Appendix 2

Organisation and Resources Select Committee – 18 November

Agenda Item 7 – SAP Post Implementation Review (KPMG Report)

It is likely that the Chairman will move the following motion subject to the outcome of debate at the meeting:

(1)   To acknowledge:

       (i)   the overall finding by KPMG that "Ultimately Wiltshire Council achieved a great deal in successfully implementing a major SAP system";

       (ii)   the decision to go live on 1 April 2009 was bold but appears to have been the right one; and

       (iii)   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.

(2)   However, in acknowledging the above to particularly highlight the following points:

       (i)   that conflicting and competing priorities within the council at the time resulted in limiting capacity and resources for the project (page 35);

       (ii)   there are currently no plans to further invest in SAP so as to drive out further efficiencies in other areas of the business (page 32);

       (iii)   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 (page 36); and

       (iv)   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 (page 41).

(3)   To note the following points for further scrutiny at the appropriate time:

       (i)   Procurement and Commissioning Programme which commenced in July will address procurement issues including several new buyers appointed by the end of the year (page 28) *(a scrutiny task group is being proposed to cover this Programme under a later item on the agenda)*;

(ii)   a plan is being drawn up with a timeline for migrating significantly more financial processes and the associated staff into the Shared Services Team. This also includes a development plan for procurement (page 30);

(iii)   SAP strategy scheduled for March 2011 will form an integral part of the overall ICT strategy which is currently being developed to align with the Council Business Plan (page 32); and

(iv)   Corporate Programme Office is being reviewed as part of the Council's business planning process and a benefits realisation plan is being developed to underpin the successful delivery of the business plan (page 37).

(4)   In addition to note the following general but important points:

(i)   Management should aim to use SAP functionality to the fullest extent possible appropriate to the organisation in order to avoid end-user developed applications (page 33)

(ii)   Identify areas of the business that are not taking full advantage of SAP (page 42)

(iii)   KPMG did not audit the financial savings reported (page 42)

(iv)   KPMG identify that a key practice for getting value from a project is that it is driven by the executive (top management culture) (page 44)

(5)   To formally advise the responsible Cabinet Member and the Audit Committee of the Select Committee's consideration and highlighted views on the report, and to receive responses from them in respect of the actions recommended by KPMG and the lessons learnt by the Council (bearing in mind the management responses already in the report).