Meeting:	Overview & Scrutiny Committee
Date:	10 October 2006
Subject:	Business Transformation Partnership
Responsible Officer:	Director of Business Development
Contact Officer:	Director of Business Transformation
Portfolio Holder:	Finance and Performance Management
Key Decision:	No
Status:	Part I

Section 1: Summary

Decision Required

None – The report provides Overview and Scrutiny with an update on the performance of Business Transformation Partnership and its early Projects It also outlines issues and developments in HITS in their transformation plan.

Reason for report

Part of the regular reporting requirement.

Benefits

N/A Report for Update only

Cost of Proposals

N/A Report for review of performance only

Risks

The summary of key risks currently being managed are:

- The potential adverse impact of other Council Projects on the BTP
- The impact of large amounts of business change on the Council
- The required amount of benefits to be delivered by BTP

Implications if recommendations rejected

N/A

Section 2: Report

1 Programme Overview

The programme is managing its most difficult period as Access Harrow moves to its second phase and ERP and MIS go live. As a result development teams are leaving the programme, and teams responsible for stabilisation and new projects are being mobilised.

This is complex at a technical and organisational level as to some degree a new programme teams are being created at a time of maximum output. In parallel the benefits flowing from the new systems need to be harvested.

2 Access Harrow (formally First Contact)

The project is addressing areas of poor performance in the One Stop Shop and Contact Centre. This is primarily related to 'call' and waiting times for Housing Benefit enquiries. More active management has resulted in resources being more accurately matched to demand at busy times of the day. Regular break times for staff are an essential requirement in such an environment, but were creating a problem during peak periods. Greater flexibility in taking breaks will eliminate these problems and allow the Council to improve its response. The Committee will receive a full report on the Service Improvement Plan at its next meeting.

3   Access Harrow – Phase 2

The key documents related to the plans for phase two are being cleared internally. The programme team have agreed a revised delivery profile that reflects the priority of the Council to enable and realise benefits across the organisation. This revised approach has been developed following a discovery phase carried out by the BPR/Benefits team which has indicated those areas that will provide most benefit.

The whole Access Harrow project is now scheduled to complete in September 2007. The team required to deliver the 9 workstreams within this project are being engaged this month. It is expected that a further 25 resources will be brought on to the team by Capita.

The first three blueprints have been delivered for review to the Partnership management team.

Targets for the coming period:

- Complete resourcing (End September)
- Blueprint for Complaints, LLPG/ECC, Service Area Improvement (End September)
- Blueprint for Change of Address automation (October)

4   ERP

The ERP system went live on 4 September. In completing such a deployment in 11 months the Partnership has achieved one of the quickest implementations in local government of a system of this size and complexity. Following "go live" a large stabilisation team was mobilised to help the Council through its expected early difficulties. This team will maintain this level of support for 6-10 weeks, and will progressively hand over responsibilities to the Council to manage and support the system. Capita will continue to carry responsibility for key elements of the service.

Early problems included desktop deployment and the provision of user id's but HITS have helped to resolve these issues in a timely manner. A concerted effort has been made by the team to increase attendance rates at training courses.

After two weeks of operation about 150 staff members (including support staff) are using the system per day. This is low when compared to the number of expected users. The month end finance activity and the completion of procurement training will show a significant step change in the numbers of users.

Targets for the coming period:

- Completion of project training (End September)
- Stabilisation (Early November)
- Benefits cards (Early November)

4.1 Training

The ERP training plan was the largest single training activity ever undertaken by the Council. It encountered early technical problems as the performance of the training environment (the computer based systems) was unsatisfactory, resulting in the need to cancel and rearrange training courses. In addition the courses had a disappointing attendance rate of 66%, again resulting in a need to lay on additional courses. The original training plan ran until the end of September, with essential users being trained in August. This was revised to ensure that "business critical users" received their training within 2 weeks of the system going live.

Feedback on training continues has improved week by week. At 8 September 1517 have responded and described the course, training and administration as "good", in contrast to the early period when it was described as "fair" to "good".

Following the return of schools, nurseries and colleges in September, arrangements were made for training week commencing 18 September.

The Council is now considering options for incorporating the training requirements in its normal processes of induction and skills training.

5 MI

It was decided to delay the launch of the MI system to 18 September. This was to allow more time to complete system testing and to resolve a link into the framework-i social care system. The decision to delay the launch was based on a view that there were no benefits lost to the Council, and that the additional time would significantly increase confidence in the performance of the system. An additional benefit has been the further time available for training and refinement of the key scorecards.

Targets for the coming period:

- Final go-live (18th September)
- Training completion (End September)

6. Benefits realisation

Benefits are reviewed weekly and considered at the Programme's Operational Board. They are managed through the development, and agreement to Benefits Cards. The cards progress through a series of stages before the Council will sign them off as agreed. This table monitors progress on the current series of benefits cards.

	Total Benefit Opportunities	*Stage 1 Identified* (no. of SID's)	Stage 2 Under validation	Stage 3 Presented	Stage 4 Enable-ment	Stage 5 Testing	Stage 6 Full Sign off
ERP	36	6	8	18			
Procurem't	42	9	8		14	7	4
Access Harrow	22	10	12				
MI	1	0	1				
Cross Cut	12	12					

7. UNISON consultation

GMB requested 2 days facility time on BTP projects. This was considered at the Joint Consultative Forum on 14th September, where it was agreed to quantify more exactly resource requirements.

Unison and GMB have raised concerns about the management of health and safety within Access Harrow. This has culminated in a Hazard Notice being issued by Unison at the end of November. The BTP operational and project management teams have now responded to the notice, and will discuss its content urgently.

The issues log has been circulated to Members of the Committee.

8. Risks and issues

Risk is managed at Strategic, Programme, and Project levels. These have a process of escalation and management.

The strategic risks are regularly reviewed, and integrated into the Council's wider risk management processes.

The significant Programme risks currently being managed are as follows:

a) Competing programmes, projects and initiatives across the Council may impact BTP in terms of resource availability at critical times during the implementation. The mitigating action is to coordinate a schedule of all programmes highlighting key dependencies and for BTP to regularly communicate resource impacts across the Directorates.

b) The level of change within the Council in relatively short timescales may have an adverse impact on morale affecting new operational processes. The mitigating action is to continue with rigorous change and communication activities across all Council Directories.

c) The BTP may not deliver all anticipated benefits. The mitigating action is to effectively monitor, track and review all benefit cards as part of the governance process as part of the deployment of the new approach on benefits management.

9. Financial Implications

BTP Budgets relating to Capital and Revenue continue to be closely monitored. We have made Milestone Payments to Capita of £11.2m.

10. HITS Update

ERP Go-Live

Understandably, ERP/MIS go-live has been the main focus of HITS' endeavours in recent months. Staff across the department have been involved to a greater or lesser extent but the project had a particular impact on the Infrastructure and Customer Service teams who, even with extra temporary resource providing support, were very stretched during the final 4-6 weeks. Both teams continue to play a significant part in the stabilisation phase although current pressures are down from the extreme highs experienced in the run-up to go-live.

HITS Transformation Plan

The Transformation Project Initiation Document was signed off by the Project Board in July (copies were subsequently circulated to members of Overview and Scrutiny Committee). Progress is being made (most notably with the communications workstream) but the speed of progress elsewhere has suffered as a result of allocating resource to the ERP go-live project. With that now out of the way, resource has been reallocated to the Transformation project and the speed of progress will pick up significantly throughout September and beyond.

HITS Restructure
The last three MMR posts were filled on 23 August. Three members of staff at risk of displacement are currently going through the clearing house procedure. None is expected to give rise to particular problems.

Once those three members of staff have been placed/displaced, several key vacancies can be filled (subject to securing an exemption from the general vacancy freeze in place across the Council). Filling these vacancies would allow HITS to return to normal levels of support resilience (some applications currently have only a single member of staff supporting them) and to establish better systems for managing future projects.

Service Desk Improvements

Performance levels continue at a high level with first-line Service Desk staff routinely closing more than 95% of calls within SLA. In July, three permanent members of staff were recruited (before the vacancy freeze was announced) to fill vacancies previously covered by contractors/temps. All staff, new and old, played a major part in the successful ERP go-live.

Workload/Resource Management

The procedures adopted earlier this year to help manage the flow of work coming from BTP colleagues enabled HITS to respond in a timely fashion and helped fulfil HITS' obligations to the ERP project. However, having operated the procedures for some time, managers and staff have identified a number of ways in which they could be improved. Work is currently under way to refine the procedures with the aim of applying them to all work requests.

Legal Implications

    None

Equalities Impact

    None

Section 17 Crime and Disorder Act 1998 Considerations

    None

Supporting Information/Background Documents

    None