarily as a result of the HR workstream..

Findings	Recommendations
The programme has experienced change requests in relation to the chart of accounts during the discovery phase. This has led to delays in report approval and progression to build.	While individual proposed changes may not appear significant, the Council needs to understand the wider interdependencies that will impact on the delivery timeline, resources and budgets.
The programme has already had to rephase the project to accommodate the delays in the HR workstream and further changes will compromise the ability to Go Live in April 2024 with Finance and Procurement.	The Steering Committee should challenge any changes that affect the overall cost and timelines for Phase 1 Go Live.
It is critical that as the programme progresses towards user acceptance testing, any further changes to the production build are limited, to only those considered essential.	The Council needs to refrain from proposing design changes as well as internal reorganisation changes since these will have a fundamental impact on the Oracle build.

4. Detailed findings

Business reporting requirements

The programme has an agreed a total reporting catalogue of 233 custom reports based on the specification of business requirements. This represents a significant reduction from the 500 custom reports used within Oracle EBS as the programme looked to 'adopt' rather than 'adapt'.

Not all of the reports can be delivered in time for go live so the programme has analysed the criticality of all HR, Finance and Procurement reports that are considered 'core' (Priority 1-3, totally 212) and necessary to be in place for Day 1. The project has flexed the proportion of reports to be delivered across the priority bandings.

Priority Rating	Number of custom reports	Related area			
		HR	Payroll	Procurement	Finance
P1 Business Critical/Legal & Statutory	**30**	9	4	0	17
P2 Functional & Operational	**89**	33	12	15	29
P3 Management/ P4 Ad Hoc	**114**	16	42	20	36
Total	**233**	**58**	**58**	**35**	**82**

A delivery tracker is being used to monitor progress against developing the reports which is shared with the Steering Committee each fortnight. There have been some delays in approving the development of the reports but the programme is still targeting P1 and P2 reports to be available for user acceptance testing. P3 reports will be tested before Go-Live, P4 reports will be tested in the Hypercare phase.

Findings

The Council has agreed a set number of reports (233) as part of the Statement of Works. While the overall number of reports has remained constant, there has been movement between the priority bandings and the workstreams. This is partly to reflect the introduction of phasing but also some reports still require decisions to be made on the design specification.

There is considerable effort still required to develop these core reports in readiness for user acceptance testing and Go Live.

Recommendations

The Steering Committee needs to continue to evaluate the progress of designing and testing reports for each functional area and challenge where reports are moved downwards between bandings (P1 to P2, P2 to P3, P3 to P4).

If deviations occur, the Council may need to start contingency planning as to how they will manage business as usual activities should reports will not be in place from Day 1. This will need to consider the suitability of manual processes, communication of alternative ways of working and training plans.

4. Detailed findings

Training

The programme has adopted a blended approach to learning, recognising that the needs differ across the Council according to the type of role performed. SMBC has distinguished future users of Oracle Fusion between 'key-users', 'professional users' and 'end-users'.

End users includes those employees that require occasional access to perform self-service tasks such as accessing payslips or recording absence within Fusion. Their training will be predominately provided through use of standard modules within an online tool, Oracle Guided Learning (OGL).

For professional users, that will extensively use either HR, Payroll, Finance or Procurement modules, their training will be a hybrid of instructor-led and self-paced learning to acknowledge areas where the programme has had to adapt from standard Oracle processes.

Key users will have a far deeper understanding of Oracle and will be used to lead the training, following a train the trainer approach. The programme has identified those users that will form part of this group.

SOCITM are currently designing the learning matrix to capture and allocate the required learning modules across the programme. This is to ensure that employees only receive the learning modules that are relevant to them. The training matrix is part of the Learning Plan which has now been approved by the Programme Board. Timelines for delivering the matrix has not yet been defined.

The programme is aiming to deliver training for Finance and Procurement professional users between Feb and April 2024. Payroll and HR training will be delivered between April and June 2024

Findings	Recommendations
Finance and Procurement training is expected to be completed before Go Live. However, the timings for these training sessions could be tight if the programme experiences further delays.	The Council should ensure that completion of training modules for Professional Users is factored into the Go Live decision-making process.
Professional user training includes a combination of • 7 self-paced learning sessions; and • 23 instructor-led sessions	
While a mix of learning strategies will provide flexibility to deliver the content across SMBC's user base, the effectiveness of the learning will depend on the relative weighting between these methods.	It will also be important to establish whether the instructor-led events will be in person or over video conferencing as remote instructors facilitating groups may reduce the effectiveness of users understanding of the content or asking relevant questions.
It is currently unclear whether there is an expectation for self-paced learning and OGL to be performed during business working hours or in a user's own time.	As professional training will require key users to deliver the content, provisional bookings should be made to ensure the trainees have dedicated time to attend.

4. Detailed findings

Go live planning

Due to the delays with the HR and Payroll workstream, the Board approved the split of the programme into two distinct phases in order to ensure there was sufficient time to perform the build and system testing stages. The decision was ratified in September 2023 as follows:

- Phase 1 will now include Finance, Procurement and Core HR functionality to support finance processes.

- Phase 2 will include Payroll, HR, Expenses, Absence and Time and Labour modules.

Go Live plans for Phase 1 include a direct cutover from Oracle EBS to Oracle Fusion in April 2023. Phase 2 will include a parallel running of payroll between March and May in order to cutover in July 2023.

However, Oracle EBS will need to remain accessible in order for finance to perform year end reporting.

The programme has created resource management plans to enable the tracking of resource requirements. Hypercare has been arranged for up to three months after Go Live but clarity is needed as to whether this will be extended given the phased approach. The programme is currently considering what their revised target operating model will look like to reflect the move from an on-premise to a cloud-based solution.

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Findings	Recommendations
Resourcing and Cost Management:	**Resourcing and Cost Management:**
The original programme costings included 3 months of hypercare. Given the move to a phased approach, the programme has not estimated the requirements for hypercare to extend beyond July to support Phase 2.	The programme should ensure resource contracts for external hires (including SOCITM and Infosys) and key internal resources are extended in line with the new phased approach. The Steering Committee needs to assess the forecast costs associated with a phased approach (extended resources and a possible second hypercare period).
IT Operating Model:	**IT Operating Model:**
Migration to the cloud not only presents a new type of infrastructure and agile working practices, it also puts a host of new technologies at the Council's disposal. One of the challenges faced will be developing the expertise to make use of them.	Organisations adopting the cloud need an understanding of Oracle's shared responsibility model, being clear around what they want to use it for and make sure they have the necessary expertise to help them meet their objectives. This will require upskilling existing staff who currently only have Oracle EBS experience. Post Go Live, the Council should ensure that IT resources are actively monitored to optimise utilisation; knowing what is in use, who is using it and how much it is costing. Decision making will be more effective, if comparatives for usage and requirements from the current on-premise EBS infrastructure are available.
Contingency planning	**Contingency planning**
If the April (phase 1) and July (phase 2) milestone cannot be met, the next viable date is likely to be October 2024 to coincide with the half year. This would incur significant cost from extending contractors, additional effort to migrate open transactions, reperformance of training sessions and additional test cycles.	While efforts are being made to meet the phased Go Live dates, the programme needs to outline their contingency plans in the event that further slippages occur. It is therefore critical that the Steering Committee keep a close eye on missed milestones and challenge the likelihood of recovering time.

4. Detailed findings

Governance

Following reviews of the programme in 2022, the programme has taken the opportunity to re-evaluate and redesign the governance structures in place.

This has provided an improved connection between the Programme Board, Business Readiness Group and Implementation Board. In addition, there are workstream groups (Finance, Procurement, HR and Payroll) and cross-cutting working groups (change management, reporting, data migration, and implementation planning) meeting on a weekly basis to discuss progress.

The Programme Management Office is providing support to each of these groups and ensuring that programme documentation is being completed.

A resource model has been developed setting out roles and timescales for each individual role involved in the programme.

Findings	Recommendations
The programme is effectively monitoring the process workstreams and cross cutting working groups with sufficient reporting provided to the Steering Committee. The one area where further attention should be given is security as this is not separately reported on in the fortnightly Steering meetings.	Please refer to the recommendations provided under the security section.
SOCITM have provided detailed gantt charts over how the rephasing of the projects has altered each workstream component. However there is little analysis over the reduction in days and challenge as to the achievability of these revisions.	Greater challenge should be provided by the Steering Committee over the amendments to the overall timescales with the phased approached.

5. July 2024 Updates

July 2024 Updates

The programme has been progressing the development and testing of system functionality, reports (priority 1 and 2) and interfaces for Finance and Procurement. While there has been some delays on the HR and payroll side due to resource constraints, progress is being closely monitored. The first payroll parallel run is complete and two further ones are scheduled before go live.

However, on 4th July, the Board took the decision to further delay the programme as activities required for cutover in July (HR and payroll) and August (Finance and Procurement) were not sufficiently progressed. The project timeline has been extended by another two months to ensure readiness for cutover with less workarounds post go-live. Details of the new agreed timelines are below:

Go/ No Go Decision	5th September
HR & Payroll Go-live	24th September
Finance & Procurement Go-live	14th October
All Users Go-Live	21st October

The Council should consider the following areas of the Oracle project:

Procurement

Oracle EBS licences have now been extended until 31 December 2024, however the programme should re-evaluate this extension as access is likely to be required into 2025 to complete the FY24 audit.

The total cost agreed for the new Oracle Fusion licenses is £1m. Management has negotiated a reduced fee based on a lower number of users. We are yet to receive a breakdown of users requiring access for procurement, finance, payroll and HR modules in order to assess whether the user base has been appropriately calculated..

Security

A security matrix has now been approved for Finance, Procurement, EPM and System Admin. We would recommend that the programme's next steps are to assess the assignment of roles to users, i.e. if multiple roles are assigned to one user, this could inherently create segregation of duty conflicts.

The programme has also procured Oracle Risk Management Cloud (ORMC) within the new contract. The programme had expected this to be implemented after Phase 1 Go Live as part of the quarterly release timetable. With the push back of Go Live dates to September/ October, the programme should determine whether the roll out of ORMC can be integrated into Phase 1 to provide control over roles and privileges from the outset.

Budget

Revisions have been made to the budget in November 2023 with an approved £1.2m increase, taking the new projected spend to be £14m. We understand that phase 2 spend (including ORMC) has not been included in this budget. The Council should therefore understand future commitments and projected spend.

6. Action Plan

Action Plan

Since delivering the initial report findings in October 2023, the Council has considered the findings and recommendations.

Updates have been provided between March and May 2024 for each recommendation and these are presented along with associated actions, owners and target dates.

Updates to recommendations:

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5. Action Plan- Procurement

Recommendations	Latest Position	Action	Owner	Target date	Status
Fusion Licences The Steering Committee should revisit the contractual terms and conditions with Oracle and seek clarity on whether there is room to negotiate on the previous contract.	2 year contract renewal agreed on 31/05/2024. The agreed licence unit costs are either less than or at the same rate as the 2019 agreement despite us agreeing at 10% uplift in the 2019 agreement. Without the negotiations the licence costs based upon the 2019 unit costs and 2024 licence numbers would be £1.7M per annum. Further negotiations and pressure exerted on Oracle saw annual licence costs reduce to £1.4M then £1.3M before finally landing at a figure less than £1M. The price is capped at a maximum increase of 8% protecting us from excessive year 3 costs and above.	Programme Team to confirm future license numbers Oracle Contract Negotiation approach to be planned with Procurement HoS Engagement with Oracle.	Programme Manager SRO / AD for ICT / Head of Procurement / Commercial Lead	31/05/24	**Closed**
They should also understand the proposed licencing costs and whether this aligns with a phased Go Live approach. It is imperative that future contractual arrangements include a rebalancing clause.	A cross pillar rebalancing clause is included in the new contract	Review rebalancing clause opportunity within new contract.	Commercial Lead	31/03/2024	**Closed**
The Council should develop processes for managing licences post Go Live to ensure they are optimised across the user base, as the suspension of users upon leaving the Council will still result in an active and hence chargeable user licence.	Approach to monitor licenses will be defined as part of the Support Operating Model	Ensure management of licenses process is designed as part of Support Operating Model development	Programme Manager / Support Operating Model SME	31/03/2024	**Closed**
EBS Licences The Council should determine the number of licences required to perform year end reporting as well as HR activities by December 2023. Typically, Oracle only provides 12 month term agreements so it is critical to only procure the bare minimum licences.	The EBS License renewal for 24/25 has 3 parts to it - Support, Hardware and Software. Support order in place Dec 23 Hardware and Software orders approved March 24 – extended to Dec 24 to allow for financial year end audits.	Orders to be placed with Oracle.	Finance Lead / Programme Mgr	31/03/24	**Closed**
Recruitment Platform Licences: As the HCM module for recruitment will not be ready in time for the platform redesign, the project needs to determine whether recruitment activities could be either performed manually	The Oracle Fusion Go-Live is now forecast for July 24 for all modules. Process mapping is now taking place to identify a manual process for the 3 month period between April and July. Resources to support this period will also be confirmed.	Process mapping to identify manual recruitment process and resource impacts during April - July 24	Change Lead	31/03E/2024 Manual process in place for recruitment	**Closed**

5. Action Plan- Security

Recommendations	Latest Position	Action	Owner	Target date	Status
Security Design The Steering Board should have dedicated reporting on the development of custom and seeded roles per workstream, along with any changes to the total number of roles. While using seeded roles may be an easier option when timeframes are tight, it is not recommended if this transfers pre-existing segregation of duty conflicts across to the production system.	Security Matrix now approved for Finance, Procurement, EPM and System Admin. Programme Board Sponsors supported by the Audit team have reviewed and been asked to approve all roles, including any custom roles along with segregation of duty requirements. HCM seeded roles and access were tested as part of UAT and developed via incident management to align with the access and security requirements. The Security Matrix is now finalised and will be approved on 11/06 by Prog Board Sponsor and Audit. A collated Security Matrix showing all SMBC roles and SoD will be reviewed by audit and approved at Programme Board ahead of Go-Live.	HCM Security Matrix Sign off Collated Security Matrix to be approved at the Programme Board post UAT.	Prog Board Sponsor, Audit, Workstream Lead Programme Manager / Infosys Delivery Lead	11/06/24 04/07/24	**Open**
The programme needs to agree clear milestones for defining and completing Admin roles. Administrative privileges should be granted on the basis of least privilege. In particular, firefighter IDs should be setup as a temporary time-bound assignment of privileged access for contractors and service providers rather than permanent provision.	System admin and ICT technical roles have been identified as temporary roles subject to review as part of the Support Model. They have been approved by the Programme Board Sponsor and Audit. The collated security matrix will include these roles and will be approved by the Programme Board ahead of Go-Live.	Complete			**Closed**
Segregation of Duties: The Council needs to procure a segregation of duty monitoring tool. While there are several tools available in the market to flag segregation of duty conflicts, careful attention should be paid to the reporting capability and whether there are supporting processes in place to monitor and resolve identified issues.	Oracle Risk Management Cloud has been procured as part of new contract, to be implemented from August 2024 due to quarterly release timetable. Infosys confirmed as Implementation Partner.	Options paper to be developed to be reviewed at Programme Board	Programme Manager	31/03/2024	**Closed**
We recommend that Internal Audit perform an initial review of the role design against a segregation of duty matrix in January to determine whether the roles are fit for purpose. There may be limited opportunity to make revisions to the roles ahead of Go Live if issues are identified too late.	The Head of Internal Audit has confirmed Internal Audit will undertake this, once all relevant information is available. Head of Internal Audit will also support in any reviews with Programme Board Sponsors.	Internal Audit will support on an ongoing basis until final approval has taken place at Programme Board	Head of Internal Audit	04/07/2024	**Open**

5. Action Plan- Reporting

Recommendations	Latest Position	Action	Owner	Target date	Status
Business Reporting Requirements: The Steering Committee needs to continue to evaluate the progress of designing and testing reports for each functional area and challenge where reports are moved downwards between bandings (P1 to P2, P2 to P3, P3 to P4).	There has been movement between bandings as part of the programme design progressing and alignment of priorities. The initial numbers set out for each priority were indicative. Report status is reported through the highlight reporting process to the Programme Board on a fortnightly basis.	Continue to report on reports design and development to the Programme Board. Raise any areas where we are at risk of meeting targets and mitigations planned.	Programme Manager	Ongoing	**Closed**
If deviations occur, the Council may need to start contingency planning as to how they will manage business as usual activities should reports not be in place from Day 1. This will need to consider the suitability of manual processes, communication of alternative ways of working and training plans.	Reports have been categorised by SMBC in alignment with business priority. Finance and Procurement P1 and P2 reports will be ready at Go-Live. HR & Payroll – All P1 reports will be ready at go-live P2 Reports • 45 Signed-off, 03 pending sign off • 28 of 48 developed and tested • 20 of 48 Development resumed: 08 in progress, 12 to be started Prioritisation of remaining HCM reports P3 / P4 to take place, work arounds to be identified where required.	Infosys to develop and HCM team to test outstanding P2 reports Priorisation of remaining reports – identify any go-live critical reports and ensure work arounds in place	Infosys / SMEs Workstream Lead	04/07/24 04/07/24	**Open**

5. Action Plan- Training

Recommendations	Latest Position	Action	Owner	Target date	Status
The Council should ensure that completion of training modules for Professional Users is factored into the Go Live decision-making process.	This will be reflected in the exit criteria	Update to exit criteria	Training Lead	31/03/2024	**Closed**
It will also be important to establish whether the instructor-led events will be in person or over video conferencing as remote instructors facilitating groups may reduce the effectiveness of users understanding of the content or asking relevant questions.	Professional User Training will be delivered by a mix of Teams Instructor Led training and Self Directed. Teams Instructor Led training – based on the balance of cost, time and research that demonstrates this as an effective means of ensuring users understand content, we still believe we will achieve the right level of quality and learning with this training plan.	Review mix of training sessions	Training Lead	31/03/2024	**Closed**
As professional training will require key users to deliver the content, provisional bookings should be made to ensure the trainees have dedicated time to attend.	Agreed and part of plan .	N/A	N/A	N/A	**Complete**

5. Action Plan- Program Change & Governance

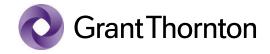| Recommendations	Latest Position	Action	Owner	Target date	Status
While individual proposed changes may not appear significant, the Council needs to understand the wider interdependencies that will impact on the delivery timeline, resources and budgets.	The Programme Change Request process ensures that impact assessments are completed for any change. At this stage in the project, all changes identified will be reviewed to understand the right point to implement the change.	Continue to raise any changes via the correct governance route for impact assessment.	Programme Manager	30/09/2024	**Closed**
The Steering Committee should challenge any changes that affect the overall cost and timelines for Phase 1 Go Live.	The Programme Board have approved changes to the Chart of Accounts and an updated plan to implement these changes which has resulted in a July Go-Live for all Modules. The associated impact to the Programme Budget has been approved and associated resource contracts have been aligned.	Continue to report on Programme Status to the Programme Board and ensure transparency of any risks to the updated Programme timeline, that they are raised and discussed.	Programme Manager	30/09/2024	**Closed**
The Council needs to refrain from proposing design changes as well as internal reorganisation changes since these will have a fundamental impact on the Oracle build.	All changes will be impact assessed and implemented at an agreed date. The corporate organisational restructure will not be effected in Oracle Fusion until post go-live.	Continue to raise any changes via the correct governance route for impact assessment.	Programme Manager	30/09/2024	**Closed**
Greater challenge should be provided by the Steering Committee over the amendments to the overall timescales with the phased approach.	Any further plan revisions will show if there is any change in duration to key activities.	Report and approve any duration changes with the Programme Board as part of any plan revisions or programme status updates	Programme Manager	30/09/2024	**Closed**

5. Action Plan- Go Live

Recommendations	Latest Position	Action	Owner	Target date	Status
Go Live Resourcing and Cost Management: The programme should ensure resource contracts for external hires (including SOCITM and Infosys) and key internal resources are extended in line with the new phase approach. The Steering Committee needs to assess the forecast costs associated with a phased approach (extended resources and a possible second hypercare period)	All resources and external hire contracts have been forecast in line with the July Go Live for all modules, and the additional 3 months of hypercare for all modules. These costs are including in the Programme Budget. This was completed	N/A	N/A	N/A	**Complete**
Go Live Contingency Planning While efforts are being made to meet the phased Go Live dates, the programme needs to outline their contingency plans in the event that further slippages occur. It is therefore critical that the Board keep a close eye on missed milestones and challenge the likelihood of recovering time.	The Programme Board has approved a July Go-Live for all modules. Programme Status is reported to the Board on a fortnightly basis.	Continue to report on Programme Status to the Programme Board and ensure transparency of any risks to the updated Programme timeline, that they are raised and discussed.	Programme Manager	30/09/2024	**Closed**
IT Operating Model Organisations adopting the cloud need an understanding of Oracle's shared responsibility model, being clear around what they want to use it for and make sure they have the necessary expertise to help them meet their objectives. This will require upskilling existing staff who currently only have Oracle EBS experience.	This activity forms part of the scope of the Support Operating Model workstream. Support Model design and structure agreed. Hr process is currently taking place to align existing resources where possible. 3rd party support contract larger in year 1 with knowledge transfer to upskill existing and new support team.	Support Model Lead	AD for ICT	31/032024	**Closed**
Post Go Live, the Council should ensure that IT resources are actively monitored to optimise utilisation; knowing what is in use, who is using it and how much it is costing. Decision making will be more effective, if comparatives for usage and requirements from the current on-premise EBS infrastructure are available.	Part of design and governance of the Support Model.	Support Model Lead	AD for ICT	31/03/2024	**Closed**

Appendix

This appendix contains a list of documents obtained from the Council during our review.

1.   Final Oracle Fusion Implementation costs and benefits case

2.   Programme Board Reports between July and August 2023

3.   Programme Organisation Matrix

4.   Governance Pack

5.   ERP Oracle Fusion Programme RAID

6.   ERP Oracle Fusion Project POAP

7.   Gateway 2 Modelling Phase exit

8.   Programme Board Gateway 2

9.   Integration Strategy

10.   Reporting Strategy

11.   Report Delivery Tracker

12.   Identify Cloud Service Strategy

13.   Oracle Application Security

14.   Role Matrix for Finance and Procurement

15.   Data Migration Strategy

16.   Data Cleaning Strategy

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