

## AGENDA

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**Meeting:** Audit  
(For Members and Substitutes)

**Place:** Council Chamber - Browfort, Devizes

**Date:** Friday 13 May 2011

**Time:** 10.30 am

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Please direct any enquiries on this Agenda to Anna Thurman of Democratic Services, County Hall, Trowbridge, direct line (01225) 718379 or email [anna.thurman@wiltshire.gov.uk](mailto:anna.thurman@wiltshire.gov.uk)

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### Membership:

Cllr Richard Britton  
Cllr Nigel Carter  
Cllr Chris Caswill  
Cllr Peter Doyle  
Cllr George Jeans  
Cllr David Jenkins  
Cllr Julian Johnson  
Cllr Alan Macrae

Cllr Jemima Milton  
Cllr Helen Osborn  
Cllr Sheila Parker (Vice Chairman)  
Cllr Bridget Wayman  
Cllr Roy While (Chairman)

Non-Voting Members  
Cllr Fleur de Rhe-Philippe

Cllr Jane Scott OBE

Substitutes  
Cllr Ernie Clark  
Cllr Peter Colmer  
Cllr Michael Cuthbert-Murray  
Cllr Rod Eaton  
Cllr Mollie Groom

Cllr Malcolm Hewson  
Cllr Jacqui Lay  
Cllr Francis Morland  
Cllr Jeff Osborn

## Part I

### **Items to be considered while the meeting is open to the public**

**1. Apologies**

To receive apologies.

**2. Chairman's Announcements**

To receive Chairman's announcements.

**3. Minutes of the Previous Meeting (Pages 1 - 8)**

To confirm and sign the minutes of the Audit Committee meeting held on 23 March 2011(copy attached).

**4. Members' Interests**

To receive any declarations of personal or prejudicial interests or dispensations granted by the Standards Committee.

**5. Public Participation and Committee Members' Questions**

The Council welcomes contributions from members of the public.

#### Statements

If you would like to make a statement at this meeting on any item on this agenda, please register to do so at least 10 minutes prior to the meeting. Up to 3 speakers are permitted to speak for up to 3 minutes each on any agenda item. Please contact the officer named on the front of the agenda for any further clarification.

#### Questions

To receive any questions from members of the public or members of the Council received in accordance with the constitution. Those wishing to ask questions are required to give notice of any such questions in writing to the officer named on the front of the agenda (acting on behalf of the Director of Resources) no later than 5pm on **Friday 6 May**. Please contact the officer named on the front of this agenda for further advice. Questions may be asked without notice if the Chairman decides that the matter is urgent.

Details of any questions received will be circulated to Committee members prior to the meeting and made available at the meeting and on the Council's website.

6. **SAP Development PID** (*Pages 9 - 54*)

To receive a report on SAP Development PID.

7. **Audit Plan 2011/12** (*Pages 55 - 68*)

To receive the internal audit plan for 2011/12.

8. **Forward Work Programme** (*Pages 69 - 70*)

To note the Forward Work Programme.

9. **Date of next meeting**

To note that the next regular meeting of the Committee will be held on 29 June 2011.

10. **Urgent Items**

Any other items of business, which the Chairman agrees to consider as a matter of urgency.

11. **Exclusion of the Press and Public**

To consider passing the following resolution:

To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Item Number 12 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph 2 and 4 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

**Part II**

**Items during whose consideration it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed**

12. **Future Provision of Internal Audit Services** (*Pages 71 - 146*)

To receive a report, on the future provision of internal audit services.



## AUDIT

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### **DRAFT MINUTES OF THE AUDIT MEETING HELD ON 23 MARCH 2011 AT COMMITTEE ROOM III - COUNTY HALL, TROWBRIDGE.**

#### **Present:**

Cllr Richard Britton, Cllr Nigel Carter, Cllr Chris Caswill, Cllr George Jeans, Cllr David Jenkins, Cllr Julian Johnson, Cllr Helen Osborn, Cllr Sheila Parker (Vice Chairman), Cllr Roy While (Chairman)

#### **Also Present:**

Cllr Jane Scott OBE

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#### 1. **Apologies**

Apologies were received from Councillors Bridget Wayman, Fleur de Rhe-Philippe, Rod Eaton and from Darren Gilbert and Chris Wilson from KPMG.

#### 2. **Chairman's Announcements**

The Chairman welcomed everyone to the meeting. He went on to inform the members that he had attended a KPMG seminar in February for Chairman of Audit Committees, and that this had been very valuable.

He stated that there would be an additional audit committee meeting on 13 May, to address SAP progress and changes within Internal Audit. He went on to explain that Steve Memmott, Head of Internal Audit, would be leaving later in the year and that staff resourcing levels had been re-arranged. Further details would be given later in the meeting.

Councillor Britton informed the Committee that he had attended an excellent SAP seminar in February. However he expressed his disappointment that more Councillors had not attended. He asked that the seminar be held again later in the year and strongly urged members of the Audit Committee to attend. Councillor Britton raised concerns over the SAP development plan, and would like to see a plan in place demonstrating key delivery dates. Councillor Osborn agreed that it had been an excellent seminar and again aired her concerns regarding the lack of a SAP development plan.

The Chairman informed the Committee that he had spoken with the Director of Resources, Carlton Brand, and that a development plan would be contained within the overarching Information Technology Plan, which will be taken to the ICT task group shortly, chaired by Councillor Carter. Michael Hudson assured the Committee that a development plan would be available for the meeting in May.

3. **Minutes of the Previous Meeting**

The minutes of the last meeting held on 15 December 2010 were presented.

**Resolved**

**To approve as a correct record and sign the minutes of the meeting held on 15 December 2010.**

4. **Members' Interests**

There were none.

5. **Public Participation and Committee Members' Questions**

There was none.

6. **Review of Benefits Realisation**

John Oldroyd from KPMG, gave a brief summary of the report detailing that the Council had demonstrated many of the elements of benefit realisation when delivering the changes required following LGR. Key findings were:

- The Council has monitored progress well against the overall savings target. There are further opportunities to strengthen monitoring at project level.
- The Council has applied regular monitoring arrangements that show that strong progress in realising the non – cash savings from the creation of one Council and
- The Council has developed a programme benefits tool to monitor and deliver future change management programmes.

In response to member questions over the Program monitoring process which was highlighted in the Action Plan. Service Director Performance, Sharon Britton explained that there is a generic approach applied to project monitoring across the Council. John Oldroyd explained that KPMG had no issues regarding this.

Michael Hudson, Interim Chief Finance Officer, welcomed the report and the recommendations. The recommendations would be broken down and reported on using a 'traffic light' system. He went on to explain that currently his team

were working on the appropriate layers of reporting to ensure that formal quarterly reporting was robust and effective.

Members requested that all reports being taken by the Audit Committee should be accompanied by a covering report from the appropriate lead officer.

The Chairman thanked John Oldroyd and Council officers for their input.

### **Resolved**

**That the report be noted.**

## **7. Certification of Grants and Returns 2009/10**

Rachael Tonkin, Auditor from KPMG, updated the Committee on the Certification of grants and returns for 2009/10. Six grants with a value of £147M and three returns with a total of £404M were certified. Eight unqualified certificates were issued, an unqualified means that KPMG were content that the Council had complied in all significant respects with the terms and conditions. This was a good result.

A qualification was necessary for the housing benefit grant claim due to testing indentifying a small incidence of underpayments.

The overall fee had been reduced by £16K, which reflected efficiencies from the Unitary Authority and enhanced co-ordination arrangements within the Council.

### **Resolved**

**That the report be noted.**

## **8. VFM Audit Approach**

Rachael Tonkin, Auditor KPMG, led the Committee through the salient points of the KPMG audit approach.

The new approach no longer requires KPMG, the external auditor to carry out the Use of Resources scored assessment, which was abolished with the Comprehensive Area Assessment (CAA) in 2010. The statutory responsibilities and powers set out in Audit Commission Act 1998 and Code of Practice summarises KPMG's responsibilities in two objectives;

- Use of resources, that arrangements are in place for securing economy, efficiency and effectiveness.
- Financial statements, providing an opinion on accounts.

Although the purpose of the VfM audit remains the same which is to form a view on the adequacy of the Council's arrangements for securing economy,

efficiency and effectiveness in its use of resources there are some notable changes namely;

- A more risk-based approach
- No scored judgements
- Reduction to two themes
- Key lines of enquiry focused on current issues such as savings and efficiencies

A number of Members voiced concern over the change in the audit process. Reassurance was given that the new regime would look at the processes that the Council has in place, coupled with the flexibility to drill down should they find risk that needs further investigation. KPMG have existing experience of Wiltshire Council and this would be used as a bench mark against new work. The Audit Commission has developed a range of tools and review guides that can be used in audit work on any detailed risk area.

Several Members enquired over future reporting requirements, however it was reported that the Audit Commission was an ever changing environment, but it was likely that in the future, work would be based on outputs. The Leader informed the Committee that the Coalition Government felt that there had been a heavy over monitoring, and the changes from the Audit Commission reflected DCLG.

Councillor Caswill stated that he was not pleased with the new approach and requested that a paper detailing risk based auditing be brought to a later meeting.

### **Resolved**

**That the report be noted.**

## **9. Financial Statements Audit Plan 2010/11**

Rachael Tonkin Auditor from KPMG led the committee through the report. The plan has been drawn up using a risk based approach to audit planning.

KPMG have identified the key audit risk relating to the implementation of International Financial Reporting Standards (IFRS). Work will encompass;

- A specific IFRS re-statement to consider a number of IFRS implementation issues.
- Review of controls over the completion of accounts in conjunction with Internal Audit to avoid duplication.
- A detailed audit of financial statements and the Annual Governance Statement.



Several members conveyed their concern over the level of materiality which has been set at £15.7M which is 1.5% of gross operating expenditure. Individual errors above £0.7M would be reported to the Committee, members believed this to be too high. Michael Hudson Interim Chief Financial Officer assured members that all errors were tracked and that what are considered to be non trivial items would be brought to the Committee in the form of a regular report.

Matthew Tiller, Chief Financial Accountant, informed the Committee of changes to the approval of Accounts. The Committee would no longer need to approve the draft set of financial accounts but would need to approve the final set of accounts at September's meeting.

### **Resolved**

**That the report be noted.**

#### 10. **Risk Management Update**

Eden Speller, Head of Business Arrangements, updated the Audit Committee on the Council's Risk Management arrangements and review of the Risk Register. He introduced Ariane Compton, Head of Climate Change, who briefed the board on the Climate Change risk, as the Committee had requested an update. Two key points raised were;

- Reputational risk to the Council – league tables are published in October according to performance.
- Financial risk to the Council – carbon output will be charged and fine levied. Eco strategy has been approved by Cabinet.

Members asked what triggered a carbon fine; it was explained that any large operating company had to pay a fixed amount of money per tonne of CO<sub>2</sub> emitted.

The Head of Business Arrangements explained that the Corporate Risk Management Group highlights 7 risks rated as high, and these have supporting Risk Action Plans attached, the information in the action plan will be used to inform CLT and the Audit Committee. There is 1 reduced risk and 3 emerging risks all of which are being monitored. All risks can be accessed via Sharepoint. Officers would be available to Members, to discuss issues, concerns or they required further information.

<http://wccportal/resources/performance/risk/Risk%20Action%20Plans/Forms/AllItems.aspx>

Members asked to be supplied with the details of the CRMG, and that the Risk Register should be subjected to an Independent Review. The Leader stated

that the independent challenge to the Register comes from members and Cabinet challenging the relevant officers.

The Chairman thanked the Head of Business Arrangements for a comprehensive report.

11. **Accounting Policies Report**

Matthew Tiller, Chief Accountant, updated the Committee on the accounting policies that are reviewed each year. The new statement does not propose significant changes to the existing policies. Policy wording has changed to reflect the movement this year to International Financial Reporting Standards (IFRS).

Three policies have been significantly expanded to give extra clarity, and three new policies have been added to give more detail.

**Resolved**

**That the report be noted.**

12. **Internal Audit Progress Report 2010/11**

Michael Hudson, Interim Chief Finance Officer explained to the Committee some of the changes that were going to take place within Internal Audit over the coming months. A full discussion and debate would take place at the Audit Committees May meeting where a report would be available. He explained as Section 151 officer he had a number of statutory powers in order to allow his role to be carried out such as the right to ensure that the authority makes sufficient provision for the cost of internal audit. He explained that currently the resource is less now than at the start of the year to deliver the current plan. The plan has been revised to match the available resource.

Members asked what the specific changes to the internal audit team were. The Interim Chief Financial Officer explained that there had been a reduction in the number of principal auditors from 5 posts to 3 posts, but there had been an increase to the number of auditor posts by 1 post. The current incumbent in the role of Head of Internal Audit, had opted for redundancy, the post would remain.

The Chairman reiterated that the report being brought to the May meeting would enable the committee to have an informed debate and help shape the future role of internal audit.

Head of Internal Audit, Steve Memmott, presented the latest Internal Audit Progress Report for 2010-11. In summary;

- The actual productive audit days have fallen short of the target by 110 days due to a reduction on staff resources following the management review and relocation from County Hall.
- The audit plan has been revised to take account of the shortfall, with some work carried forward to 2011-12.
- The future delivery of internal audit service currently is being considered. The progress will be reported on at the May meeting.

During the course of the debate Councillor Caswill moved that the Committee regretted the way on which major changes in Internal Audit have been brought before it and registers concern at its capacity to deliver effective and independent internal audit in the future. On being put to the vote the motion was lost. Councillors Caswill, Osborn and Jenkins asked for their votes in favour to be recorded.

**Resolved**

**That the report be noted.**

13. **Forward Work Programme**

**Resolved**

**That the programme be noted.**

14. **Date of next meeting**

An interim Audit Committee meeting is scheduled for 13 May 2011 to discuss issues surrounding SAP and Internal Audit.

The next scheduled meeting will take place on 29 June 2011.

15. **Urgent Items**

There were none.

(Duration of meeting: 10.30 am - 12.20 pm)

The Officer who has produced these minutes is Anna Thurman, of Democratic Services, direct line (01225) 718379, e-mail [anna.thurman@wiltshire.gov.uk](mailto:anna.thurman@wiltshire.gov.uk)

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**Wiltshire Council**

**Audit Committee**

**13 May 2011**

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## **SAP Development PID**

### **Executive summary**

The need to rationalise, improve, and further develop SAP is driven from:

- corporate plans to improve efficiency and effectiveness
- organisational restructuring
- recent discussions with DoR Process Owners and Business Leads
- responding to the challenges highlighted in the KPMG post implementation review
- return on investment

The PID attached to this report lays out the project plan and stages to achieve these objectives.

### **Proposal**

1. The SAP Support section moved into ICT in December 2010. SAP is listed as a core strategic application within the Information Services Technology Plan. ICT concentrate skills development and evaluate requests for new business functionality against core applications before looking to the market for a new application. SAP has to be further developed to fit the Information Services Technology Plan. Information within the system needs to be useful in meeting a defined business need; the application must be useable; the information must be accessible where it is required and the processes to maintain the information must be resilient. The revised ICT structure should broaden the knowledge base and our ability to support and exploit SAP but this will take time to embed.
2. In brief, there is a need to:
  - improve the users' experience of SAP
  - reduce duplication of data
  - reduce the time and effort to maintain data
  - deliver meaningful, timely management information to service managers
  - deliver system efficiencies

3. This PID describes three phases of work:-

- i. Implementation improvements – detailed in Appendix A and occur as a result of changes in processes since implementation or improvements because we now know a better way to do a process due to an increased knowledge of SAP. These improvements are already in hand, need finishing off and we are working to a completion timeframe of the end of June 2011.
- ii. Essential Business Developments – detailed in Appendix B. These are small discreet projects required in their business areas that once addressed, mitigate recurring support issues and reliance on the SAP Support team. This is aligned to phase two of the Information Services Technology Plan where we need to consolidate and standardise our core systems.
- iii. Future Development Summary - detailed in Appendices C (summary ) and D (detailed). The current future roadmap for SAP contains 25 projects. Some of these have been investigated and costed. However there is no allocated budget and the projects have not been fully quantified and evaluated by the business. This is work that will be progressed, 7 priority projects have already been identified to commence in 2011/2012 as outlined in the recommendations section of the PID.

**Recommendations:**

The Committee is asked to note the PID and the work that is taking place.

**Reason for proposal**

In order to rationalise, improve, and further develop SAP and to meet corporate plans to improve efficiency and effectiveness

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Covering page for SAP Development PID

<b>CONTENTS OF REPORT</b>
SAP Development PID
Appendix A – Detailed list of implementation improvements – jointly agreed between ICT and the business
Appendix B – Detailed list of Essential Business Developments – jointly agreed between ICT and the business
Appendix C - Future Development Summary – jointly agreed between ICT and the business
Appendix D - Future Developments – Detailed List
Appendix E - SAP Risk Action Plan

<b>RECOMMENDATIONS</b>	
Appendix A - Outstanding implementation improvements	Approve proposals
Appendix B - Essential Business Developments	Approve proposals
Future Projects	Approve project priority list for 2011 outlined in Recommendations section of report

<b>CIRCULATION LIST</b>	<b>CIRCULATE BY</b>	<b>MEETING DATE</b>
DoR TLM	8 <sup>th</sup> April 2011	13 <sup>th</sup> April 2011
CLT	26 <sup>th</sup> April 2011	3 <sup>rd</sup> May 2011

Audit Committee	3 <sup>rd</sup> May 2011	13 <sup>th</sup> May 2011
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SAP Development PID

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1	Purpose of paper
2	Background
3	Business drivers for change
4	Issues with current implementation of SAP 4.1 Data Quality 4.2 Reporting 4.3 Process improvement 4.4 ESS/MSS
5	The way forward 5.1 Unresolved implementation improvements 5.2 Essential business developments 5.3 Future SAP developments
6	Risks
7	Conclusions
8	Recommendations

<b>APPENDIX</b>	
A	Outstanding Implementation improvements – jointly agreed between ICT and the business
B	Essential Business Developments – jointly agreed between ICT and the business
C	Future Development Summary – jointly agreed between ICT and the business
D	Future Developments – Detailed List – jointly agreed between ICT and the business
E	SAP Risk Action Plan

<b>VERSION HISTORY</b>	<b>ISSUE DATE</b>	<b>AUTHOR</b>	<b>COMMENTS</b>
0.1 – DRAFT	8 <sup>th</sup> April 2011	Karen Perrett – Head of ICT Programme	Approved for circulation by Mark Stone
1.0	14 <sup>th</sup> April 2011	Karen Perrett – Head of ICT Programme	Approved by DoR TLM

## 1. Purpose of paper

The purpose of this paper is to:

- Identify development opportunities with the current implementation of SAP
- Detail essential business developments
- Detail future development options
- Identify and mitigate SAP corporate risks
- Detail resource implications
- Seek approval for the recommendations

## 2. Background

SAP has been live since April 2009 and is used for Finance, Procurement, Human Resources, Payroll, Performance and Risk.

In addition SAP is used to provide payroll services to external clients including Police, Fire, and Schools inside and outside of Wiltshire including Academies.

The KPMG SAP Post Implementation Review report from November 2010 stated:

- a. the overall finding by KPMG that “Ultimately Wiltshire Council achieved a great deal in successfully implementing a major SAP system”;
- b. the decision to go live on 1 April 2009 was bold but appears to have been the right one; and
- c. that project initiation and planning was well organised and co-ordinated, a good standard of project documentation existed and that the Council’s SAP trainers showed a great deal of dedication.

At the time the report also stated:-

- a. that conflicting and competing priorities within the council at the time resulted in limited capacity and resources for the project;
- b. there are currently no plans to further invest in SAP so as to drive out further efficiencies in other areas of the business;  
*These proposals address this issue*
- c. planned head-count reductions will mean that it is likely future projects will have to consider the use of contractors where internal capacity and/or skills are limited;  
*IT restructure and ICT cross training address this*
- d. some service areas felt uncomfortable with the pace of the project and struggled to provide sufficient resource to manage the necessary business change activities that were delegated to them.
- e. Technology works but some cultural (behavioural) issues to address.

### **3. Business drivers for change**

The need to rationalise, improve, and further develop SAP is driven from:

- corporate plans to improve efficiency and effectiveness
- organisational restructuring
- recent discussions with DoR Process Owners and Business Leads
- responding to the challenges highlighted in the KPMG post implementation review
- return on investment

In brief, there is a need to:

- improve the user's experience of SAP
- reduce duplication of data,
- reduce the time and effort to maintain data,
- deliver meaningful, timely management information to service managers.
- deliver system efficiencies,

The SAP Support section moved into ICT in December 2010. SAP is listed as a core strategic application within the Information Services Technology Plan. ICT concentrate skills development and evaluate requests for new business functionality against core applications before looking to the market for a new application. SAP has to be further developed to fit the Information Services Technology Plan. Information within the system needs to be useful in meeting a defined business need; the application must be useable; the information must be accessible where it is required and the processes to maintain the information must be resilient. The revised ICT structure should broaden the knowledge base and our ability to support and exploit SAP but this will take time to embed.

### **4. Current implementation of SAP**

Recent discussions with DoR Process Owners and Business leads identified consistent issues with data, reporting, process improvements, Employee Self Service (ESS), Managers Self Service (MSS)

#### **Key issues**

##### **4.1 Data quality**

- Migrated from old systems and is out of date or not required
- Not being maintained due to restructuring and changes not being notified
- Missing data as data fields are not populated or are currently unavailable
- Incorrectly mapped data
- Ownership of data in SAP is not well-defined

## **4.2 Reporting**

Developments in the following areas:

- Consistent approach to reporting
- Reports are being published that are too complex
- Accurate, timely, management information for service managers
- Data for organisational establishment control
- Integration of data from different databases
- Need for improved quality assurance / exception reporting
- Integrated knowledge development plan for in-house resources

## **4.3 Process improvements**

- Ability to produce contracts of employment from SAP
- Introduction of electronic forms and automation of workflows
- Increased use of interfaces to and from applications

## **4.4 ESS/MSS**

- Mixed user experience as reports are cumbersome
- Improved confidence or desire to use SAP
- Budget management not offering some budget holders the means to manage their own budgets
- Reliance on central HR and Finance staff to provide management information to managers
- Training

## **5. The way forward**

There are three categories that need to be addressed, resourced and delivered:

- Implementation improvement issues
- Short to mid-term essential business developments
- Future Projects that are to be addressed as part of a SAP development programme

### **5.1 Implementation improvement issues**

There are a number of outstanding actions that remain unresolved with the current implementation, These are as a result of use of the systemsince implementation and identifying processes that need to be refined or that have changed.

Workarounds have been developed to overcome these issues due to other priority work taking precedence over close-out of these actions. The outstanding issues are detailed in Appendix A.

By resolving these issues we can reduce the recurring support and reliance on the SAP Support team and remove the workarounds used by the business.

This is aligned to phase one of the Information Services Technology Plan where we need to build in resilience into core systems.

## **5.2 Essential business developments - short to mid-term**

A number of short to mid-term business development requirements were identified. These are small discreet projects required in their business areas that once addressed, mitigates recurring support issues and reliance on the SAP Support team. These are detailed in Appendix B.

By delivering these projects we can mitigate the recurring support issues and reliance on the SAP Support team.

This is aligned to phase two of the Information Services Technology Plan where we need to consolidate and standardise our core systems

## **5.3 Future SAP developments**

The current future roadmap for SAP contains 25 projects. Some of these have been investigated and costed. However there is no allocated budget and the projects have not been fully quantified and evaluated by the business. Therefore future development proposals may not be delivered within current funding or resources.

During recent consultation with DoR Process Owners and Business Leads, the projects were prioritised in categories of very high, high, medium and low. These are summarised in Appendix C with more detail of each project provided in Appendix D. A priority list has been completed for delivery in 2011/2012 within the recommendations section.

The future SAP projects are aligned to phase 3 of the Information Services Technology Plan where we will exploit our core systems to drive service performance.

## **6 Risks**

The following list documents the potential impact on SAP, as outlined in the SAP Corporate Risk Action plan, if no action is taken to address the implementation issues or programme of future developments of SAP. The SAP Risk Action plan is included in Appendix E.

- Negative impact on reputation of SAP - despite the fact it works well
- Delayed future benefit realisation - unclear where savings are possible and/or being made
- SAP not optimised
- Continued use of work-arounds with resulting inefficiencies
- Possible non compliance with statutory arrangements - reputation could be affected.
- Lack of accurate corporate reporting

## 7 Conclusions

In summary the major issues fall into three main categories:

- The underlying data quality should be improved
- The reporting and visualisation of the data is difficult for users to manipulate
- Business processes are not well aligned with SAP leading to duplication of effort.

It is very clear that SAP is not in a position to be developed further until all implementation issues, and identified essential business developments have been addressed. These can be achieved quickly, unresolved implementation issues would take 2 months and the essential business developments would take 6 months to complete.

## 8 Recommendations

- A dedicated Project Manager is required.
- All implementation improvements implemented.
- All short to mid-term business requirements to be delivered.
- Future development projects need to be delivered as set out in the Recommendations section, although they are currently unfunded or resourced at this time

The implementation issues (8.2) and short-term essential business developments (8.3) will be completed in 2011/2012.

	Resource in dedicated person days	Logica Cost
Implementation issues	SAP Support - 70 Payroll – 26 Finance – 10 HR – 7 Business Support – 30 CPU - 2	£20,000
Essential Business Developments	SAP Support - 158 Payroll – 29 HR – 63 Business Support – 2 CPU - 18	£35,000

The prioritised future projects (8.3) will be started in 2011/2012 but completion of some will continue into 2012/2013.

### 8.1 Dedicated Project Manager

A dedicated Project Manager will be required to ensure control and delivery of addressing the implementation issues, the short to mid-term business developments and the future development projects.



**Recommendation is for Sally Rose to be nominated as the Project Manager. Sally will work within the ICT Programme section where she can pull from programme resources where required. A Logica consultant will be bought in to backfill in the SAP Support team for one month only funded from the ICT Programme budget.**

## 8.2 Address implementation issues

We have the capability within DOR to address all of the implementation issues; however, capacity is an issue which must be addressed. The following table gives an indication of the resource and **dedicated** time in person days it would take to resolve the issues. A detailed breakdown of each individual issue and resource requirement is included in Appendix A:

Issue Owner	Number of issues	Who and how long, in <b>dedicated</b> person days, to resolve
Payroll	8	SAP Support – 11 Payroll – 26 Finance – 3
HR and OD	3	SAP Support – 7 HR - 7
Finance	11	SAP Support – 27 Business Support – 20 Finance - 7
Procurement	5	SAP Support – 25 Business Support – 10 CPU - 2

**All improvement issues need to be resolved. This will require dedicated resource from the SAP Support team and the business. A contingency of £20,000 should be made available to cover any additional costs to Logica that may occur resolving some issues. Funding is available for this.**

## 8.3 Deliver short-term essential business developments

We have the business knowledge, some of the capability but could require further knowledge transfer or consultancy to deliver the short to mid-term essential developments. Insufficient knowledge across our internal capacity is an issue that has been identified and needs to be addressed.

Process Owner	Number of projects	Who and how long, in <b>dedicated</b> person days, to deliver
Payroll	2	SAP Support - 10 Payroll - 10
HR and OD	11	SAP Support – 42 HR – 63 Payroll – 19
Procurement	8	SAP Support – 106 Business Support – 2 CPU - 18

**All of these essential development projects need to be completed. This will require dedicated resource from the SAP Support team and the business. A contingency of £35,000 should be made available to cover any additional costs to Logica that may occur delivering these projects. Funding is available for this.**

#### **8.4 Prioritise Future Projects**

We have the business knowledge, some of the capability but would require further knowledge transfer, consultancy, implementation expertise and other support e.g. from 3<sup>rd</sup> party providers to deliver the SAP Future Development / Projects.

There is a requirement from the business to play a key part in helping to shape the plans and provide input of the right level of business knowledge to ensure that the blueprint, design and implementation of the future projects are a success.

There are projects that are still in the analysis stage that we are aware of and will need to be factored into this year's roadmap once the requirements are known, these are:

Carefirst  
eRecruitment integration/interface  
eLearning interface

The predicted costs of the priority projects identified during recent consultation with DoR Process Owners and Business Leads are £200,000 which is currently unfunded. This requirement will be evaluated as part of the ICT 11/12 budget analysis which is currently underway and options for delivery will be presented accordingly.

The following table shows the projects in priority order:

The following table shows the recommended project priority list as agreed with the DoR Process Owners and Business Leads:

Project	Key Benefits	Summary	Resources required	Est. delivery time
Publication of Organisational Charts & information on ESS/MSS	<ul style="list-style-type: none"> <li>• Enables better decision making around re-structures or team reorganisation and identifying data which needs to be cleansed</li> <li>• Enhanced functionality available to HR, including 'drag and drop' structure changes and 'what-if' modelling for organisational change</li> <li>• Targeted organisational charts available to all managers via the SAP portal with ESS users able to access data about their teams.</li> <li>• This provides the mechanism to meet Government open data requirements to publish an online structure chart</li> </ul>	HR Business partners have access to Organisational charting; this project extends the functionality to managers and staff.	SAP Support Logica	2 months
SAP Reporting	<ul style="list-style-type: none"> <li>• Focus and prioritise reporting resources to enable much needed Management Information to be delivered efficiently and effectively</li> <li>• Be able to respond more efficiently to requests from senior management, politicians and for FOI</li> <li>• Have clear consistent approach across the council to maximise VFM</li> </ul>	There is insufficient reporting resource in the SAP support team and the opportunities of SAP reporting are not being fully exploited.	Business Leads & Service Depts SAP Support Applications Logica	6 months

<p>SAP / Line of business interfaces – Review</p>	<ul style="list-style-type: none"> <li>• Reduced risk of negative press and exposure to legal action for the Council - for instance Housing Benefit payments being sent late</li> <li>• Improved service to corporate customers and reduction in delayed payments to suppliers - for instance payments to taxi drivers</li> <li>• Less manual intervention and duplicate data entry required which therefore reduces the risk of incorrect data being entered and improves processing time and efficiency</li> </ul>	<p>There are currently around 30 interfaces which are highly visible and business-critical between SAP and existing line-of-business systems. There are opportunities to review, improve and increase the interfaces.</p>	<p>Business Leads &amp; Service Depts SAP Support Applications Logica Line of Business Application Suppliers</p>	<p>6 months</p>
<p>Large Volume Data Manipulation Tool</p>	<ul style="list-style-type: none"> <li>• Introduces an opportunity to improve staff productivity in the way large volumes of data are managed and improve the data quality held in SAP</li> <li>• Allows payroll to automate the process of migrating payroll data for new business e.g. Academy Schools, Fire service etc</li> <li>• Creates an auditable record of data manipulated or created</li> </ul>	<p>An indicative cost for a Data Manipulation Tool that is commonly used by SAP clients has been obtained and is approx £30,000.</p>	<p>Supplier of product SAP Support Business Leads to identify users</p>	<p>2 months</p>
<p>e-forms</p>	<ul style="list-style-type: none"> <li>• Reduced processing times which adversely affect Accounts Payable Payees and Accounts Receivable customers and prevents forms from going missing</li> <li>• Reduced staff overhead through reduction of input effort and data</li> </ul>	<p>Not Started</p>	<p>Business Leads &amp; Service Depts SAP Support Applications</p>	<p>12 months</p>

	<p>duplication/re-keying</p> <ul style="list-style-type: none"> <li>Improvement in data quality and accuracy, therefore corporate reporting will become accurate</li> </ul>		Logica Application Vendor	
Budget Management	<ul style="list-style-type: none"> <li>Enables effective budget management by managers rather than accountants by providing easy to use reports, accessed by using Managers Self Service (MSS)</li> <li>Provides visibility of the budgeting process and gives a clear audit trail of budget management</li> <li>Simplifies the changes required to support organisational restructuring</li> </ul>	Finance is in the process of analysing the requirements so that the necessary blueprint and the resulting development work can be carried out.	Corporate Finance Business Leads & Service Depts SAP Support Logica	18 months
Profit Centre Accounting	<ul style="list-style-type: none"> <li>Increased reporting options by introducing service area accounting</li> <li>Improved Balance Sheet Reporting</li> <li>Accurate information to support an improve the Accounts Receivable - Debt Management function</li> </ul>	Work has started to consider using a PCA approach.	Corporate Finance Business Leads & Service Depts SAP Support Logica	18 months

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## Appendix A

### Implementation Improvement Issues - Payroll

Issue	Description	Status	Resource	Days	Dependency
<b>Pension Banding Decision Setting</b>	Currently employees' pension contribution banding is calculated monthly. With effect from 1st April 2011 we would like the assessment to be done in April and therefore fix the employee rate for the whole year. We would like to use the rule which fixes the rate on the 1st April but if a retrospective change is made later in the year (e.g. pay award not settled on time) then reassess	Development is in QAS for UAT however the decision to change calculation has not been approved. PY have therefore placed this testing on hold	SAP Support Payroll	2 2	
<b>Pension Proration</b>	Currently any employee who is opted into the pension scheme mid month is having their contribution calculated twice. The system is first calculating the pension contribution based on the earnings that month and then it is prorating it by the number of days in the month for which the employee has been opted into the scheme	Logica have carried out the developments, SSC have created test data, the development has been put into test for payroll	SAP Support Payroll	2 2	Logica if testing fails & further configuration is required
<b>Schools Payroll Reconciliation</b>	Problems exist with the reconciliation of schools payrolls. Additional GL mapping required & correction of issues caused by summarisation due to SAP processing. Additional mapping developed and moved to Production. Feb payroll reconciles but other issues need addressing eg WC wage type, centrally funded items and WT 6713	Workshop held 6/4/11 (WC & Logica). Further mapping identified & to be carried out for testing to resolve issues for April & future payrolls	SAP Support Payroll Central Finance	3 3 3	Logica if further configuration is identified and required
<b>Compensatory Grant</b>	Functionality required for Fire & Police	Logica developed solution, now in UAT. Chris Grist making excellent progress, it is anticipated this will be moved to production shortly	Payroll	3	Logica if final testing fails and any further configuration is required

<b>Pension Increase</b>	Functionality required for all pension payrolls. Logica developed solution, records updated by CG	Passed testing and now in PRD. Final issue with Logica. Will be signed off after April payruns	Payroll	2	Logica if final testing fails and any further configuration is required
<b>Amendment to Ztax Validation</b>	Payroll schemas Z000 & ZRET do not work in the case of multiple employment late leavers. To deal with this a bespoke schema ZRET has been set up however there is no validation against this schema to prevent changes across year end resulting in various payroll issues. It has been suggested that:- 1. 'Enhancement Spot' technology of ECC 6.0 is investigated to see if additional code can be added into GRETC to enable this to work for ME leavers in addition to single contract leavers.  2. Validation is added to the bespoke schema ZTAX to prevent changes across Year End	Logica have developed this and now in QAs for testing. To be picked up as priority by SAP Support team	SAP Support Payroll	2 4	
<b>New NI Wage type</b>	Wage type to reallocate Ni'able pay from one month to another without affecting the YTD ni'able pay	Development passed to Logica however PY are taking advice about whether to proceed	Payroll	5	Logica to advise and carry out any configuration required
<b>AXISe Pension Reports</b>	The axis interface reports: Starters, PT Hours, Contract Post and Personal changes have been re-specified following the visit from Logica on 9/2/11	Initial developments have been carried out and tested. Feedback has been sent to Logica. Trixe & Stacey will continue discussions with David Lowen re resolving outstanding issues	SAP Support Payroll	2 5	Logica if testing fails and any further configuration is required
			<b>Total Days</b> SAP Support Payroll Central Finance	11 26 3	



**Implementation Improvement Issues - Human Resources and OD**

<b>Issue</b>	<b>Description</b>	<b>Status</b>	<b>Resource</b>	<b>Days</b>	<b>Dependency</b>
<b>Leavers Position Report</b>	To include previous position field	Development request is with Logica. Clarity of requirements has been provided. Budget has been approved by WC (Jo Pitt). Currently with Logica	SAP Support HR	2 2	Logica to write / develop the report
<b>Workplace Locations</b>	Workplace Locations field required to be populated with a data upload programme	Development work completed by Logica. SSC commenced testing early April 2011.	SAP Support HR	3 3	Logica if further configuration is identified and required
<b>MSS Sickness Reasons</b>	Changes required to sickness reasons for selection in MSS	SSC testing in April 2011	SAP Support HR	2 2	
			<b>Total Days</b> SAP Support HR	7 7	

## Implementation Improvement Issues - Finance

Issue	Description	Status	Resource	Days	Dependency
<b>Instalment Plans</b>	Instalment Plan ZFIP function has not worked correctly since go-live. This has been recognised by WC & Logica and work is underway to remedy this	Issue raised with Logica following patching	SAP Support Business Services - Finance	2 2	Logica if testing fails and any further configuration is required
<b>Emailing of Customer Invoices (AP)</b>	This was originally blueprinted but not implemented	Logica have been asked why this wasn't implemented, SSC will follow this up	SAP Support Business Services - Finance	4 2	Logica if configuration is required
<b>ABAP program ZFM01 needed for budget assessments</b>	This is currently listed as a non-chargeable CRQ but is being considered further by Logica	Work was started last year under patching but was not transported to QAS/PROD. WC wish for the work already completed to be progressed	SAP Support Central Finance	2 2	Logica as configuration is required
<b>FI Validation Rules for Property</b>	Validations are required to ensure Property cost centres use SIO's	Validation has been written but integration between SRM & FI needs to be tested. This testing is on hold due to other priorities	SAP Support Central Finance Business Services - Finance	2 1 1	
<b>Re-Mapping for Bank Statement Imports</b>	Change of bank account numbers required, for remapping imports	Priority/Feasibility of in-house configuration needs to be reassessed. Possibility of handing this over to Logica	SAP Support Central Finance	2 2	
<b>Accounts Receivable clearing</b>	Ideally the AR clearing function would clear partial payments and create "residual items" on the customer account	Investigations have begun by SSC but this needs to be revisited and discussed with the finance team	SAP Support Business Support - Finance	3 3	

<b>Client names in SAP (AP)</b>	Client names to be recorded against SIO's in SAP	This was implemented in test in 2010, but stopped due to data protection issues Also under review by Paul Mitchell as part of the DCS end to end process work	SAP Support Central Finance Business Support - Finance	2 2 2	
<b>Overnight job monitoring</b>	Currently not all overnight jobs are monitored to ensure they have run correctly. This has caused problems with the ERS programme not running and payments not being received by providers	This is being discussed by the SST Finance and SSC to agree resources & process required	SAP Support Business Support - Finance	1 1	
<b>Make AR customer refunds through AP</b>	This would allow refunds of overpayments by customers to be made directly through accounts payable	SAP functionality wasn't blueprinted/implemented so configuration and testing is required	SAP Support Business Support - Finance	3 3	
<b>Duplicate invoice entry</b>	To reduce duplicate payments from the entry of invoices through MIRO a user exit is required. At the moment it does not check for duplicates in MIRO that have already been entered through FB60	This needs to be discussed with Logica as additional coding is required to add additional coding. SST Finance to discuss with SSC	SAP Support Business Support - Finance	3 3	Logica as configuration is required
<b>Form changes</b>	Ability to change forms in Sap (E.g. remittance advice etc); for minor changes	Knowledge Transfer required to take this in house	SAP Support Business Support – Finance	3 3	
			<b>Total Days</b> SAP Support  Business Support- Finance  Central Finance	27  20  7	

## Implementation Improvement Issues – Procurement

Issue	Description	Status	Resource	Days	Dependency
<b>Workflow of approving Managers</b>	Shopping carts rejected by Approving Managers which are returned to requisitioners for changing are not always going back to the Approving Manager	The system is configured in this way and requires a change to the security level assigned	SAP Support	6	
<b>Cost centre access</b>	Buyers can access any cost centre set up in Finance even if not in SRM and if the cost centre has been deactivated in SRM but not in Finance	This is due to system authorizations and SCC will investigate to identify if this need changing in PRD	SAP Support	10	
<b>Category Managers to have READ Only access to certain items of a Buyer</b>	Category Managers would find it useful to be able to access sourcing pool to check many purchase orders	A change of authorisations/ role is required. SSC to investigate	SAP Support	4	
<b>Use of split cost centres in SRM</b>	Finance have reported that using split cost centres in SRM causes them problems and they would like to suspend the function	SSC to liaise with Darren Law to check the reasons as many requisitioners use this function	SAP Support	2	Logica if configuration is required
			Business Services - Finance CPU	5 1	
<b>Vendor e-mail address to Purchasing Support</b>	Many Vendors still being set up with no e-mail address. This results in any PO's generated going to a generic e-mail inbox and PO's have to be posted. when a Vendor set up is received their e-mail address is a compulsory requirement	SSC to liaise with SST finance team	SAP Support Business Services - Finance CPU	3 5 1	Logica if configuration is required
			<b>Total Days</b> SAP Support Business Services - Finance CPU	25 10 2	

## Appendix B

### Short to Mid-Term Essential Business Developments - Payroll

Ref	Project	Description	Benefits	Status Update	External Costs / Dependency	Resources	Days	Process Owner Priority
PY01	School Costing Reports	Schools require the costing report to be output in alphabetical order and with Personal number, within cost centres.  To also identify and resolve all other scenarios	Reduce the support currently required every month when costing reports are required Provide improved information to schools Easier payroll reconciliations	Current developments carried out by Logica and being tested by SSC  Further issues to be identified	Logica to configure any developments	SAP Support Payroll	5 5	High
PY02	Payslip Issues	To identify and resolve all outstanding payslip layout issues		Payroll have various issues with payslips which need to be analysed further and consolidated into a development list or a review of the functionality used	Logica to configure any developments	SAP Support Payroll	5 5	High
					<b>Total</b>	SAP Support Payroll	10 10	

**Short to Mid-Term Essential Business Developments - Human Resources & OD**

Ref	Project	Description	Benefits	Status Update	External Costs / Dependency	Resources	Days	Process Owner Priority
HR&OD1	Establishment Control	Recording JE Outcome against position - Use of the job object	Improved accuracy of the recruitment process Improved protection against equal pay claims Improved reporting Facilitates pay modelling	Started and being tested	Logica to configure any developments	SAP Support HR Payroll	4 5 2	High
Page 34	Establishment Control	Clarifying records for multiple job holders.  Analysis of the structure of the pay record for staff with more than one work activity which should be separated into different positions with different pay arrangements, e.g. front-line leisure staff	Staff paid correctly Pensions and redundancy calculated correctly Sick pay calculated correctly Facilitates harmonisation of T&Cs Protects against equal pay claims	Investigation has started	Logica to configure any developments	SAP Support HR Payroll	5 10 5	High
	Establishment Control	Use of Personnel Area / Sub Area  Investigation of the best method of breaking the organisation down into Departments and Service Areas. The mechanism currently used by Business Information reports is the use of Personnel Area for Department and Subarea for Service Directorate. These fields are out of date and expensive to update and may affect the reporting of the employee's work history	Improved reporting of establishment in a wide range of existing and proposed reports Managers would have greater confidence in the SAP structure Development of a consistent approach to reporting on establishment	Investigation has started	Logica to advise & configure any developments	SAP Support HR Payroll	5 10 5	High

	Establishment Control	Additional Position Information  Identification of staff on secondment/acting up; market supplement; location; additional fields for previous position	QA and Equal Pay Audit Reporting improvements	Started	Logica to configure any developments	HR	2	Medium
	Establishment Control	Best approach to managing establishment, information and control  Arrange visit and information sharing with Buckinghamshire CC, who are advanced in management of establishment	Process efficiency Insight into unused SAP functionality such as planned versions of the organisation structure to model proposed structures and costs	Being investigated		SAP Support HR	1 3	Medium
<b>HR&amp; OD2</b>	Reporting Improvements	Integration of data from different SAP databases, e.g. person and position data	To be able to carry out reporting from SAP and reduce reliance on manipulation of data in spreadsheets To enable a wider range of QA reporting To facilitate reporting on the new JE functionality being implemented	Being investigated	Training would be required from Logica (£2-3K)	SAP Support HR Payroll	8 12 4	High
<b>Page 35</b>	Reporting Improvements	Business Intelligence reports to improve information provided on turnover, sickness and equality/diversity	Provide missing reporting capability	Started work with SAP Support	Logica to configure any developments	SAP Support HR	10 4	High
	Reporting Improvements	Advisory Case Tracker –  Improvements to existing ACT New case categories are required	New case categories provided for reporting	Not Started	Logica to configure any developments	SAP Support HR	2 4	Medium
<b>HR&amp; OD3</b>	Quality Assurance	QA Reports Internal development of a range of reports to improve how data entry and process errors are highlighted	Accuracy of HR data improved Payment of salaries correct	Started		HR Payroll	4 2	Medium

			Protection against Equal Pay Claims Highlights possible improvements to processes					
<b>HR&amp;OD4</b>	Improved Processes	Contracts of employment  Production of contracts using SAP data mail merge	Efficiency saving in production of contracts Reduce errors in contracts	A report is has been developed and is being moved to production however an issue exists which is being investigated by Logica	Logica may have to configure any changes required	SAP Support HR Payroll	2  4 1	Medium
<b>HR&amp;OD5</b>	Manager Self Service	To improve the MSS experience for managers by removing unnecessary and inaccurate reports and functionality and relaunching reports as the SAP data is improved to make them fit for purpose	Increase managers use of MSS Reduce reliance on HR for provision of information on employees To provide managers with the information they require to undertake staff lifecycle processes such as recruitment	Started  A number of poor reports have been removed from MSS	Logica to configure any developments	SAP Support HR	5  5	High
<b>Page 36</b>					<b>Total</b>	SAP Support  HR  Payroll	42  63  19	



### Short to Mid-Term Essential Business Developments – Procurement

Ref	Project	Description	Benefits	Status Update	External Costs / Dependency	Resources	Days	Process Owner Priority
P001	Direct Payments	In some instances PO's are still being fully paid or partially paid by direct payment, resulting in purchase orders being left on SAP without being goods receipted and commitments being posted twice. If orders are partially paid by goods receipt and direct payment this causes confusion	More efficient use of the system If PO's have to be deleted as a result of being paid by direct payment valuable procurement information is lost. Less activity at year end with deleting PO's Commitments are not on the system in duplicate	SAP & business support (AP) need to analyse how often this happens and why. If users are failing to goods receipt as there is pressure to pay invoices the process needs to be reviewed		SAP Support  Business Services - Finance	4  2	High
P002	Organisation Structure	A review is required as following the management and ongoing staff reviews there are many changes needed to the organisation structure of SRM. Users only report issues when they have shopping carts which have not been approved. There are also instances where there are more managers than requisitioners in some areas	Greater efficiencies when using SAP Opportunity to identify a dept rep who would take ownership of the dept structure so that all requests for user set up/cost centre set up are controlled, DCS use this approach. Provides an audit trail	Started making changes to organisation structure as a result of the management review	Depends on support from service depts  CPU and Finance	SAP Support	30	High
P003	Review Product Categories and GL Accounts	Users report problems with selecting the correct product category, departmental accountants are having to journal accounts to other GL codes. Users are selecting inappropriate product categories to match GL accounts Procurement data is compromised	Improved procurement information less time wasted having to do journals Easy to use requisitioning	Not Started	Depends on support from service depts	SAP Support Central - Finance	30 10	High
P004	Training for Requisitioners and Buyers	SAP has been live for 2 years and due to the number of staff changes a training review is needed to ensure users are able to use the system effectively	Improved efficiency for Users Share good practice Stop bad practice	Not Started		SAP Support CPU	10 10	High

P005	Catalogues and setting up Corporate Contracts	We now have less catalogues on the system than we did at Go Live. We have not set up any Corporate Contracts.	Catalogues are easier for requisitioners/Buyers to use as items, Vendor and prices are already in place. Contracts would also give a degree of control as the Vendor is automatically assigned Saves time in the req proces	Not Started		SAP Support CPU	6 6	High
P006	Reporting directly from SRM Organisation Structure	A report is required to address the requests from the Business for information on requisitioners/Buyers etc.	This report will give us greater flexibility, more accurate up to date information and hopefully improved timescales for providing info to depts	Started- Work commissioned/ commenced March 2011	Logica to configure any developments Cost 2,500	SAP Support	6	High
P007	Setting up and testing of punch out catalogue direct to Lyreco website	We may be ceasing the current contract we have with Marketplace (Dec11) and instead punch out directly to the Lyreco website	Save costs by moving away from marketplace	Testing started	Logica to configure any developments	SAP Support CPU	10 1	High
P008	Setting up of XMA on Marketplace	Setting up of XMA on Marketplace until (Dec11) see above	XMA have supplied nearly all the necessary information required to set them up on the Marketplace site Easy to purchase from XMA	Testing started	Logica to configure any developments	SAP Support CPU	10 1	High
					<b>Total</b>	SAP Support  Business Services – Finance  CPU  Central Finance	106  2  18  10	

## Appendix C

### SAP Future Developments

Project	Benefits	Priority
Publication of Organisational Charts & information on ESS/MSS	<ul style="list-style-type: none"> <li>• Targeted organisational charts available to all managers via the SAP portal</li> <li>• Easy access to visual display of structures and information</li> <li>• Enables better decision making around re-structures or team reorganisation and identifying data which needs to be cleansed</li> <li>• Enhanced functionality available to HR team, including 'drag and drop' structure changes and 'what-if' modelling</li> <li>• ESS users able to access data about their teams - security configuration prevents access to inappropriate data/structures</li> <li>• Replace current, unintuitive, search facility (Who's Who)</li> </ul>	Very High
SAP Reporting	<ul style="list-style-type: none"> <li>• Focus and prioritise reporting resources to enable much needed MI to be delivered efficiently and effectively</li> <li>• Reduce reliance on Access databases (currently unsupported) and excel</li> <li>• Utilise proper functionality within SAP</li> <li>• Have clear consistent approach across the council to maximise VFM</li> <li>• Be able to respond more efficiently to requests from senior management, politicians and for FOI</li> <li>• Examples of reporting needs which would be addressed:-               <ul style="list-style-type: none"> <li>aged debt reporting by budget area</li> <li>Various procurement (SRM) reports showing vendor name not just number</li> <li>Activity analysis for processing teams to set/monitor KPIs</li> <li>cost centre analysis on procurement reports</li> <li>Activity analysis by buyer and requisitioner</li> <li>Org establishment reporting</li> </ul> </li> </ul>	Very High
SAP / Line of business interfaces – Review	<ul style="list-style-type: none"> <li>• Reduced risk of negative press/ exposure to legal action for the Council - for instance Housing Benefit payments being sent late</li> <li>• Improved service to corporate customers and reduction in delayed payments to suppliers - for instance payments to taxi drivers</li> <li>• Less manual intervention and duplicate data entry required which therefore reduces the risk of incorrect data being entered and improves processing time and efficiency</li> <li>• Improve data quality &amp; completeness in Revs and bens systems</li> </ul>	Very High

<p>Large Volume Data Manipulation Tool</p>	<ul style="list-style-type: none"> <li>• An extremely user friendly tool</li> <li>• Automates the download and upload of large amounts of data</li> <li>• Introduces an opportunity to improve staff productivity in the way large volumes of data are managed</li> <li>• Provides access to a tool that can be used to cleanse data This will be particularly useful for HR in managing changes to personnel areas and sub areas, for Finance in accounts data and for Payroll being able to improve employee data</li> <li>• Allows payroll to automate the process of migrating payroll data for new business e.g. Academy Schools, Fire service etc</li> <li>• Improves data quality held in SAP</li> <li>• Creates an auditable record of data manipulated</li> <li>• Creates an auditable record of data created</li> </ul>	<p>Very High</p>
<p>e-Forms</p>	<ul style="list-style-type: none"> <li>• Improves the user experience of SAP</li> <li>• Complete audit trail of updated data</li> <li>• Reduced staff overhead through reduction of input effort and data duplication/re-keying</li> <li>• Improvement in data quality and accuracy, therefore corporate reporting will become accurate</li> <li>• Consistent, single business processes</li> <li>• Reduced processing times which adversely affect Accounts Payable Payees and Accounts receivable customers</li> <li>• Eliminates waste and reduces support / maintenance effort of data</li> <li>• Prevents forms from going missing and resulting queries being raised</li> </ul> <p>Example Forms are:-</p> <ul style="list-style-type: none"> <li>• Overtime &amp; Extra Expenses Claims</li> <li>• Payroll Hours Changes</li> <li>• Starters &amp; Leavers</li> <li>• Financial Master Data- Suppliers</li> <li>• Financial Master Data - Customers</li> </ul>	<p>Very High</p>
<p>Budget Management</p>	<ul style="list-style-type: none"> <li>• Provide easy to use reports, accessed by using Managers Self Service (MSS)</li> <li>• Enables effective budget management by managers rather than accountants <ul style="list-style-type: none"> <li>&gt; Provides simple functionality which will aid training &amp; compliance by increasing confidence in SAP</li> </ul> </li> <li>• Provides visibility of the budgeting process <ul style="list-style-type: none"> <li>&gt; Gives a clear audit trail of budget management</li> </ul> </li> <li>• Simplifies the changes required to support organisational restructuring</li> </ul>	<p>High</p>

Profit Centre Accounting	<ul style="list-style-type: none"> <li>• Increased reporting options by introducing service area accounting i.e. ability to detail aged debt by cost centre, which would allow budget managers to monitor outstanding debt and make appropriate provisions</li> <li>• Improved analysis of costs for instance the ability to detail Accounts Payable spend by budget code</li> <li>• Better Balance Sheet Reporting</li> <li>• Access to standardised SAP reports</li> <li>• Accurate information to support and improve the Accounts Receivable - Debt Management function</li> </ul>	High
Direct Debit Functionality	<ul style="list-style-type: none"> <li>• Improve the payment options available for customers</li> <li>• Reduction in cash processing time &amp; the cash cycle</li> <li>• There are currently around 700 Customers with active standing orders we could reduce the inefficiency of using paper based standing orders by moving customers to Direct Debit, with their agreement</li> <li>• Pre SAP, most Life Line customers paid via DD (return to this option would be preferential for customers and the business)</li> <li>• Introduce paperless functionality (AUDDIS) so that customer Direct Debit Instructions will be held electronically on SAP &amp; reduce the set up processing time</li> <li>• Introduce the electronic transmission of Direct Debits to customer banks using BACS</li> <li>• No cash receipts required</li> </ul>	High
Staff Appraisals in SAP	<ul style="list-style-type: none"> <li>• Appraisals are created and updated online using standard MSS and ESS</li> <li>• Appraisal records are held electronically in SAP rather than on paper copies</li> <li>• Provides the management information that support the appraisal process to show how many and which staff have had an appraisal and the stage of the appraisal</li> <li>• Enables managers to monitor and follow up on appraisal progress</li> <li>• Introduces a consistent appraisal process across the council</li> </ul>	High
e-Recruitment interface from and to SAP	<ul style="list-style-type: none"> <li>• Accurate transfer of recruitment data into SAP</li> <li>• Consistent recruitment processes</li> </ul>	High
Carefirst – SAP	<ul style="list-style-type: none"> <li>• Remove processes that are complex and labour-intensive</li> <li>• Ability to process commitments and accounting for income in a much simpler way</li> <li>• Redeploy the resources usefully if a streamlined solution could be implemented</li> <li>• Introduce a revised solution for new care contracts as they require a significant change</li> </ul>	High

	to the procedure for creating Purchase Orders	
Data Archiving	<ul style="list-style-type: none"> <li>• Improvement in the user experience of SAP by having access to the right data at the right time</li> <li>• Reduced disk storage space required</li> <li>• Improved system efficiency and system response times to run transactions and reports</li> <li>• Regular housekeeping performed</li> <li>• Adherence to retention policies and legislation</li> </ul>	High
Copying Tool – Data Encryption and Testing	<ul style="list-style-type: none"> <li>• Reduces time taken to create sample test data</li> <li>• Allows real situations and data to be used for testing rather than fabricated scenarios</li> <li>• Reduces the amount of time staff spend creating data for test purposes and therefore enables them to focus on resolving the issue / problem or development</li> <li>• Reduces the need for full data copies which require disk space</li> <li>• Improves the whole quality of the testing process</li> <li>• Eliminates the risk to sensitive data being used in the test environment as the data can be scrambled</li> </ul>	High
Flexible Time Recording (for on-line Annual Leave, accurate sickness records & reporting)	<ul style="list-style-type: none"> <li>• Less complex data maintenance</li> <li>• Enables on-line leave booking</li> <li>• Eliminates risk with processing payroll records</li> <li>• Potential to use with MSS</li> <li>• Increased use of ESS</li> </ul>	Medium
SAP Flexible Real Estate	<ul style="list-style-type: none"> <li>• Save costs by being able to decommission a legacy application – GVA</li> <li>• Provides full integration with SAP financials</li> <li>• Eliminate double keying for Accounts Payable, reducing payment times and wastage</li> <li>• Increased visibility of assets and estate management for other teams i.e. insurance.</li> </ul>	Medium - Low
SAP / Line of business interfaces – Platform	<ul style="list-style-type: none"> <li>• Reduced risk of negative press/ exposure to legal action for the Council - for instance Housing Benefit payments being sent late</li> <li>• Improved service to corporate customers and reduction in delayed payments to suppliers - for instance payments to taxi drivers</li> <li>• Less manual intervention and duplicate data entry required which therefore reduces the risk of incorrect data being entered and improves processing time and efficiency</li> <li>• Improved resilience of the exchange of automated data and support arrangements by moving to an industry standard platform</li> <li>• Data protection compliance and security of highly sensitive Council data</li> </ul>	Medium - Low
e-Learning Interface to SAP	<ul style="list-style-type: none"> <li>• Learning &amp; Development Records Maintained</li> <li>• Learning &amp; Development Requirements Projected</li> </ul>	Medium - Low

SAP Solution Manager	<ul style="list-style-type: none"> <li>• Mandatory component required to exploit the enhanced level of support we already have with SAP</li> <li>• Other important SAP tools cannot be implemented without correct SLM configuration</li> <li>• Provides access to diagnostic tools</li> <li>• Increased control of changes</li> <li>• Improved project management</li> <li>• Enables leverage of SAP enterprise licence</li> <li>• Improved application management</li> <li>• Can automate testing routines</li> <li>• Greater auditability &amp; security</li> <li>• Improved support from SAP</li> <li>• Access to templates</li> </ul>	Low
SAP / AD Synchronisation	<ul style="list-style-type: none"> <li>• Significant reduction in maintenance and admin effort for AD and SAP - potential to reduce headcount or redeploy resources</li> <li>• Single point of access for Contact Information</li> <li>• Removes data divergence and duplication</li> <li>• Reduces Hardware and disk-space requirement</li> <li>• Greatly improved management reporting around people and organisational structures</li> <li>• Will link to CR70968 and provide a single source of HR data and efficient effective tools to manage data about staff and structures</li> <li>• SSO offers greatly improved user administration and IT security</li> </ul>	Low
e-Procurement	<ul style="list-style-type: none"> <li>• Corporate Procurement Unit are looking at the pro's and con's of Procontract versus the greater use of SAP</li> </ul>	Low
Carbon Emissions for Business Travel	<ul style="list-style-type: none"> <li>• New legislation is being developed that requires all business travel (using private vehicles) to be recorded for staff well-being purposes (a liability to the Council) and also to understand the carbon footprint associated with business travel. SAP is already used to record and claim for business mileage, so extending this to record other information about business travel may be an effective solution.</li> </ul>	Low
Document Scanning & Workflow	<ul style="list-style-type: none"> <li>• Automatic electronic retrieval of documents</li> <li>• Reduced space required for storage</li> <li>• Maintain statutory retention periods</li> <li>• Reduce processing costs</li> <li>• Improve payment processing time resulting in vendors being paid on time</li> <li>• Improve adherence to processes and increase efficiency</li> </ul>	Low

SAP Enhancement Pack	<ul style="list-style-type: none"> <li>• Gives the council access to enhanced SAP functionality of the current modules</li> <li>• Provides the council with options to new functionality and improved features</li> <li>• Reduces the requirement for bespoke work</li> <li>• Reduces the need to have workarounds in place where functionality does not meet the business needs</li> <li>• Could save time and resources by moving to the enhancement pack during 2012 instead of carrying out the annual patching cycle followed by a move to the enhancement pack at a later date</li> </ul>	Low
SAP Access Controls & Super User Privilege Management	<ul style="list-style-type: none"> <li>• Improved results/reduced recommendations from auditors</li> <li>• More resilient SAP security</li> <li>• Reduced risk of negative press/ exposure to legal action for the Council</li> <li>• Better data protection compliance and security of highly sensitive Council data</li> <li>• Improved support from SAP moving to vendor recommended platform</li> </ul>	Low
Purchasing Card Management	<ul style="list-style-type: none"> <li>• Roll out P-Card functionality</li> <li>• Reduce keying &amp; reconciliation time and effort</li> <li>• Automate credit card process</li> <li>• Automate reconciliation process</li> <li>• Provides visibility of low value procurement spend e.g. &lt;£500 and enables accurate reporting of this spend, currently reported as a lump sum</li> <li>• Could provide data required in Freedom of Information enquiries, spend analysis and vendor reports etc</li> </ul>	Low



Reference Number	Project	Description	Benefits	Status Update	Resources Required	External Costs	Process Owners	Priority	Target Date
CR70845	IFRS / Capital	The Councils accounts need to be IFRS (International Financial Reporting Standards) compliant (a statutory requirement). This requires SAP developments to ensure that the capital assets functionality works correctly. Failure to comply with IFRS would result in the Councils accounts being qualified. The Corporate Finance team will be able to upload masses of data automatically.	<ul style="list-style-type: none"> <li>&gt; IFRS Statutory Compliance</li> <li>&gt; Provides IFRS Reporting</li> <li>&gt; Accurate, timely information to assist with the management of assets</li> <li>&gt; Enhanced reporting on the depreciation of assets</li> <li>&gt; Automation of data entry which is efficient and improves data quality in SAP</li> </ul>	The requirements for IFRS compliance have been defined and agreed by Corporate Finance and Logica. Logica have carried out the necessary developmental work and the configuration has now been tested by Corporate Finance. The next step is for Logica to provide knowledge transfer to Corporate Finance to enable the mass upload of data and processing of reports.  Near Completion	Super User Finance SAP Support Team Logica  <i>Project Phases Required:-</i> <ul style="list-style-type: none"> <li>&gt; Knowledge Transfer</li> <li>&gt; Final Testing</li> <li>&gt; Sign Off</li> </ul>	10,000.00	Michael Hudson Matthew Tiller	Very High	2011/2012 Due to be complete by Mid April 2011
CR70968	Publication of organisational Charts and Information on MSS	The organisation charting software (OrgPublisher) that was purchased at the same time as SAP is regularly used by HR business partners, but has not yet been made available to managers through MSS. Development of OrgPublisher and other helpful functionality in MSS would provide significant benefits to managers and also encourage them to use SAP more effectively. OrgPublisher will also deliver detailed, navigable corporate structure charts to all SAP users via the SAP Portal. This can be combined with a number of other tools/data sources to replace numerous contact databases/systems, providing a single, easy to use view of the Council's structure. With the numerous changes created by organisational restructuring and requirement to have an up to date view of the structures org publisher will provide the right data at the right time, this will assist with being able to turnaround changes promptly.	<ul style="list-style-type: none"> <li>&gt; Targeted organisational charts available to all managers via the SAP portal</li> <li>&gt; Easy access to visual display of structures and information</li> <li>&gt; Enables better decision making around re-structures or team reorganisation and identifying data which needs to be cleansed</li> <li>&gt; Enhanced functionality available to HR team, including 'drag and drop' structure changes and 'what-if' modelling</li> <li>&gt; ESS users able to access data about their teams - security config prevents access to inappropriate data/structures</li> <li>&gt; Replace current, unintuitive, search facility (Who's Who)</li> <li>&gt; This provides the mechanism to meet Government open data requirements to publish an online structure chart</li> </ul>	Further developments have been carried out and are currently being tested. Logica are providing a date for some technical support which is required prior to publishing the basic solution. The SAP Support Team have visited another authority where the org publisher functionality is more sophisticated and advanced. These features will be explored further once the basic solution has been implemented	Logica SAP Support Team Technical Other local authority expertise  <i>Project Phases Required:-</i> <ul style="list-style-type: none"> <li>&gt; Technical support Logica</li> <li>&gt; Development Testing</li> <li>&gt; User Acceptance Testing</li> <li>&gt; Sign Off</li> <li>&gt; Training</li> <li>&gt; Launch</li> </ul>	5,000.00	Barry Pirie Steve Perry Jacqui White Liz Creedy	Very High	2011/2012 2 month project
NEW	SAP REPORTING	Getting optimal value out of SAP relies on utilising reporting capabilities to their best advantage. A review of reporting is required to ensure full value-add is achieved, consistently across SAP user groups in the most VFM manner. At present changes to reporting are ad hoc and unstable, inefficient work around have developed. This project would coordinate the approach to reporting, identifying needs and solutions whether it be a requirement for more BI resource, Query training or access to another reporting solution.	<ul style="list-style-type: none"> <li>&gt; Focus and prioritise reporting resources to enable much needed MI to be delivered efficiently and effectively</li> <li>&gt; Reduce reliance on Access databases (currently unsupported) and excel</li> <li>&gt; Utilise proper functionality within SAP</li> <li>&gt; Have clear consistent approach across the council to maximise VFM</li> <li>&gt; Be able to respond more efficiently to requests from senior management, politicians and for FOI</li> </ul> Examples of reporting needs which would be addressed:- <ul style="list-style-type: none"> <li>&gt; aged debt reporting by budget area</li> <li>&gt; Various procurement (SRM) reports showing vendor name not just number</li> <li>&gt; Activity analysis for processing teams to set/monitor KPIs</li> <li>&gt; cost centre analysis on procurement reports</li> <li>&gt; Activity analysis by buyer and requisitioner</li> <li>&gt; Org establishment reporting</li> </ul>	SAP reporting is ad hoc at present with no single project to co-ordinate or ensure there is a consistent approach. There is limited BI resource in the Sap support team and the opportunities of SAP are not being fully exploited	Super User Finance, SRM, HR, PAY SAP Support Team Logica 3rd party provider(s)  <i>Solution Requires:-</i> <ul style="list-style-type: none"> <li>&gt; Blueprint</li> <li>&gt; Development</li> <li>&gt; Development Testing</li> <li>&gt; User Acceptance Testing</li> <li>&gt; Sign Off</li> <li>&gt; Publishing</li> <li>&gt; Training</li> </ul>	50,000.00	Michael Hudson Matthew Tiller Jacqui White Caroline Bee Barry Pirie Steve Perry	Very High	2011/2012 6 month project
NEW	SAP / Line of business Interfaces - Review	The whole suite of interfaces also requires a review to identify where further process/data handling improvements can be made, effectively removing the inefficiencies associated with duplicated manual input of data. These interfaces are listed below: Amend Revenues and benefits interfaces (Housing Benefit, Council Tax and NNDR) to bring them in line with the one system. Introduce unfinished interfaces, for instance CTAX payments North, to reduce double keying. GVA / Galaxy interface to accounts payable Improve Civica interfaces to reduce time spent correcting failed files.	<ul style="list-style-type: none"> <li>&gt; Reduced risk of negative press/ exposure to legal action for the Council - for instance Housing Benefit payments being sent late</li> <li>&gt; Improved service to corporate customers and reduction in delayed payments to suppliers - for instance payments to taxi drivers</li> <li>&gt; Less manual intervention and duplicate data entry required which therefore reduces the risk of incorrect data being entered and improves processing time and efficiency</li> <li>&gt; Improve data quality &amp; completeness in Revs and bens systems</li> </ul>	There are currently 30 interfaces, many of them highly visible and business-critical (such as Housing Benefit payments), between SAP and existing line-of-business systems. There are opportunities to review the operation of these interfaces, consolidate e.g. revs and bens and implement further interfaces e.g. Galaxy - Libraries	SAP Support Team -Technical Applications Team. - Revenues and benefits Team Line of business applications leads /owners Business services finance staff Logica 3rd party application providers  <i>Solution Requires:-</i> <ul style="list-style-type: none"> <li>&gt; Review</li> <li>&gt; Configuration</li> <li>&gt; Development Testing</li> <li>&gt; User Acceptance Testing</li> <li>&gt; Sign Off</li> </ul>	TBC	Jacqui White Caroline Bee	Very High	2011/2012 6 month project
CR71054	Large Volume Data Manipulation Tool	Manipulating large amounts of data in SAP is both complex and time consuming, especially when using the native tools within SAP itself. A number of 3rd party tools are available, that allow large amounts of data to be extracted safely from SAP, typically for data cleansing, mass updates, or movement of large data sets within the SAP client landscape.	<ul style="list-style-type: none"> <li>&gt; An extremely user friendly tool</li> <li>&gt; Automates the download and upload of large amounts of data</li> <li>&gt; Introduces an opportunity to improve staff productivity in the way large volumes of data are managed</li> <li>&gt; Provides access to a tool that can be used to cleanse data This will be particularly useful for HR in managing changes to personnel areas and sub areas, for Finance in accounts data and for Payroll being able to improve employee data</li> <li>&gt; Allows payroll to automate the process of migrating payroll data for new business e.g. Academy Schools, Fire service etc</li> <li>&gt; Improves data quality held in SAP</li> <li>&gt; Creates an auditable record of data manipulated</li> <li>&gt; Creates an auditable record of data created</li> </ul>	These tools are currently used by many other SAP users to automate data creation, maintenance, cleansing etc. A demonstration has been held by a company to show the possible use of such a tool. Indicative costs have been obtained	Super User Finance, SST, SRM, HR, PAY SAP Support Team 3rd Party provider  <i>Project Phases Required:-</i> <ul style="list-style-type: none"> <li>&gt; Analysis for use</li> <li>&gt; 3rd party implementation</li> <li>&gt; Testing</li> <li>&gt; Sign Off</li> <li>&gt; Training</li> </ul>	30,000.00	Barry Pirie Steve Perry Michael Hudson Matthew Tiller Jacqui White Mark Stone Liz Creedy Caroline Bee	Very High	2011/2012 2months Project

CR70886	eForms	<p><b>Corporate Project.</b> The existing eForms package (Top Level) is no longer supported within the Council. Existing forms are not integrated with SAP.</p> <p>The Council no longer has any in-house skills to develop or configure the TopLevel package.</p> <p>The current forms therefore cause a great deal of frustration and waste of staff time when the forms don't work effectively or content needs updating or amending. This has resulted in a move back to paper based forms in some instances with consequent process inefficiencies and loss of an audit trail. It has also meant delays in processing whilst the current forms are down and forms are 'lost' in the system. Data integrity is compromised. There is significant appetite in the Council to implement a more sophisticated and user friendly e-Forms package that fully integrates with SAP and other applications, whilst also offering real opportunities to save money through reduction of manual inputting and error correction.</p>	<ul style="list-style-type: none"> <li>&gt; Improves the user experience of SAP</li> <li>&gt; Complete audit trail of updated data</li> <li>&gt; Reduced staff overhead through reduction of input effort and data duplication/re-keying</li> <li>&gt; Improvement in data quality and accuracy, therefore corporate reporting will become accurate</li> <li>&gt; Consistent, single business processes</li> <li>&gt; Reduced processing times which adversely affect Accounts Payable Payees and Accounts receivable customers</li> <li>&gt; Eliminates waste and reduces support / maintenance effort of data</li> <li>&gt; Prevents forms from going missing and resulting queries being raised</li> </ul> <p>Example Forms:-</p> <ul style="list-style-type: none"> <li>&gt; Overtime &amp; Extra Expenses Claims</li> <li>&gt; Payroll Hours Changes</li> <li>&gt; Starters &amp; Leavers</li> <li>&gt; Financial Master Data- Suppliers</li> <li>&gt; Financial Master Data - Customers</li> </ul>	<p>The Applications team have begun discussion with ROCC, who currently provide the Council with other Adobe products, including a small instance of Lifecycle (the preferred E-forms tool for SAP integration). ROCC will complete a site visit during second week April to discuss options for expanding the current solution to meet Corporate requirements.</p> <p>The SAP team have conducted site visits to Gloucester CC where they have successfully deployed Adobe e-forms in a Local government environment, in conjunction with Arch. The SAP team have a meeting with Arch scheduled for 7th April to investigate next steps</p>	<p>Super User Finance, SRM, HR, PAY SAP Support Team Logica 3rd party provider(s) ICT Applications</p> <p><i>Solution Requires:-</i></p> <ul style="list-style-type: none"> <li>&gt; Blueprint</li> <li>&gt; Create form templates</li> <li>&gt; Configuration</li> <li>&gt; Development Testing</li> <li>&gt; User Acceptance Testing</li> <li>&gt; Sign Off</li> <li>&gt; Publishing</li> </ul>	TBC	Jacqui White Mark Stone	Very High	2011/2012 12 month project
CR70660	Budget Management	<p>The standard facilities in SAP currently present an accountants view of budget management, via MSS (managers self service) to budget holders. The level of information presented is therefore more complex than required, resulting in managers not having the confidence to use SAP to monitor their budgets. As a consequence managers need more support from technical finance staff.</p> <p>The interim Finance Director intends to re-launch budget management so that managers become far less reliant on management accountants. To achieve this it is necessary to re-configure SAP so that managers have a more intuitive tool for building, monitoring and forecasting their budget/s.</p> <p>An alternative approach would be to introduce Profit Centre Accounting (PCA) , this has been identified as project CR70691 and is interlinked with revisiting Budget Management.</p>	<ul style="list-style-type: none"> <li>&gt; Provide easy to use reports, accessed by using Managers Self Service (MSS)</li> <li>&gt; Enables effective budget management by managers rather than accountants</li> <li>&gt; Provides simple functionality which will aid training &amp; compliance by increasing confidence in SAP</li> <li>&gt; Provides visibility of the budgeting process</li> <li>&gt; Gives a clear audit trail of budget management</li> <li>&gt; Simplifies the changes required to support organisational restructuring</li> </ul>	<p>An outline request has been made to Logica highlighting that the existing functionality is more complex than the council requires for use by budget managers.</p> <p>A workshop is to be scheduled to blueprint a solution that delivers a simple to use interface that allows managers to control budgets effectively. Ensuring that the process is fully auditable and meets statutory and internal accounting standards.</p> <p>Finance are in the process of analysing the requirements so that the necessary blueprint and resulting development work can be carried out.</p>	<p>Super User Finance Super User Budget Manager SAP Support Team Finance Trainers Logica</p> <p><i>Project Phases Required:-</i></p> <ul style="list-style-type: none"> <li>&gt; Blueprinting</li> <li>&gt; Analyse the benefits of PCA</li> <li>&gt; Configuration</li> <li>&gt; Development Testing</li> <li>&gt; User Acceptance Testing</li> <li>&gt; Sign Off</li> <li>&gt; Training</li> <li>&gt; Launch</li> </ul>	50,000.00	Michael Hudson Matthew Tiller	High	2011/2012 18 month project
CR70691	Profit Centre Accounting	<p>SAP Profit Centre Accounting (EC-PCA) allows profits and losses to be determined by profit centre using either period accounting or the cost-of-sales approach. It also provides analysis of fixed capital and so-called "statistical key figures" (number of employees, square meters, and so on) by profit centre. Consequently, all the key figures commonly used in cost accounting (return on investment, cash flow, sales per employee, and so on), can be calculated.</p> <p>This project is interlinked with CR70660, Budget Management relaunch and would be commenced at the same time to ensure that the functionality can be configured to meet the overall needs and deliver the benefits identified.</p>	<ul style="list-style-type: none"> <li>&gt; Increased reporting options by introducing service area accounting i.e. ability to detail aged debt by cost centre, which would allow budget managers to monitor outstanding debt and make appropriate provisions</li> <li>&gt; Improved analysis of costs for instance the ability to detail Accounts Payable spend by budget code</li> <li>&gt; Better Balance Sheet Reporting</li> <li>&gt; Access to standardised SAP reports</li> <li>&gt; Accurate information to support and improve the Accounts Receivable - Debt Management function</li> </ul>	<p>PCA was not identified as a requirement during the original blueprint however work was started to consider this approach and benefits. Logica began configuration work for PCA which in testing illustrated the impact it would have on other areas of finance and functions e.g. cash collection and DCS processing and reporting. Progress on PCA was therefore suspended as further analysis and clarity of requirements is needed to ensure the right solution is developed.</p>	<p>Super User Finance SAP Support Team Logica</p> <p><i>Project Phases Required:-</i></p> <ul style="list-style-type: none"> <li>&gt; Review Blueprint</li> <li>&gt; Consider the impact on Budget Management</li> <li>&gt; Consider impact on other finance functions</li> <li>&gt; Review proposed configuration</li> <li>&gt; Configuration</li> <li>&gt; Development Testing</li> <li>&gt; User Acceptance Testing</li> <li>&gt; Sign Off</li> <li>&gt; Training</li> <li>&gt; Launch</li> </ul>	30,000.00	Michael Hudson Matthew Tiller	High	2011/2012 18 month project
CR70857	Direct Debit functionality	<p>The Council does not currently have the functionality to offer customers the option to pay for 'sundry services' by paperless Direct Debit. As a consequence there is a considerable number of invoices that are settled by cash, cheque and by standing order. These methods are inefficient and costly to administer. Electronic Direct Debit functionality (AUDDIS) would automate payment collection, reducing the administrative burden of the accounts receivable team and staff in services who currently process sales orders and monitor income. The customer would be provided with a modern, alternative method of payment.</p>	<ul style="list-style-type: none"> <li>&gt; Improve the payment options available for customers</li> <li>&gt; Reduction in cash processing time &amp; the cash cycle</li> <li>&gt; There are currently around 700 Customers with active standing orders we could reduce the inefficiency of using paper based standing orders by moving customers to Direct Debit, with their agreement</li> <li>&gt; Pre SAP, most Life Line customers paid via DD (return to this option would be preferential for customers and the business)</li> <li>&gt; Introduce paperless functionality (AUDDIS) so that customer Direct Debit Instructions will be held electronically on SAP &amp; reduce the set up processing time</li> <li>&gt; Introduce the electronic transmission of Direct Debits to customer banks using BACS</li> <li>&gt; No cash receipts required</li> </ul>	<p>A workshop was held with Logica on 14/3/11 to discuss and agree the requirements of paperless Direct Debit (AUDDIS).</p> <p>The new functionality will utilise the benefits of the Contract Accounting Solution for paperless direct debit instructions, file creation, direct debit management and transmission to BACS.</p> <p>An estimate for the solution has been provided and has been passed to the Shared Services Team approval. Sap support team are scheduled to commence initial testing early April 2011.</p> <p>Pilot Group Launch 'Lifeline' (Sept 2011 TBC)</p> <p>&gt; launch for all Customer Groups (Apr 2012 TBC)</p>	<p>Super User SST SAP Support Team Logica</p> <p><i>Project Phases Required:-</i></p> <ul style="list-style-type: none"> <li>&gt; Testing existing functionality</li> <li>&gt; Configuration for (AUDDIS)</li> <li>&gt; Development Testing</li> <li>&gt; User Acceptance Testing</li> <li>&gt; Sign Off</li> <li>&gt; Training</li> <li>&gt; Launch</li> <li>Pilot Group Launch 'Lifeline' (Sept 2011 TBC)</li> <li>&gt; launch for all Customer Groups (Apr 2012 TBC)</li> </ul>	10,000.00	Jacqui White Caroline Bee	High	2011/2012
CR71413	Staff Appraisals in SAP	<p>HR have requested that the Personal Development Framework configuration, created in SAP during blue-print, is developed to support the councils appraisal process and form.</p> <p>This will enable the appraisal process to be moved to an online function which will be managed and monitored by using Managers Self Service (MSS) and Employee Self Service (ESS).</p> <p>The development will also provide the required management information to support HR and managers.</p>	<ul style="list-style-type: none"> <li>&gt; Appraisals are created and updated online using standard MSS and ESS</li> <li>&gt; Appraisal records are held electronically in SAP rather than on paper copies</li> <li>&gt; Provides the management information that support the appraisal process to show how many and which staff have had an appraisal and the stage of the appraisal</li> <li>&gt; Enables managers to monitor and follow up on appraisal progress</li> <li>&gt; Introduces a consistent appraisal process across the council</li> </ul>	<p>Logica have been configuring the current SAP solution and HR have recently reviewed the revised functionality. The solution would support a move to an online appraisal process and the required management information to support HR</p>	<p>Super User HR Business Analyst SAP Support Team Logica</p> <p><i>Project Phases Required:-</i></p> <ul style="list-style-type: none"> <li>&gt; HR to review configuration</li> <li>&gt; Final Configuration</li> <li>&gt; Development Testing</li> <li>&gt; User Acceptance Testing</li> <li>&gt; Sign Off</li> <li>&gt; Training</li> <li>&gt; Launch</li> </ul>	16,000.00	Barry Pirie Steve Perry	High	2011/2012

NEW	e-Recruitment interface from and to SAP	A replacement recruitment system has been selected and a new interface with SAP will be required. The project has not yet finalised the exact interface requirements (there are opportunities to present ,managers with appropriate information from SAP as part of the recruitment process).	> Accurate transfer of recruitment data into SAP > Consistent recruitment processes		HR Business Analyst SAP Support Team Logica  Project Phases Required:- > Configuration > Development Testing > User Acceptance Testing > Sign Off > Training > Launch		Barry Pirie Steve Perry Jacqui White Liz Creedy	High	2011/2012 5 months April to august
NEW	CAREFIRST	An alternative method of processing financial commitments and payments for DCS care packages, in SAP is being investigated. The current process for processing DCS care payments in SAP, involves maintaining a considerable number of tracking spreadsheets, and an unconventional, highly bespoke way of accounting in SAP for income contributions from customers. New care contracts would require a significant change to the procedure for creating Purchase Orders but changes should be avoided where not considered necessary.	> Remove processes that are complex and labour-intensive > Ability to process commitments and accounting for income in a much simpler way > Redeploy the resources usefully if a streamlined solution could be implemented > Introduce a revised solution for new care contracts as they require a significant change to the procedure for creating Purchase Orders	Reports were developed to support the processes involved and although there is a convoluted nature of the present processes, they do appear to work satisfactorily. However a review of the processing of care packages and commitments is under investigation. The following actions were set out at a meeting on 7/4/11 :-  (i) Paul Mitchell (PGM) to set out a business requirement for a DCS payments process, to be agreed with Janet Ditte. (ii) PH to discuss with LS the possibility of using Logica call-off days on this SAP re-working. (iii) SH and PGM to agree any Logica consultants proposed if further work identified to ensure knowledge of relevant SAP tools (iv) As a fallback plan, PGM to seek contingent funding for use of alternative consultants	DCS Business Lead (Janet Ditte) Business Analyst SAP Support Team Logica  Project Phases Required:- > Blueprint > Configuration > Development Testing > User Acceptance Testing > Sign Off	TBC	Michael Hudson	High	2011/2012
CR70934	Data Archiving	With thousands of transactions taking place in SAP every day, huge volumes of data and transaction logs are generated that take up disk space on the SAP servers and degrade system performance. Although additional space can be added to the servers, this tends to slow down the performance of the system. It is therefore necessary to produce an archiving approach that complies with the Council's retention policy.	> Improvement in the user experience of SAP by having access to the right data at the right time > Reduced disk storage space required > Improved system efficiency and system response times to run transactions and reports > Regular housekeeping performed > Adherence to retention policies and legislation	SAP Support team met with Proceed Archiving on 15/3/11 to begin investigating an archiving solution. Discussions have also been held with Logica regarding housekeeping and archiving options. Appropriate data was submitted to Proceed to enable the development of a proposal, estimated cost and resource requirement. Update 13/4/11 - A phased approach has been identified with Phase1 to include Basis, Payroll and some basic housekeeping in around 18 days (consultancy days, not elapsed time).	Super User Finance, SRM, HR, PAY SAP Support Team Logica 3rd party provider  Project Phases Required:- > Blueprint > Create archiving strategy > Configuration > Development Testing > User Acceptance testing > Sign Off > Training	Phase 1 costs £17,100 plus expenses  72,000.00 estimate excl hardware	Barry Pirie Steve Perry Michael Hudson Matthew Tiller Jacqui White Mark Stone Liz Creedy Caroline Bee	High	2011/2012
CR71074	Data Encryption and testing 3rd party tool	Replicating SAP Production problems in the test environment, particularly those that relate to specific individuals or groups of individuals is very difficult and at times impossible. It is also true that transferring live data into the test environment increases the risk of allowing inappropriate access to sensitive information. Third party tools are available that allow selective transfer and scrambling of data from the production environment into the test environment, therefore protecting sensitive records. This would speed up problem resolution and offer an increased level of security for sensitive data.	> Reduces time taken to create sample test data > Allows real situations and data to be used for testing rather than fabricated scenarios > Reduces the amount of time staff spend creating data for test purposes and therefore enables them to focus on resolving the issue / problem or development > Reduces the need for full data copies which require disk space > Improves the whole quality of the testing process > Eliminates the risk to sensitive data being used in the test environment as the data can be scrambled	The tool is currently used by other SAP users, a demonstration and discussions have been held with a 3rd party provider. Indicative costs have been obtained	Super User HR, PAY SAP Support Team 3rd Party provider  Project Phases Required:- > Analysis for use > 3rd party implementation > Testing > Sign Off > Training	30,000.00	Jacqui White Liz Creedy	High	2011/2012 6 months April to September
CR70619	Flexible Time Recording	SAP was delivered with facilities for time recording and annual leave booking, using workflow functionality that is built into the Employee and Manager Self Service modules. However, for these features to work effectively it is necessary to accurately record staff working patterns. The standard functionality does not make this administration task particularly straight forward, particularly when considering there are at least 1,500 different working patterns used across the Council. However, SAP has recently developed a bolt-on module that makes it possible to administer large numbers of different working patterns.	> Less complex data maintenance > Enables on-line leave booking > Eliminates risk with processing payroll records > Potential to use with MSS > Increased use of ESS	SAP support team have visited Southwark Council where the solution is currently in use and being further developed.	Super User HR/Pay SAP Support Team Logica SAP  Project Phases Required:- > Blueprint > Configuration > Testing > Sign Off > Training	30,000.00	Barry Pirie Steve Perry Jacqui White Liz Creedy	Medium	2011/2012
CR71108	SAP Flexible Real Estate	Implementation of the SAP Flexible Real Estate Management module would allow the objects necessary for the management of real estate (business entity, property, building, rental unit, rooms, etc.) to be created and managed effectively. Functionality includes: lease; third-party management; lease in; control of business processes; assets management postings and evaluations; planning and control of new developments, maintenance tasks, modernization tasks; evaluation mechanism. This would allow the legacy application currently used in property and other asset management applications to be replaced by a single package that is integrated with SAP financials.	> Save costs by being able to decommission a legacy application - GVA > Provides full integration with SAP financials > Eliminate double keying for Accounts Payable, reducing payment times and wastage > Increased visibility of assets and estate management for other teams i.e. insurance.	Initial discussions have commenced with Logica to consider SAP FRE	Sevice Dept SAP Support Team Logica SAP  Project Phases Required:- > Blueprint > Configuration > Testing > Sign Off > Training	TBC	TBC	Medium / Low	2012/2013

CR70875	SAP / Line of business Interfaces - Platform	<b>Corporate Project.</b> The 42 interfaces, many of them highly visible and business-critical (such as Housing Benefit payments), between SAP and existing line-of-business systems are currently running on an older File Transfer Protocol (FTP) platform. This introduces greater risk as time goes on, as the technology is no longer industry standard, not particularly robust and difficult to monitor efficiently. It is recommended to upgrade the current FTP platform to a BizTalk server. This will provide more robust performance, including programmable error reporting with pre-configured error alerting/warnings. This in turn speeds up the process of identifying and fixing faults (that have, in the past, caused delays to paying Council clients and suppliers) and therefore reduces the Council's exposure to negative press/litigation.	<ul style="list-style-type: none"> <li>&gt; Reduced risk of negative press/ exposure to legal action for the Council - for instance Housing Benefit payments being sent late</li> <li>&gt; Improved service to corporate customers and reduction in delayed payments to suppliers - for instance payments to taxi drivers</li> <li>&gt; Less manual intervention and duplicate data entry required which therefore reduces the risk of incorrect data being entered and improves processing time and efficiency</li> <li>&gt; Improved resilience of the exchange of automated data and support arrangements by moving to an industry standard platform</li> <li>&gt; Data protection compliance and security of highly sensitive Council data</li> </ul>	SAP Support Team have held preliminary discussions with the Applications team.  It should be noted that the Council has recently invested in a Corporate edition of the existing FTP toolset and there are some concerns regarding additional funding for new solutions during the period of implementing CoCo compliance, and the associated infrastructure re-configuration required to meet these standards	SAP Support Team -Technical Applications Team	TBC	Jacqui White Mark Stone	Medium / Low	2011/2012
NEW	eLearning interface to SAP	An interface will be required to automatically transfer data from the 'e'learning system into Sap. The E Learning system is still being specified	<ul style="list-style-type: none"> <li>&gt; L&amp;D Records Maintained</li> <li>&gt; L&amp;D Requirements Projected</li> </ul>	TBC	TBC	TBC	Barry Pirie Steve Perry	Medium / Low	2011/2012
CR70651	SAP Solution Manager	Solution Manager (SLM) is a standard delivered component of SAP. Whilst we have the SLM client installed already, we have not developed it past the basic document management stage. SLM is an integral part of the system, forming a 'hub' for the Enterprise Support agreement which the Council already has with SAP. The first stage of configuring SLM allows access to a large number of free or low-cost specialist optimization services from SAP, including security reviews and system performance reports. More importantly, SLM must be used as the base platform for many other SAP components, including security and risk management tools such as those covered in CR71100. These tools rely on the integrated links between SLM and the core SAP functions to operate correctly. In summary, SLM provides important functionality covering all key aspects of SAP solution deployment, operation, security, support and continuous improvement. It combines tools, content, and direct access to SAP to increase the reliability of solutions and lower total cost of ownership. SAP Solution Manager can be used to ensure the entire SAP solution environment is performing at its maximum potential.	<ul style="list-style-type: none"> <li>&gt; Mandatory component required to exploit the enhanced level of support we already have with SAP</li> <li>&gt; Other important SAP tools cannot be implemented without correct SLM configuration</li> <li>&gt; Provides access to diagnostic tools</li> <li>&gt; Increased control of changes</li> <li>&gt; Improved project management</li> <li>&gt; Enables leverage of SAP enterprise licence</li> <li>&gt; Improved application management</li> <li>&gt; Can automate testing routines</li> <li>&gt; Greater auditability &amp; security</li> <li>&gt; Improved support from SAP</li> <li>&gt; Access to templates</li> </ul>	SAP support team (technical) have been on SAP training where Solution Manager was presented. This has also been covered at the special user interest group meetings. This initial exposure has raised the awareness of solution manager within the SAP team and importance to software lifecycle management. SAP SLM is a prerequisite platform for SAP enterprise support customers.	Sap Support Team Logica SAP	SLM is already a component of the existing SAP platform, and the associated Enterprise Support charges are already being covered	Jacqui White Mark Stone	Low	2011/2012
CR70913	SAP/AD synchronisation -	A significant amount of the staff data held in SAP is duplicated in the Active Directory (AD) and Contact Directory databases. It is possible to synchronise the two databases in order to improve accuracy, eradicate duplication and reduce the amount of administration. This consolidation will then enable the introduction of single sign-on (SSO) between SAP and the Council network	<ul style="list-style-type: none"> <li>&gt; Single point of access for Contact Information</li> <li>&gt; Removes data divergence and duplication</li> <li>&gt; Reduces Hardware and disk-space requirement</li> <li>&gt; Greatly improved management reporting around people and organisational structures</li> <li>&gt; Will link to CR70968 and provide a single source of HR data and efficient effective tools to manage data about staff and structures</li> <li>&gt; SSO offers greatly improved user administration and IT security</li> <li>&gt; Significant reduction in maintenance and admin effort for AD and SAP - potential to reduce headcount or redeploy resources</li> </ul>	Viability study and scoping exercise underway. Initial data extracts from SAP have been provided to the Applications Development team for analysis/matching	SAP Support Team - Technical Infrastructure Team Apps Development Team Web Team Logica	TBC Potential Logica consultancy dependent on complexity if this cannot be carried out in-house  NB Dependent on the AD2 project	Jacqui White Mark Stone	Low	2011/2012
CR71126	eProcurement	There is potential in the SAP procurement module that could be used to improve efficiencies by taking advantage of the catalogue and contracts functionality. There may also be benefits associated with interfacing SAP to the Pro-Contract procurement portal.	Corporate Procurement Unit are looking at the pro's and con's of procontract versus the greater use of SAP	Corporate Procurement Unit are looking at the pro's and con's of procontract versus the greater use of SAP	CPU SAP Support Team Logica	TBC	Caroline Bee	Low	2012/2013
CR71139	Carbon Emissions for Business Travel	Grey Fleet. New legislation is being developed that requires all business travel (using private vehicles) to be recorded for staff well-being purposes (a liability to the Council) and also to understand the carbon footprint associated with business travel. SAP is already used to record and claim for business mileage, so extending this to record other information about business travel may be an effective solution.	To be discussed with Steve Perry	HR Project Manager confirming requirements	TBC	TBC	Barry Pirie Steve Perry	Low	2012/2013
CR71010	Document scanning and associated workflow	<b>Corporate Project.</b> A significant amount of paper records are handled by the transaction teams in Business Services, including invoices, correspondence and HR personnel records. This causes a significant amount of work when documents need to be sent to staff and/or managers in other offices, whilst it is also difficult and time consuming to find corresponding information in SAP. Implementing a selective document scanning solution will improve efficiency by automating document movements and improving business processes, whilst also reducing the amount of space (and the associated cost) of storing paper documents. Workflow would allow scanned Accounts Payable documents to be auto matched to SRM goods receipts and allow workflow to remind staff to complete processes to facilitate payment to vendors.	<ul style="list-style-type: none"> <li>&gt; Automatic electronic retrieval of documents</li> <li>&gt; Reduced space required for storage</li> <li>&gt; Maintain statutory retention periods</li> <li>&gt; Reduce processing costs</li> <li>&gt; Improve payment processing time resulting in vendors being paid on time</li> <li>&gt; Improve adherence to processes and increase efficiency</li> </ul>		TBC	TBC	Jacqui White	Low	2012/2013

CR71028	SAP Enhancement Packs	Provides new or improved SAP functionality that can be implemented in a modular fashion, whilst keeping the core software stable and standard. New features and technical improvements can be implemented to an agreed timetable, subject to a relevant business case and liaison with the stakeholders who will benefit from or be affected by the implementation. The latest Enhancement Pack is EH5, released in December 2010. The benefits associated with applying the latest enhancement pack will be assessed and a relevant business case produced. The costs are associated with the implementation and upgrade to the enhancement pack	<ul style="list-style-type: none"> <li>&gt; Gives the council access to enhanced SAP functionality of the current modules</li> <li>&gt; Provides the council with options to new functionality and improved features</li> <li>&gt; Reduces the requirement for bespoke work</li> <li>&gt; Reduces the need to have workarounds in place where functionality does not meet the business needs</li> <li>&gt; Could save time and resources by moving to the enhancement pack during 2012 instead of carrying out the annual patching cycle followed by a move to the enhancement pack at a later date</li> </ul>	Initial discussions have commenced with Logica to analyse the benefits of moving to an enhancement pack rather than the scheduled annual updates carried out during January to March	Super User Finance, SST, SRM, HR, PAY SAP Support Team Logica  Project Phases Required:- > Enhancement pack review > Upgrade > Testing > Sign Off > Training	400,000.00	Barry Pirie Michael Hudson Matthew Tiller Caroline Bee Jacqui White	Low	2012/2013
CR71100	SAP Access Controls and SAP SuperUser Privilege Management (SPM)	The Councils external (KPMG) and internal auditors have identified a number of improvements around the current controls for SAP user access. There are two tools available (SAP Access Controls and SAP SuperUser Privilege Management) which provide tighter control and auditing of user access. SPM allows the Council to remove high-risk, high-access accounts needed by 3rd party support teams (Logica and SAP), replacing them with fully audited secure access rights which are time specific and limited. Access Controls can identify and report any inappropriate, high-risk or potentially fraudulent combinations of permissions within SAP, allowing administrators to take corrective actions to meet both segregation of duties requirements and audit compliance. Both of these tools are designed to run on the SLM platform and cover the full scope of the SAP environment. Although there is no financial benefit to implementing these tools, they would significantly reduce the risks associated with inappropriate access to the sensitive information held in SAP.	<ul style="list-style-type: none"> <li>&gt; Improved results/reduced recommendations from auditors</li> <li>&gt; More resilient SAP security</li> <li>&gt; Reduced risk of negative press/ exposure to legal action for the Council</li> <li>&gt; Better data protection compliance and security of highly sensitive Council data</li> <li>&gt; Improved support from SAP moving to vendor recommended platform</li> </ul>	This Project is dependant on completion of CR70651, as the SLM platform must be in place and suitably configured before these components can be implemented	SAP Support Team Logica SAP	TBC	Jacqui White Mark Stone	Low	2012/2013
CR70550	Purchasing Card Management	The purchasing card functionality in SAP will allow P-Card holder to reconcile their purchases each month, with workflow that allows their manager to approve the purchases. This will significantly reduce the amount of manual handling of paper forms and data entry that is currently necessary. There are currently 70 - 80 P Cards in use.	<ul style="list-style-type: none"> <li>&gt; Roll out P-Card functionality</li> <li>&gt; Reduce keying &amp; reconciliation time and effort</li> <li>&gt; Automate credit card process</li> <li>&gt; Automate reconciliation process</li> <li>&gt; Provides visibility of low value procurement spend e.g. &lt;£500 and enables accurate reporting of this spend, currently reported as a lump sum</li> <li>&gt; Could provide data required in Freedom of Information enquiries, spend analysis and vendor reports etc</li> </ul>	CPU have advised that it is not a priority to roll out procurement cards during 2011. However if there is an option to automate the reconciliation for current cardholders this could be achieved in 2011 following further discussions with Logica	This would require a strategy to roll out the use of P Cards . Logica have provided an estimate for the reconciliation of existing cards which can be reviewed	3,000.00	Caroline Bee	Low	2012/2013

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## WILTSHIRE COUNCIL RISK ACTION PLAN

<b>Risk Ref:</b> CR026	<b>Risk: Ability to maintain and develop the Councils Enterprise Resource Planning system (SAP)</b>	<b>Date of Action Plan Update:</b> March 2011
<b>Current Risk Rating:</b> I = 2 L = 2    Current Score = 4    Low	<b>Target Risk Rating:</b> I = 1 L = 1    Target Score = 1    Low	<b>Progress on Risk Action Plan:</b> RAG = Green
<b>Comment on Current Status of Risk (for use in risk management update reports)</b>		
<p>A great deal of effort has been put into ensuring SAP meets business needs, although there is still work that needs to be done to make full use of the functionality that SAP offers. Much of this work requires engagement from the business in order to deliver additional benefits, e.g. adopting the supply contract functionality in SAP to improve procurement processes, reduce work-arounds and improve user perception.</p> <p>The ICT programme team is developing an SAP road-map that will seek to optimise existing functionality (make full use of what we have bought) and also investigate the benefits associated with adding more functionality to the SAP landscape.</p> <p>The pre-requisites to deliver the necessary changes include:</p> <ul style="list-style-type: none"> <li>• Sufficient capacity in the SAP support team</li> <li>• An agreed SAP road-map, with support at all levels</li> <li>• Service departments committed to delivering the business benefits, with effective plans, sufficient capacity and cooperation from people across the business</li> </ul>		
<b>Action Plan</b>		
<b>Risk Owner</b>	Carlton Brand	<b>Key Officer/s</b> Les Snelgrove
<b>Scope / Background to Risk</b> (Insert information about the risk that explains it further including any history, cause of risk and potential impact and likelihood evaluation information)		
<p><b>Cause:</b> Engagement from some service areas has been patchy, particularly where full adoption of SAP functionality will significantly improve business processes. Progress in some areas has been slow due to competing priorities and a lack of dedicated staff to address identified issues. It has also been necessary to modify parts of SAP so that it met business requirements that were only identified following go-live.</p> <p><b>Impact:</b> Negative impact on reputation of SAP - despite the fact it works            Delayed benefit realisation - unclear where savings are possible and/or being made            SAP not optimised            Continued use of work-arounds with resulting inefficiencies            Possible non compliance with statutory arrangements - reputation could be affected - fines / penalties/ financial regulations            Lack of accurate corporate reporting</p>		

**Controls in place to manage risk**

1. SAP Support Centre is working at capacity on:
- Liaison with process owners to address outstanding issues and agree coordinated approach to SAP development and user training
  - Providing day-to-day user support and resolving SAP issues
  - On-going maintenance of the SAP environment
  - Identifying opportunities to exploit SAP functionality and improve business processes
  - Develop and maintain relationships with Logica and SAP to help ensure issues are resolved quickly

Actions to take to improve the management of this risk OR Contingency Arrangements	Responsibility for action	Date for completion	Progress / Status Report for Improvement Actions
1. Oversee completion of the SSM implementation	Les Snelgrove	Complete	SSM performance management system now fully operational
2. Oversee the development of DCS reports	Les Snelgrove	Complete	Reports delivered and operational
3. Increase level of engagement between SSC & process owners to address outstanding issues	Les Snelgrove	On-going	Increased engagement with the Process Owners (finance, procurement, HR, performance management and SST) is resulting in a better understanding of how SAP can be used to deliver increased functionality and additional benefits.
4. Further develop relationships with SAP key stakeholders	Les Snelgrove	On-going	Seek increased engagement from user community
5. Review SAP governance arrangements	Mark Stone	30 Apr 2011	Integrate SAP strategy with overall ICT programme
6. Develop an SAP road-map	Karen Perrett	30 Apr 2011	Road map being developed for approval through CLT and Members.






## Helpful Hints to Complete the Action Plan Template for Each Risk:

**Risk Ref:** Reference from risk register on SAP, SSM.




**Risk:** As shown on the risk register.

**Action Plan Update:** Date that review and update of the action plan is done.

**Current/Target Risk Rating:** Enter the current and target 'Impact' and 'Likelihood' ratings, the scores and level of risk using the following key:

	Red = High Risk (Score 12 - 16)
	Amber = Medium Risk (Score 6 - 9)
	Green = Low Risk (Score 1 - 4)

**Progress on Risk Action Plan:** Enter the appropriate RAG rating using the following key:

Page 53		Little progress made against action plan
		Moderate progress being made against action plan
		Significant progress being made against action plan

**Comment on Current Status of Risk:** Updated comment that can be used for reporting to Corporate Leadership Team and Audit Committee. If risk is high (Red) the comment should include enough detail for reporting to chief officers and councillors.

**Risk Owner:** Name of officer who has overall responsibility for the risk.

**Key Officer/s:** Name of officer/s who has day to day responsibility for controlling the risk.

**Scope/Background to risk:** Include a clear description of the risk, its **cause** and what the **impact** would be should it occur. Also, give details of any past incidences of this risk occurring.

**Controls in place to manage risk:** Provide details of how this risk is being managed at the moment.

**Actions to take to improve the management of this risk OR contingency arrangements:** Create a list of additional measures that need to be taken to improve the management of the risk. Enter the **name of the person** responsible for each action and the **date for completion**. (Could include if the actions need cabinet approval/ if they are already approved: If actions have budget allocation or whether additional

funding is needed). Also, include any contingency plans or back-up arrangements that are in place should the risk occur – if there are none in place, then consider developing them.

When any actions have been completed move them into the section above 'Controls in place to manage risk'.

**Progress/Status report for improvement actions:** Give details of how planned actions are progressing – are they going as planned / behind schedule / overspent etc. This will then help you assess the RAG rating of progress on your action plan (see box in current risk rating row above).

WILTSHIRE COUNCIL

AGENDA ITEM NO. 7

AUDIT COMMITTEE

13<sup>th</sup> May 2011

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## **INTERNAL AUDIT PLAN 2011-12**

### **Purpose of the Report**

1. To present the Internal Audit Plan for 2011-12 to the Audit Committee, and to seek members' views.

### **Background**

2. The CIPFA Code of Practice for Internal Audit in Local Government represents mandatory proper practice for the internal audit of all local authorities. The starting point for internal audit work is the setting of an audit plan at the beginning of each operational year.
3. The audit plan must incorporate sufficient work to enable the Head of Internal Audit to give an opinion on the adequacy of the Council's overall control environment, comprising the systems of governance, risk management, and internal control. Internal Audit must therefore have sufficient resources to deliver the audit plan.

### **Main Considerations for the Council**

4. The main consideration is to note the content of the Internal Audit Plan for 2011-12 (attached as an Appendix to this report), with regard to the following:
  - Risk-based audit planning
  - Relevant factors and significant issues influencing the audit plan
  - A detailed schedule of individual audits comprising the plan, and the rationale for their inclusion in the plan.

### **Environmental Impact of the Proposal**

5. No environmental impact arises from issues raised in this report.

### **Financial Implications**

6. There are no additional costs arising from this proposal.

### **Reasons for the Proposal**

7. To present the Internal Audit Plan 2011-12 to the Audit Committee, and to seek members' views.

## **Proposal**

8. The Audit Plan is presented to the Audit Committee for consultation as part of the overall planning process. The Committee is therefore asked to note the content of the Internal Audit Plan for 2011-12, and to provide comment and feedback as it considers appropriate.
9. The progress of detailed audit work against the plan will be reported regularly to the Audit Committee throughout the year.

**Michael Hudson**  
**Interim Chief Finance Officer**

**Report author: Steve Memmott, Head of Internal Audit**

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Unpublished documents relied upon in the preparation of this Report:

None



# Internal Audit

## Audit Plan 2011-12

**Contents:**

- Role of Internal Audit*
- Purpose of the Audit Plan*
- Risk-based Audit Planning*
- The Detailed Audit Plan 2011-12*
- Significant Issues Influencing the Audit Plan*
- Reporting the Results of Audit Work*
- Appendix 1: Audit Plan 2011-12  
Productive Work*

**Steve Memmott**  
Head of Internal Audit

April 2011

## **INTERNAL AUDIT**

### **Audit Plan 2011-12**

#### **Role of Internal Audit**

1. Internal Audit is an assurance function that must provide an independent and objective opinion to the Council on its control environment each year. The internal audit opinion represents an important element of assurance to inform the Annual Governance Statement which the Council must publish each year with its accounts.
2. In order to provide maximum benefit and add value to the business of the Council, Internal Audit needs to work in partnership with management to help improve the overall control environment, and thus help the Council achieve its objectives set out in its Business Plan 2011- 2015. The Council must therefore ensure that it maintains an adequate and effective internal audit function throughout the year, in accordance with proper practices. This means that internal audit must operate in a manner which meets the requirements of the Code of Practice for Internal Audit in Local Government.

#### **Purpose of the Audit Plan**

3. The starting point for internal audit work is the setting of a risk-based audit plan at the beginning of each operational year. The plan is needed in order to ensure that internal audit undertakes a broad range of audit work, risk-focussed, sufficient to give an evidence-based opinion on the adequacy of the overall control environment, which comprises the systems of governance, risk management, and internal control. Internal Audit must therefore have sufficient resources to deliver the audit plan.
4. This report presents management and members with our audit plan for 2011-12, with specific reference to the following:
  - Risk-based audit planning
  - Relevant factors and significant issues influencing the audit plan
  - A detailed schedule of individual audits comprising the plan, and the rationale for their inclusion in the plan.

#### **Risk-based Audit Planning**

5. We must prepare a risk-based audit plan linked as far as practicable to the Council's risk management process and the risk information which this generates. This means we need to have full regard to the various risks identified across the whole range of Council services and activities, and plan our work in order to address those risks and the controls in place to mitigate them.

6. The risk information we have taken into account has come from various sources. In the first instance, we have sought to link the planning of our work to address the main risks identified in the Council's risk registers at both a corporate and service level.
7. We have supplemented this through a range of consultations with directors and senior management. We have also drawn upon our own knowledge and experience built up from the findings of previous audit work carried out during the first two years of Wiltshire Council's operation.
8. This range of information and intelligence has been brought together to determine priorities for our audit work, the evidence from which should then serve to inform our opinion on internal control.

### **The Detailed Audit Plan 2011-12**

9. Appendix 1 sets out our detailed audit plan of productive work for 2011-12, incorporating the following:
  - Individual audit reviews
  - Estimated days for each audit
  - What the audit work will include and why.
10. The plan amounts to an estimated requirement of 2,220 productive audit days overall. This includes an element for contingency work ie. reactive work which cannot be foreseen at the planning stage, but which we will inevitably be called upon to undertake during the year. This work is covered in the plan under 'Investigations' and 'Consultancy'.
11. In order to deliver the plan fully it is assumed that adequate resources will be available for internal audit, in accordance with the proposals for the restructuring of the service for 2011-12. This provides for a total of 13.8 full-time equivalent audit staff, which should deliver productive audit days in accordance with the following table:

<b>Total available days (13.8 FTEs x 261)</b>	<b>3,602</b>
Less:	
Annual leave	377
Bank Holidays	140
Sick leave	98
Training, learning and development	250
Professional Audit Groups	30
General management, service development and transition	345
General administration	112
<b>Available productive days</b>	<b>2,250</b>

12. Further factors relevant to the preparation of the plan are as follows:
- Estimated days for each audit review must be regarded as provisional at this stage, and may be subject to change in accordance with need as the audit work progresses
  - Work proposed for each audit has been based on risks identified in relation to each service or activity from current knowledge and information available to us at the planning stage. Other risks may emerge during the course of the year which we will have regard to in carrying out our work. The scope and extent of each audit will be agreed in greater detail with the audit client immediately before the work gets underway.
13. In order to ensure our work as a whole remains focussed on priority areas, the overall plan must be regarded as necessarily flexible and subject to change as new risks and issues emerge during the year.

### **Significant Issues Influencing the Audit Plan**

#### ***Management and Staffing Reductions, and Reduced Government Funding***

14. In order to meet the significant challenges posed by the present financial situation throughout the whole of the public sector, the Council is currently undergoing unprecedented reductions in its management and staffing resources across all services. This process began in 2010-11 and will continue throughout 2011-12.
15. From an audit perspective, widespread staffing reductions pose a potential risk to maintaining adequate levels of control within day to day systems and procedures, since many of the people who previously performed those control functions are no longer there. Whether all controls have been maintained and suitably absorbed into revised working procedures remains to be seen, but this is nevertheless a concern for audit, and one on which we must seek assurance through our audit work.
16. We have therefore included in our plan a specific high level audit to review this matter across the Council, but in addition to that, all our audits throughout the year must be mindful of this risk of weakening the control environment, when methods of service delivery have to be changed in response to significantly reduced funding and resources generally.

#### ***The Council's Business Plan 2011- 2015***

17. In its Business Plan for the next four years the Council has recognised the need for cost reductions and for service delivery changes to meet corporate goals with reduced resources. The Business Plan earmarks those key areas where cost reductions are needed and how these will be achieved, along with the benefits and outcomes to be delivered across key services.



18. We aim to ensure that our audit work adds value to the business of the Council as a whole. Therefore, with this in mind the specific areas and services we have earmarked for review in our audit plan include those which feature prominently in the Business Plan. These are:

- Cost Reduction Areas:
  - Procurement – Purchasing of Goods and Services
  - Workplace Transformation and Asset Management
  - Service Transformation (Systems Thinking)
  
- Benefits and Outcomes:
  - Services for Older People
  - Looked-after Children
  - Waste
  - Carbon Emissions
  - Affordable Housing
  - Schools
  
- Raising Income:
  - Car Parks

19. By addressing these key areas we are looking to focus our audit resources on corporate priorities, where a sound control environment is important to help ensure successful delivery of the Business Plan.

### **Reporting the results of Audit work**

20. Each audit will result in an audit report to management, which will include an audit opinion on the overall level of assurance gained from the audit, and will identify specific risks and issues arising. It will incorporate management's response and an agreed plan of action to manage and mitigate risks. Each audit report will then form the basis for subsequent audit follow-up work.
21. We will also report overall progress against the audit plan regularly to the Audit Committee throughout the year. These progress reports will summarise the following:
- The results of audits completed during the review period, highlighting significant risks and issues which need to be brought to members' attention
  - An assessment of management's performance in implementing agreed actions in response to previous audit reports.
22. We will report the results of all our work for the year in our Annual Report, which will incorporate the audit opinion on the adequacy and effectiveness of the Council's control environment. This will provide an important source of assurance for the Annual Governance Statement.

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## Audit Plan 2011-12 - Productive Work

Lead dept.	Audit	Days	Work Proposed/Why Audit
Corporate	Project Management (eg IT implementations)	20	Project management standards across the authority, including verification of compliance based on significant IT and non-IT projects. Traditionally a poor-performing area in public sector generally. More volatile risks compared with 'normal', non-project operations, hence greater scope for significant problems.
Corporate	Management Restructuring (control implications)	20	To review and assess controls following the restructure and loss of managers/staffing in the structure.
Corporate	SAP - Full Implementation & Benefits Realisation	10	To follow up on progress of implementation of recommendations in the report.
Corporate	Complaints Procedures/Freedom Of Investigation/Data Protection Act/Environment Information Regulations Requests	15	To review complaints/requests procedures across the Council, to ensure monitoring of complaints/requests levels, and that individual complaints/requests are dealt with thoroughly in accordance with laid down procedures.
Corporate	Income - strategic level	40	A full review of income to the Council. This will include tracking all cash received at establishments and remote sites and reconciliations to ensure income matches expenditure - for example income received to licences issued.
Corporate	Anti fraud and Corruption	40	Anti-fraud & corruption policies & procedures, evidence for Audit Commission, publicity and awareness.
Corporate	National Fraud Initiative	10	IA control, manage and oversee all NFI activities, including data extraction and upload, user account management, reporting of investigations etc Legal requirement Monitoring, co-ordination and reporting of investigations carried out Management of user accounts, password resets etc Co-ordination of Council Tax and Electoral Register data extract and upload in Dec 2011
Corporate	Investigations (reactive work)	100	Depends upon the nature and scope of the investigation. For example, IT misuse, fraud, corruption.
Corporate	Grant payments	20	To confirm process for allocation and payment of grants is fair and equitable across the Council. To review across a sample of grants. (Grants through Area Boards reviewed as part of the audit on Area Boards (see below)
DoR	Sickness Absence	20	Review of SAP sickness reporting and management actions, to confirm completeness of information and adequacy of management response.
DoR	Temporary Staff/Consultants	15	To confirm establishment of new framework arrangement to ensure corporate compliance with rules for recruitment of agency and consultant staff and to save money through more competitive unit pricing, greater visibility of temporary staff and better management information.

Lead dept.	Audit	Days	Work Proposed/Why Audit
DoR	Management Accounting / Budgeting	20	Core financial system. Review and testing of controls to mitigate identified risks. Also contributes to external audit reliance work.
DoR	Inaccurate information in IT Asset Database	20	Accuracy and usage of information in the IT asset database. In corporate risk register. Scope for waste, mismanagement, duplication, over-capacity.
DoR	Internal Governance	30	Good governance crucial to identifying and communicating the council's vision of purpose and intended outcomes, to develop codes of conduct and ensure standards of behaviour are communicated and embedded, and to ensure services are delivered in line with objectives and best use of resources.
DoR	Risk Management	30	Robust risk management arrangements, consistently applied across the Council, are an important element in the achievement of Council objectives. These will be therefore be reviewed and tested for compliance with the Council's Risk Management Strategy.
DoR	Procurement & Contract Management	20	VFM through procurement and contracting crucial to achieving savings required in the Business Plan. Corporate Procurement Board attendance and/or work arising.
DoR	Information / IT Management	20	HelpDesk & IT Security - Review of two selected functions which have a wide-ranging impact across the entire business
DoR	Corporate Employment Policies and Procedures	60	Review of compliance with employment policies and practices
DoR	Payroll	15	Core financial system. Review and testing of controls to mitigate identified risks. Also contributes to external audit reliance work. To include a review of external report for implementation of recommendations.
DoR	Accounts Payable	15	Core financial system. Review and testing of controls to mitigate identified risks. Also contributes to external audit reliance work.
DoR	Capital Accounting	20	Core financial system. Review and testing of controls to mitigate identified risks. Also contributes to external audit reliance work.
DoR	Council Tax / National Non Domestic Rates (NNDR)	45	High transactional service in terms of numbers and monetary value. Core system for receipt of tax income. Major IT system replacement project in progress. Core finance system relied on by external audit. Usual annual audit but implementing bi-annual review of NNDR / Council Tax to make better use of audit resources.
DoR	Core financial systems - IT	40	Review of IT applications including SAP, Civica, Northgate (etc), Altair, Simdell (and replacement) and underlying IT infrastructure.
DoR	Housing & Council Tax Benefits	70	High transactional service in terms of numbers and monetary value. Core system for payment of benefits to vulnerable clients. Major IT system replacement project in progress. Core finance system relied on by external audit.

Lead dept.	Audit	Days	Work Proposed/Why Audit
DoR	Accounts Receivable	15	Core financial system. Review and testing of controls to mitigate identified risks. Also contributes to external audit reliance work.
DoR	Cash investments & borrowing	10	Core financial system. Review and testing of controls to mitigate identified risks. Also contributes to external audit reliance work.
DoR	Banking (HSBCnet)	10	HSBCnet user accounts, limits, bank accounts, operations, activity logs. (NB. Current involvement of IA staff as systems administrators may need to be discontinued as part of IA service delivery changes in 2011-12).
DOR	Pensions	20	Core financial system. Review and testing of controls to mitigate identified risks. Also contributes to external audit reliance work. Customer facing service.
DoR	Pre-employment screening - AFC	20	Highlighted risk through Anti Fraud & Corruption/NFI network. To include further work on CRB requirements and checks across the Council.
DoR	New Revenues & Benefits system - Northgate (IT)	40	New system including data migration and legacy data. Major project for major new business critical system.
DoR	Customer Relationship Management System (IT)	15	24/7 public access. Key means of collecting customer information. Customer Relationship Management system and user account access, operations and management reporting.
DoR	IT infrastructure	40	Active Directory (including user accounts), servers, firewalls, anti virus, network infrastructure.
DoR	Mobile phones (IT)	10	Vodafone mobile phone system. Cost management recovery hardware and reporting. High profile (raised by members).
DoR	Pensions (IT)	15	Pensions system (Altair) user accounts and permissions, database and server management, contingency planning, disaster recovery, upgrades and patching Critical customer-facing service. New system and infrastructure changes can affect system stability, security and performance
DoR	Contract Administration	20	2010/11 audit work has highlighted weaknesses with contract administration. Departments are not always operating/advising Legal when entering or varying agreements. Sample testing of major contracts, but mainly DCS and DCE who carry out own contracting.
DCE	Care placements (Corporate Risk CR003)	15	To independently review action plan to address risks and monitor progress against the plan.
DCE	Child placement services/costs	40	To assess timeliness and frequency of reviews of care. To review records of placements to ensure reasons for placement and the right placements are demonstrated.
DCE	Internal Governance	30	Good governance crucial to identifying and communicating the council's vision of purpose and intended outcomes, to develop codes of conduct and ensure standards of behaviour are communicated and embedded, and to ensure services are delivered in line with objectives and best use of resources.

Lead dept.	Audit	Days	Work Proposed/Why Audit
DCE	CareFirst (IT)	20	CareFirst user accounts and permissions, database and server management, contingency planning, disaster recovery, upgrades and patching. Critical front-line customer-facing service. System upgrades and infrastructure changes can affect system stability, security and performance
DCE	Safeguarding (child protection)	20	Need to have constant assurance around this high risk area. Review Departmental and corporate procedures and requirements of CRB.
DCE	Trading services - Braeside (establishment review)	10	Trading entity providing adult and children's services. Changes to management / administration team. Audit 5 years ago reported 10 significant control failings.
DCE	Schools - themed reviews	60	Absence of themed reviews over previous years due to audit resourcing of FMSiS. Replacement of FMSiS with new SFVS. Schools incur significant costs in core areas inc. procurement and staffing. Key potential areas for eliciting cost savings.
DCE	Academies	40	New area for audit. Need to ensure effect on council of schools becoming Academies has been properly risk assessed. Need to establish effect that reduced budget will have on council's ability to continue to supply a service to remaining schools.
DCS	Care placements (Corporate Risk CR003)	15	To independently review action plan to address risks and monitor progress against the plan.
DCS	Internal Governance	30	Good governance crucial to identifying and communicating the council's vision of purpose and intended outcomes, to develop codes of conduct and ensure standards of behaviour are communicated and embedded, and to ensure services are delivered in line with objectives and best use of resources.
DCS	DCS Systems Thinking Review Programme	10	To review 2 projects against Prince 2 to ensure robust and consistent methods of Project Management adopted and applied.
DCS	CareFirst (IT)	20	CareFirst user accounts and permissions, database and server management, contingency planning, disaster recovery, upgrades and patching. Critical front-line customer-facing service. System upgrades and infrastructure changes can affect system stability, security and performance
DCS	Court of Protection	30	Work commenced in 2010/11. To ensure the appropriate authority and permissions are in place to manage and process client affairs. To ensure transactions on behalf of clients are accurate, authorised and recorded.
DCS	Area Boards, communities	25	To confirm Area Boards are operating effectively and actions recorded. To ensure public awareness and participation. To check the process for the award of Grants (and Contracts) made through Area Boards.
DCS	Care Homes	30	To review major contracts with Care Providers (excl OSJ). To ensure procedures in operation at a sample of homes. To review contract monitoring in place.

Lead dept.	Audit	Days	Work Proposed/Why Audit
DCS	Assessments & Reviews (Care and Financial)	30	To extend work commenced in 2010/11 with the FAB team to focus on the level of assessments and reviews carried out across the Department.
DCS	Orders of St John (OSJ) Care Homes Contract	30	To carry out visits to a further sample of OSJ homes, focusing on residents cash. To carry out an extended follow up of risks identified in the 2010/11 audit.
DNP	CarParking/Ringo (IT)	20	Parking system, including Ringo SMS system. Parking is a critical Council function (high cost, high profile, politically sensitive).
DNP	Housing Management System (IT)		New Housing Management System (Simdell replacement). Housing management is a critical Council function (high cost, high profile). Housing rents aspect is a core financial system.
DNP	Housing PFI scheme (Corporate Risk CR004)	10	Rigorous demonstration of VfM not yet achieved. Excessive delays to date in achieving close. IA ongoing attendance to Project Board since 2009 will continue.
DNP	Local Development Framework process (Corporate Risk CR032)	20	South Wiltshire Core Strategy approved by Cabinet (Feb 11) and LDF Board chaired by Cabinet member. Success of LDF key target for Council.
DNP	Housing Rents	40	High transactional service in terms of numbers and monetary value. Core system for receipt of rental income. Core system for "receipt" of Housing Benefit payments. Major IT system replacement project initiated through soft market testing. Core finance system relied on by external audit.
DNP	CO <sub>2</sub> reduction (Corporate Risk CR008)	30	Energy, Change & Opportunity Strategy approved by Cabinet Jan 2011. 4 action plans from ECOS inc. Carbon Mgmt Plan approved by ECO Board Mar 2011. Success of CMP and ECO Strategy key target and corporate priority for Council.
DNP	Traveller services	20	Inadequately managed service area within Amenities and Leisure. Service recently transferred to Housing Management. Clients with high often unrecoverable arrears. Unsatisfactory methods for the recovery of ground rent and utility costs. Significant implications for vulnerable clients.
DNP	Planning applications	40	Fee earning service significantly affected by economic downturn and changes in legislation. Income not guaranteed - high quality VFM service essential to achieve adequate market share. Major IT system replacement project in progress.
DNP	Waste management and landfill strategy (Corporate Risk CR001)	20	To independently review action plan to address risks and monitor progress against the plan.
DNP	Waste collection (Corporate Risk CR027)	30	To independently review action plan to address risks and monitor progress against the plan. Also additional work to check more detailed aspects
DNP	Concessionary travel	20	Fraudulent usage was highlighted as a risk through Anti Fraud & Corruption/NFI network. To also review reimbursement claims from bus companies.
DNP	Leisure Services Management	10	To review existing contracts for leisure services and strategy for providing future service in North & West areas.

Lead dept.	Audit	Days	Work Proposed/Why Audit
DNP	Car parking services	30	New systems have been implemented over the last 2 years. Review of controls in place over collection of cash and reconciliations of income throughout the process.
DNP	StreetScene	20	Visits to depots. Review of H&S Procedures. Include Streetscene elements of 2010-11 Stores & Depots audit.
DNP	Markets	20	New market business. Previously with former District Councils. Not yet reviewed across Wiltshire Council.
DNP	Traffic and Network Management	30	Streetworks not reviewed for many years. Always a point of concern for public through members. Review compliance with New Roads and Streetworks Act and new legislation.
DPHW	Internal Governance	20	Partnership Working. Good governance crucial to identifying and communicating the council's vision of purpose and intended outcomes, to develop codes of conduct and ensure standards of behaviour are communicated and embedded, and to ensure services are delivered in line with objectives and best use of resources.
DPHW	IT - Systems to be confirmed	10	Trading Standards, licensing, Emergency Planning/Business Continuity systems. New department, not previously reviewed.
Corporate	Follow-up implementation of management actions	130	Confirm that management actions have been implemented in accordance with agreed action plans in previous audit reports
mgmt	Consultancy (help & advice)	100	
mgmt	Audit Committee Liaison, Reporting and Meetings	55	
mgmt	Corporate Groups (Assurance Group, CRMG)	15	
mgmt	KPMG Liaison and Meetings	30	
mgmt	Audit Planning and Client Liaison	65	
mgmt	Completion of previous year audit work	50	
		<b>2220</b>	



# Agenda Item 8

Wiltshire Council

Agenda Item 8

Audit Committee  
13 May 2011

## Proposed Draft Forward Work Programme for Audit Committee 2011 /12

Meeting Date and Time	Name of Report	Officer	Scope of Report
June	Annual Audit Fee	Darren Gilbert, KPMG	Main proposals contained within the Annual Audit Fee
June	Interim Audit Report	Darren Gilbert, KPMG	Progress report
June	Internal Audit Annual Report 2010-11	Steve Memmott, Hd of Internal Audit	Report
June	Internal Audit Plan 2011-12	Steve Memmott, Hd of Internal Audit	Report
June	Government Proposals for Local Authorities and Audit Committees	Michael Hudson, Interim Chief Finance Officer	Consultation Paper
June	Draft Annual Governance Statement	Ian Gibbons, Monitoring Officer	Report
September	Annual Governance Statement	Ian Gibbons, Monitoring Officer	Final statement to be submitted to September meeting
September	Statement of Accounts	Michael Hudson, Interim Chief Finance Officer	Report
September	Report to those charged with governance	Darren Gilbert, KPMG	Report
September	Internal Audit Progress Report 2011-12	Hd of Internal Audit	Report
September	Risk Management Update	Eden Speller, Head Business Arrangements	Verbal update and report
December 2011	Internal Audit Progress Report 2011-12	Hd of Internal Audit	Report
December 2011	Annual Audit Letter	Darren Gilbert, KPMG	Report
March 2012	Certification of Grants and Returns 2010/11	Darren Gilbert, KPMG	Report
March 2012	Financial Statements Audit Plan 2011/12	Darren Gilbert, KPMG	Report

March 2012	Risk Management Update	Eden Speller, Head Business Arrangements	Verbal update and report
March 2012	Progress Report – Preparation of 2010 Financial Accounts	Matthew Tiller, Chief Accountant	Verbal update and report
March 2012	Internal Audit Progress Report 2011/12	Steve Memmott, Hd of Internal Audit	Verbal update and report

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