

ORIGINATOR: CHIEF CONSTABLE

PAPER NO: NS14/18

**SUBMITTED TO: NORFOLK AND SUFFOLK COLLABORATION PANEL -
3 SEPTEMBER 2014**

SUBJECT: ERP (ENTERPRISE RESOURCE PLANNING) PROJECT UPDATE

SUMMARY:

1. The Collaboration Panel has asked for an update on the progress of the ERP Project.
2. This report summarises progress to date and planned activities until the system goes live in April 2015. This summary explains that the project is on time and within budget.
3. This report also includes the project's Risk Register and refers to the risks highlighted in the collaboration update for the joint Finance Department, considered by the Accountability and Performance Panel on 13 August 2014.
4. Finally, this report refers to the recent audit of the ERP project by PWC.

RECOMMENDATION:

1. The Collaboration Panel is asked to note the content of this report, and consider the risks outlined and proposed mitigations to manage these.

1. KEY ISSUES FOR CONSIDERATION

- 1.1. In September 2012 and Norfolk and Suffolk Police Authorities and Constabularies agreed a business case to procure an Enterprise Resource Planning (ERP) System, to support Human Resources (HR), Finance, Procurement Duties Management and Payroll.
- 1.2. The contract for the ERP was signed in November 2013 and the project was formally launched on 11 April 2014. Go-live for the system is planned for 1 April 2015. This paper summarises progress to date against timescales and budget.

Background

- 1.3. As a result of the Constabularies ambitious collaboration programme many staff now work in joint teams, including the Protective Services Command, Human Resources (HR), Finance and Procurement.
- 1.4. As joint teams don't have shared systems a number of temporary solutions have been implemented which added complexity and waste to processes. In particular, it has been challenging to manage duties and establishment, as well as prepare accurate and timely financial information on separate systems where different configurations, processes and procedures have evolved.
- 1.5. These concerns were considered in a detailed business case approved by the Police Authorities and Constabularies in September 2012. The business case examined the impact of single systems on joint teams. It also identified savings of at least £1m per annum that could be realised from more efficient working if a single joint system was implemented. This is referred to in more detail in paragraph 1.10 below.
- 1.6. To address these concerns, the Norfolk and Suffolk Police and Crime Commissioners decided to procure jointly an Enterprise Resource Planning System (ERP) called t-Police. This system will support HR, Finance, Procurement, Duties Management and Payroll as well as provide self-service functionality for all staff. ERP is a term used to describe a single ICT system made up of computer modules linked together with a common database.
- 1.7. t-Police is being supplied by Capgemini, a large technology company who have successfully implemented this system for Cheshire, Northamptonshire and Lincolnshire Police. t-Police is based on the latest version of the Oracle e-Business suite for HR, finance and procurement functionality. This database is then linked to Oracle payroll and Crown for duties management.
- 1.8. t-police is a templated system, which means that its processes have already been engineered to be as efficient as possible, using modern technology to reduce bureaucracy and waste. t-Police has been designed specifically to support policing and police to police collaboration, having been built to recognise the legal framework policing operates within, police regulations and the police staff handbook.

Project Progress

- 1.9. The project was launched on 11 April 2014. Since then work has generally progressed well and the project is on schedule. There have been some challenges during the project to date, most notably around data migration, but these have been addressed by the project board and the project remains on track. Go-live is planned for 1 April 2015 and there is no anticipated delay.

Key activities completed to date:

- Hardware – Twenty five servers have been built and tested.
- Familiarisation Workshops - Thirty eight workshops were held to help the Constabularies understand how t-Police operates and to enable Capgemini to capture requirements specific to Norfolk and Suffolk.
- t-Police Set-Up - The system is now set up and operating on the Constabularies' network.
- Change Control Notices (CCNs) - Minor changes to t-Police identified by Business Leads during the workshops have been raised on CCNs and considered by the Business Change Authority (weekly meeting of Departmental Heads) and the Project Board. A summary of CCNs is attached at Appendix A.
- Interfaces – Interfaces to different systems such as the National Police Procurement Hub, STORM (command and control) and Chronicle (firearms) have been built and tested successfully, with testing scheduled by the end of September for the four remaining interfaces.
- System Integration Testing - Testing of the integration between the different modules in t-Police has been completed successfully.
- Data Migration - Difficulties in recruiting data migration staff delayed this work. Additional resources have now been allocated to data migration and the work has been rescheduled. There is no impact on the go-live date. Additional resources are Constabulary staff provided at no cost to the project, or contractors who will be paid from the project's budget.
- Training - Training days have been provided for Business Leads to become more familiar with the system.
- Communication – a communication plan has been prepared and updates at Senior Management Team Meetings are underway. A workshop has been held with Staff Associations to update them on progress.

Key activities planned before go-live

- User Acceptance Testing – The Constabularies will test all functionality provided by t-Police during six weeks of testing scheduled to begin on 6 October.
- Operational Acceptance Testing – The Constabularies have a number of tests scheduled over the coming months to check system performance, security, alerts, backup, failover and recovery.
- Data Migration – This work is ongoing, with four cycles of data migration planned before go-live.
- Training – A detailed training plan has been prepared and includes training for all Constabulary staff to begin in February 2015.
- Legacy Data – A scoping exercise is underway to identify any data which will not be migrated from legacy systems to t-Police. Options are being considered for storing and reporting on legacy data.

- Transition – transition plans are being prepared to ensure all tasks needed to enable technical and business transition from current systems and process to t-Police are in place and to plan for cutover activities and the decision to go-live.
- Communication – the communication plan will continue to be progressed, regular messages to staff will be provided near go-live, including drop in events and demonstrations.

Organisational Change Project

- 1.10 The organisational change needed to support the implementation of t-Police will be managed by the organisational change project, with a savings target of £3m. This project will design future processes and the organisational structure and resources needed to deliver the new operating model. It will also realise the benefits from more efficient working. The two projects work together closely, sharing a communications plan and governance arrangements as they report to the same Project Board. The approach being taken is to develop business processes to fit with the t-Police system rather than amend the system to fit existing business processes.

PWC Audit

- 1.11 PWC recently completed an audit of the project's governance arrangements on behalf of Norfolk Constabulary. The audit identified areas of good practice, management considerations and key risks. Management comments have been submitted and the final audit report is due to be published shortly. The risks raised by the audit are addressed on the project's risk register, which is considered at section three of this report.

2. FINANCIAL IMPLICATIONS

- 2.1. The Police Crime Commissioners agreed a project set up budget of £3.351m. The total budget across the project's seven year lifespan is £4.851m.
- 2.2. The current projected spend from the project set up budget is £3.294m. This can be broken down as follows:

Implementation costs to Capgemini	£1780.1k
Licences	£532.5k
Licence support costs (during implementation)	£212.4k
Capgemini hardware costs	£159.4k
Other hardware costs	£31k
Interface costs to 3 rd party suppliers	£80.5k
Specialist contractors for data migration	£161.4k
Employee costs (backfill, travel and accommodation)	£300.7k
Specialist ICT Training	£36k

- 2.3. The remaining £57k that has not been allocated will be used to provide further resources to assist data migration if necessary. The project remains within budget and is not expected to exceed this.

3. OTHER IMPLICATIONS AND RISKS

- 3.1. The project has its own risk register (attached at Appendix C), which is reviewed weekly by the Project Team and monthly by the Project Board.
- 3.2. PWC identified a number of risks, which are all addressed and managed through the risk register. PWC identified the risk of the delayed start to data migration. This has

been mitigated through the allocation of additional resources and rescheduling of activity so delayed work can be completed on time.

- 3.3. PWC also highlighted the impact on business as usual if resources are moved from usual activities to support the project. This has been mitigated by backfilling internal resources seconded to the project. Business Leads have also been able to return to their departments when necessary to complete key activities and Departmental Heads have used resources flexibly to assist the project.
- 3.4. However, PWC also identified that ICT staff are not backfilled and their use on the project could impact the Constabularies ICT programme plan. The ICT Programme Manager is monitoring the use of ICT resources so that this impact can be managed.
- 3.5. The Office of the Police Crime Commissioner for Suffolk asked for an update on a number of risks highlighted in a paper for the joint Finance Department, considered by the Accountability and Performance Panel on 13 August 2014.
- 3.6. This paper also flagged up the need to ensure that business as usual requirements are met. As explained above these are being dealt with through backfill and careful management of work.
- 3.7. This paper also refers to the risks associated with the transition to the new structure in the Finance Department post t-Police going live. This risk is being managed by the organisational change project, which also has responsibility for the adoption of new processes, and is not included in the ERP risk register.
- 3.8. However, the risk associated with managing legacy data and the decommissioning of legacy systems is included in the ERP risk register. Scoping work is underway to ensure all required legacy data is available post go-live of t-Police. Legacy systems will be decommissioned once the Project Board is satisfied that all required legacy data will be available once the legacy systems have been decommissioned.

ORIGINATOR CHECKLIST (MUST BE COMPLETED)	PLEASE STATE 'YES' OR 'NO'
Has legal advice been sought on this submission?	No
Has the PCC's Chief Finance Officer been consulted?	No
Have equality, diversity and human rights implications been considered including equality analysis, as appropriate?	Yes
Have human resource implications been considered?	Yes
Is the recommendation consistent with the objectives in the Police and Crime Plan?	Yes
Has consultation been undertaken with people or agencies likely to be affected by the recommendation?	Yes
Has communications advice been sought on areas of likely media interest and how they might be managed?	Yes
Have all relevant ethical factors been taken into consideration in developing this submission?	Yes