



Buckinghamshire & Milton Keynes Fire Authority

MEETING	Overview and Audit Committee
DATE OF MEETING	22 July 2020
OFFICER	Mark Hemming, Director of Finance & Assets
LEAD MEMBER	Councillor David Hopkins
SUBJECT OF THE REPORT	Business and Systems Integration Project: Evaluation
EXECUTIVE SUMMARY	<p>Following a high-level feasibility study undertaken in 2014, the Business and System Integration (BASI) detailed business case was approved by the Executive committee in July 2015.</p> <p>It outlined the following objectives for the project:</p> <ul style="list-style-type: none"> - Information Processing Efficiency - Information Accuracy and Currency - Information Immediacy - Technical Requirements <p>It also provided four recommendations:</p> <ul style="list-style-type: none"> - Software: the final solution should include two enterprise level systems, ERP and Finance. - Implementation: a four-phase cutover is recommended. - Timeline: two years is the minimum achievable, three years would be more manageable. - Investment: estimated £1.2m (for a two-year project using external resources). <p>The Business and Systems integrations project has delivered new, modern systems and processes across the service that met the project objectives.</p> <p>Officers chose not to procure an ERP as it would not meet our wide-ranging needs. Therefore, the overall timescales to deliver the project took longer.</p> <p>The project was delivered within budget.</p> <p>The new systems allow us to continue to develop our processes.</p> <p>For the detailed project evaluation please see Annex A.</p>
ACTION	Noting
RECOMMENDATIONS	That the report is noted.

RISK MANAGEMENT	The project risks were contained within a project risk register. This will be stored alongside the lessons learnt.
FINANCIAL IMPLICATIONS	There are no further financial implications related to the project identified in this paper.
LEGAL IMPLICATIONS	There are no further legal implications related to the project identified in this paper.
CONSISTENCY WITH THE PRINCIPLES OF THE DUTY TO COLLABORATE	We continue to look beyond our Thames Valley partners, working with organisations that use the same systems as us to share knowledge and collaborate on developing the systems.
HEALTH AND SAFETY	The Resource Management system allows us to monitor Working Time Directive measures.
EQUALITY AND DIVERSITY	The HR system allows us to collect 'real time' Equality & Diversity (E&D) data securely allowing it to be used for trend analysis. eRecruitment will provide E&D data at all stages of recruitment.
USE OF RESOURCES	The relevant teams will use and manage their systems and processes as part of the current establishment.
PROVENANCE SECTION & BACKGROUND PAPERS	<p>Background</p> <p>As part of the ICT Strategy 2014-2019 an independent review of systems integration was commissioned. An external consultant undertook this task and delivered a business case which was formally agreed to be progressed by the Executive Committee Meeting 29 July 2015.</p> <p>Background Papers</p> <ul style="list-style-type: none"> • Business and Systems Integration Business Case • Business and Systems Terms of Reference • Business and Systems Integration Project: Governance Reporting Arrangements (18 November 2015)
APPENDICES	<p>Annex A: Project Evaluation</p> <ul style="list-style-type: none"> • Appendix 1 to Annex A: Business Case proposed 4 stage cutover • Appendix 2 to Annex A: Business Case proposed Plan • Appendix 3 to Annex A: Business Case proposed Financials
TIME REQUIRED	10 Minutes.
REPORT ORIGINATOR	Anne-Marie Carter

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PROJECT EVALUATION



PROJECT:	<i>Business and Systems Integration (BASI)</i>
FILE LOCATION:	<i>TBC</i>
DATE:	<i>15th June 2020</i>
AUTHOR:	<i>Anne-Marie Carter</i>
PROJECT SPONSORS:	<i>Calum Bell Mick Osborne Mark Hemming</i>
VERSION NUMBER:	<i>1.2</i>
APPROVALS:	<ul style="list-style-type: none"> • <i>Calum Bell</i> • <i>Mick Osborne</i> • <i>Mark Hemming</i> • <i>Business Transformation Board</i>
DISTRIBUTION:	<ul style="list-style-type: none"> • <i>Project Teams</i>

DOCUMENT CONTROL

Version:	Date:	Notes:
1.0	08 June 2020	Initial Draft version
1.1	15 June 2020	Updated following feedback at BTB
1.2	23 June 2020	Updated following feedback at SMB

APPROVAL RECORD

Version	Date:	Approval:	Notes
1.1	15 June 2020	BTB	Approved
1.2	23 June 2020	SMB	Approved

1. Purpose

The evaluation report provides the opportunity to reflect on the performance of the project once it has been completed. It provides an evaluation of how far the project went in achieving the stated aims and objectives which were outlined in the Business Case and the Project Initiation Document (PID).

2. Executive Summary

The Business and Systems integrations project has delivered new, modern systems and processes across the service.

Although there has been some resistant to change we have come along way, its only when we stop and reflect you realise the changes we have achieved.

The new systems allow us to continue to develop our processes, but we need to make sure it is handled in controlled way.

3. Background

Following a high level feasibility study undertaken in 2014, the Business and System Integration (BASI) detailed business case was approved by the Executive committee in July 2015. It outlined the following for the project.

Business Need

There were several business drivers behind the desire to change.

- Firstly there was need throughout the organisation to reduce the low value administrative activities. To automate where possible, and to introduce more agile ways of working, utilising mobile technology where possible. This requirement was clearly defined in the ICT strategy at the time.
- Secondly some existing systems are, or are becoming less 'fit for purpose' over time in terms of supporting the business, and modification to these systems was either not technically desirable or not possible or not deemed to be economically viable.
- Thirdly, there is a need to improve, advance and standardise the technology deployed at BMKFRS in order to create options for sharing of services, systems and technology platforms with third parties or other Fire Service organisations in the future.

A link to the Business case can be found [here](#)

4. Project description

The BASI project had 4 objectives:

1. Information Processing Efficiency
 - a. The number of manual processes should be reduced
 - b. Duplication should be eliminated
 - c. Automated integration between systems and system modules
 - d. Complete tasks via self-service or mobile devices where possible

2. Information Accuracy and Currency
 - a. Sector specific standard functionality must be provided
 - b. Replace manual processes with automation
 - c. A single source of master data should be maintained
 - d. Master data should be propagated to slave systems regularly and automatically
 - e. Security and data control mechanisms must be robust
3. Information Immediacy
 - a. Information must be easy to search, query and output
 - b. Information must be accessible on tablets / mobile devices where possible (see objective 4b below)
 - c. Information must progress automatically through scheduling or workflow
 - d. Alerts automatically generated when information flow is blocked
4. Technical Requirements
 - a. Flexible support packages should be available with out-of-hours available if needed
 - b. Potential vendors should be cognisant with Fire Service requirements
 - c. Software should be delivered on a modern architecture (e.g. multi-tiered, web-based)
 - d. Integration with mobile technologies should be available (i.e. not just through full Windows OS, but via Windows Mobile, iOS or Android)
 - e. Flexible hosting options should be available (in-house or external)
 - f. External hosting arrangements must comply with ISO27001 and any additional BMKFRS information security requirements

Benefits

The expected tangible benefits of the recommended solution were

1. Direct cost savings
 - a. Staffing reductions made possible with more efficient administration functions (greater automation, devolved administration).
 - b. Lower system support costs.
 - c. Reduced paper consumption.
 - d. Future savings potential through shared services and streamlined partnerships.
2. Indirect cost savings
 - a. Time saved by improved system response times.
 - b. Time saved by streamlined, automated processes.
 - c. Time saved by removing duplication of effort.
 - d. Ability to configure financial information according to fire service needs without non-fire service restrictions.

The expected intangible benefits of the recommended solution were:

- Improved service quality through a real-time integrated view of the activities of the organisation.
- Improved customer relations through on-line accessibility and a modern perception of the organisation.
- Better employee experience and more agile working opportunities through remote access and self-service applications.
- Greater control through greater awareness of work status, risks, issues, trends etc.

- Improved staff development via greater visibility of development paths and training needs.
- Enhanced Establishment control and workforce planning.
- Greater interdepartmental collaboration driven by a common view of information.
- Support staff will be able to spend time supporting service delivery and development rather than inputting data. Fits with the vision of smaller but more highly skilled support service teams.
- Potential to decentralise some smaller expenditure to station level e.g. use of purchasing cards.

The business case was summarised with 4 recommendations:

Software: the final solution should include two enterprise level systems, ERP and Finance. (See Appendix 1)

Implementation: a four phase cutover is recommended. (See Appendix 1)

Timeline: two years is the minimum achievable, three years would be more manageable. (See Appendix 2)

Investment: estimated £1.2m (for a two year project using external resources). (See Appendix 3)

5. Analysis of Project

How did the project deliver against the 4 recommendations

Software:

Business Case Recommendation: The final solution should include two enterprise level systems, ERP and Finance.

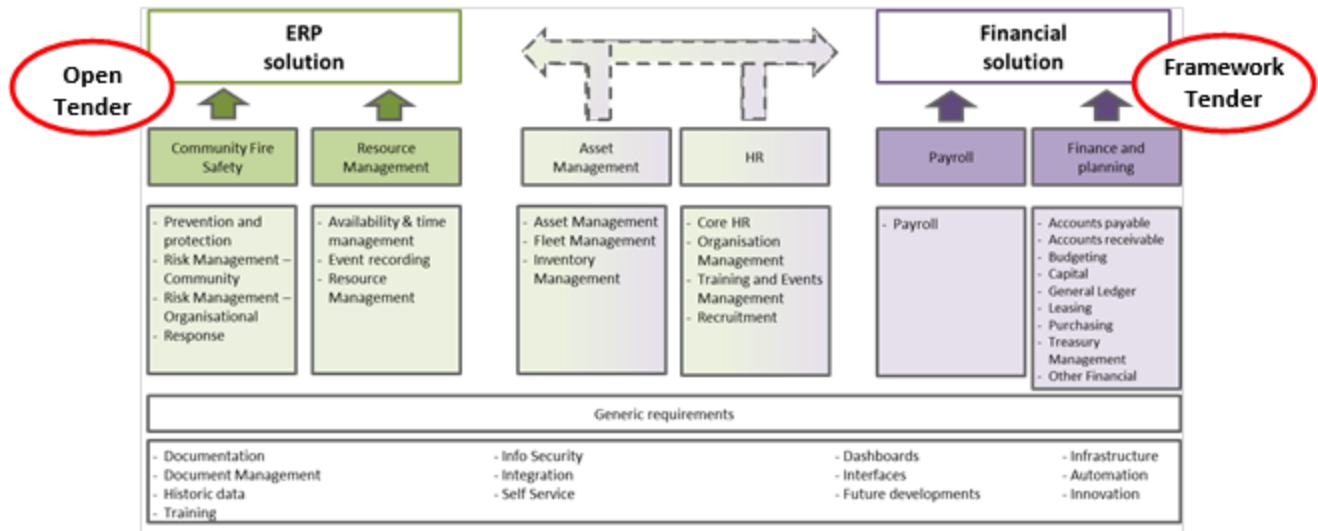
Outcome:

Following a further review of suppliers, it was noted that there was not going to be a supplier that could deliver the ERP solution we would need to meet our requirements across the Service.

There were several challenges identified with looking for an ERP, they include:

- Too generalised
- Excessive complexity
- High Cost
- Inflexible
- Poor interoperability

Therefore, we chose to approach the initial tender in the following way, giving us more flexibility:



Following the initial tender it confirmed that there was not going to be an ERP solution that would meet our needed and therefore the evaluation group recommended the following solution, to the project sponsors, for the BASI project:

	Community Fire Safety	Resource Management	Asset Management	HR	Payroll	Finance
	Mandatory	Mandatory	Optional	Optional	Mandatory	Mandatory
5	Retender	Hold – Future Dev	Hold – Future Dev	Capita	Capita	Capita

Further tenders were completed for the Community Fire Safety System, Resource Management system and the Fleet Management System.

It was signed off by the project sponsors to not move away from Redkite so no tender was completed for Asset Management

This approach ensured we got systems that were right for each area ensuring no one had to “make-do”.

Although no joint tenders took place we have shared learnings with multiple services throughout the projects.

Implementation:

Business Case Recommendation: a four phase cutover is recommended.

The project was splits into 4 stages but due to the move aware from an ERP the timing of the changes was different.

The box below shows how the systems was migrated by phase:

Actual Implementation						
	Community Fire Safety	Asset Management	Resource Management	HR	Payroll	Finance & Planning
Current State	HFRC SSRA SOM	RedKite Tranman	Gartan	SAP HR	SAP Payroll	SAP Financials Planning
Phase I	HFRC SSRA SOM	RedKite Tranman	Gartan	iTrent		Integra
Phase II	HFRC SSRA SOM	RedKite Tranman	Fire Service Rota	iTrent		Integra
Phase III	Active Informatics	RedKite Tranman	Fire Service Rota	iTrent		Integra
Phase IV	Active Informatics	RedKite Tranman New Version	Fire Service Rota	iTrent		Integra

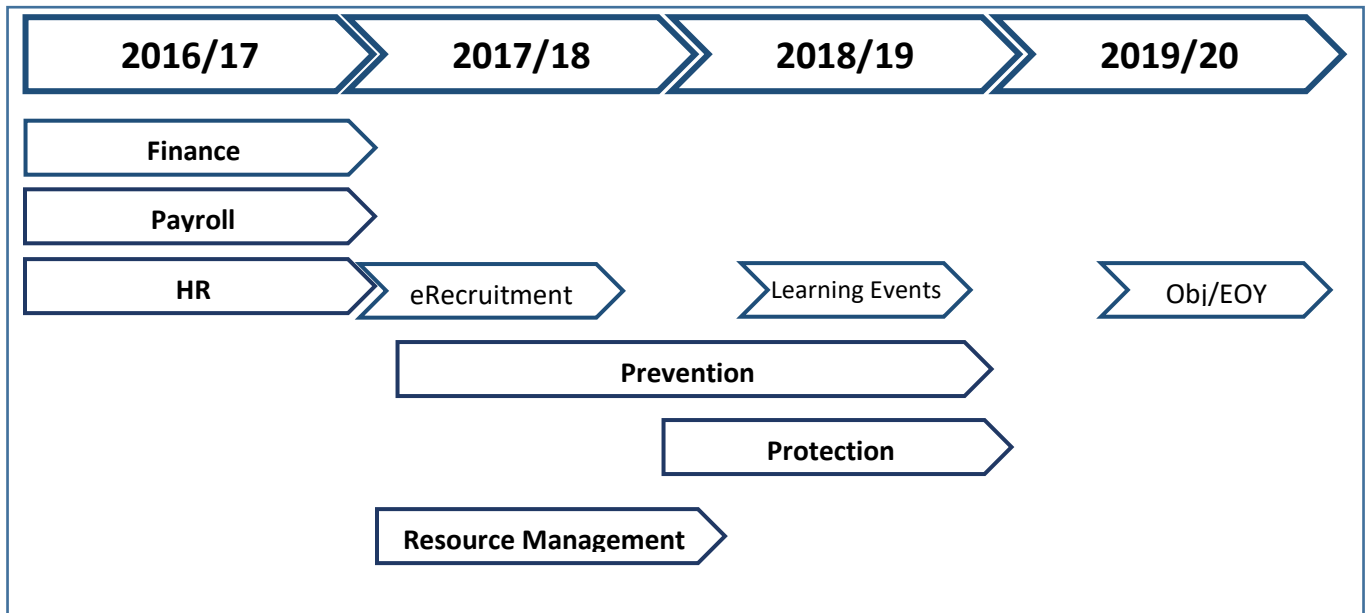
There are 3 elements still in progress

- SSRI – The Service has decided to review the methodology it uses to capture site risk info. The new methodology is based on National Operational Guidance (NOG). Once the methodology has been agreed work on the system can start.
- Redkite – The BASI budget allows for the purchase of new scanners, conversations have started with potential suppliers.
- Fleet Management – The contract has been awarded to Tranman, a plan is in place to upgrade the fleet management system to the new cloud based Tranman system.

Timeline:

Business Case Recommendation: Two years is the minimum achievable, three years would be more manageable.

The project has been delivered over four years and all changes to the timeline were agreed with the Project sponsors.



There are a number of reasons for the programme being extended:

- Original timescales didn't allow sufficient time for the tender process, there was no time allowed for extra tenders due to the move away from an ERP.
- A number of areas had a change in personnel leading to more time being spent on clarifying requirements
- For some systems we increased the amount of time we spent testing to ensure it was right for the end users

Investment:

Business Case Recommendation: £1.2M is provisionally set aside in reserves for funding this project.

The final BASI project cost was £1.12M

These costs covered

- 1) Project team
- 2) System development to Go Live
- 3) Integration
- 4) Hardware

Savings

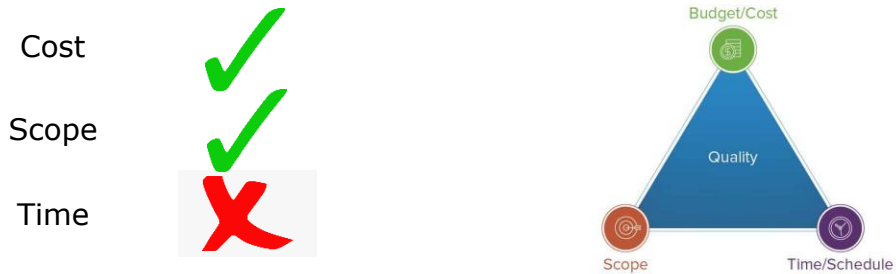
The business case identified 2 types of savings:

- Direct Savings £128,861
These savings were removed as part of the MTFP and are delivered
- Indirect Savings£118,029
All areas have seen a reduction in the time it takes to do tasks allowing them to take on other work.
A good example of this is the administrative time by station staff for Safe and Well has significantly reduced

The Opex cost of the new systems are inline with the business case and are factored into the ICT budget for 2020/21 onwards.

a. Operational Performance

The BASI project followed the time/cost/scope quality model and has the following status:



As a Service we were happy for the project to take longer but deliver the right requirements for all areas and within budget

The project was run day to day by the Project Manager. It was identified that the project would benefit from operational support during the delivery of the Resource Management System (RMS) and Premises Risk Management (PRM) system, so the project had additional support via an Operational secondment.

The governance structure proposed to the Overview and Audit committee in November 2015 has been followed. There were regular highlight reports presented to the Sponsors, Business Transformation Board and the Overview and Audit committee. Where needed adhoc meetings were held with sponsors.

Regular meetings, often weekly, were held with the relevant teams as each area was delivered.

b. Outputs and outcomes

The following section breaks down the outcome and outputs by system

Finance System

Provided by Capita (Integra) for use across all Finance processes



A full review of all processes was completed before work started on the system ensuring strong buy in from the start across the team.

We have utilised the system to reduce paper across the service including

- Electronic invoicing
- Electronic procurement card process

The system gives us the ability to update it ourselves allowing us to configure the system to meet our business need.

Both end of month and end of year reporting is simpler and easier for staff.

Payroll data is automatically fed into the Finance system to support costing.

The reduction in non value add task has allowed for the identified reduction in headcount to be delivered.

The system is hosted by Capita and can be accessed either in the office or at home. The App provides functionality eg allowing requisitions to be approved on the go.

The Finance's team approach to the project contributed to them winning the team of the year at the Public Finance Innovation awards

Finance Team of the Year - Local Services (sponsored by CIPFA Penna)

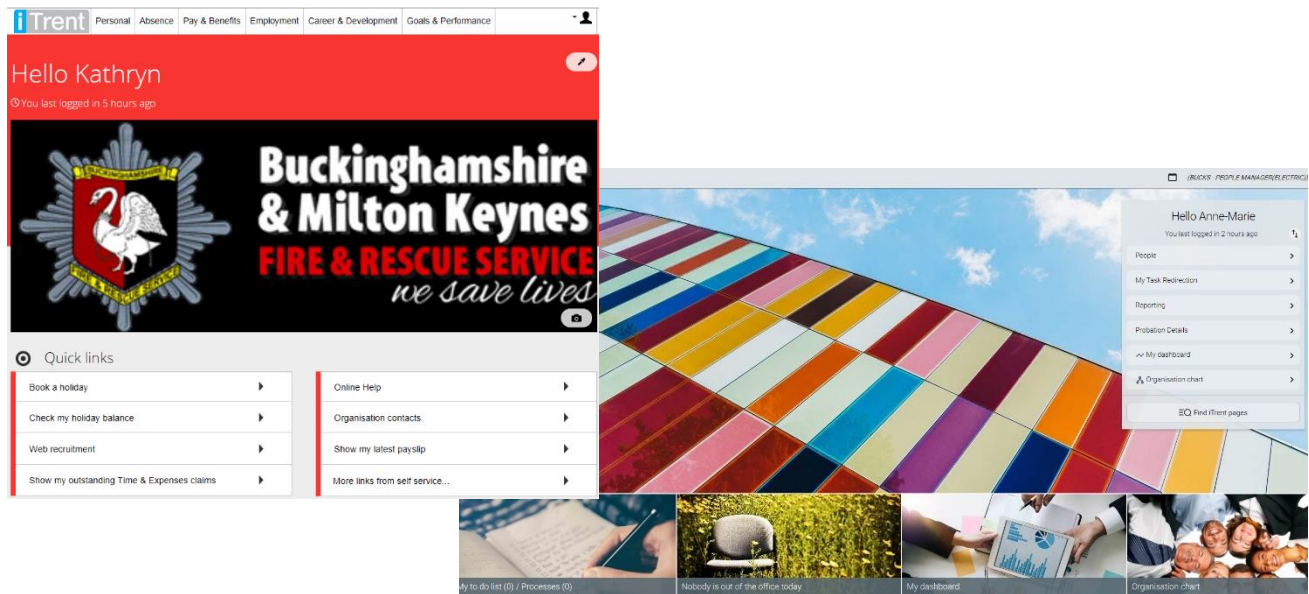
Sponsored by: CIPFA Penna

WINNER: Finance and Procurement Team, Buckinghamshire & Milton Keynes Fire Authority (BMKFA)

Judges' comments: "Finance teams across the local government sector are continuing to operate effectively – and with passion – in challenging circumstances. Buckinghamshire and Milton Keynes Fire Authority achieved a lot with a small team through collaboration and flexibility."

HR/Payroll/L&D System

Provided by MHR (iTrent) for use across HR/Payroll/Learning & Development processes



We have utilised the system to reduce paper across the service including

- Electronic expenses
- Electronic holiday requests and tracking
- Return to works
- Digital payslips

Data entered once into the system can be seen by the relevant people, ie An employee can see their absence in Self Service, their manager can see it in People manager and the HR team can see it in the core system.

The data only needs to be entered once for it to be seen by the groups above.

We are utilising the system workflows to inform areas across the business of changes eg new starters, transfers, leavers.

Relevant data is transferred from the Payroll system to the Finance system automatically.

The system gives us the ability to update it ourselves allowing us to configure the system to meet our business need.

The system is hosted by MHR and can be accessed either in the office or at home. The site is responsive allowing it to be viewed on a mobile device.

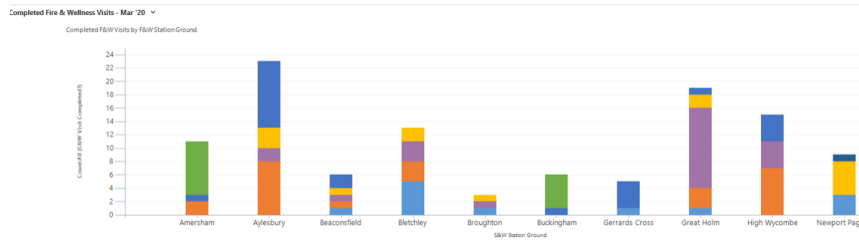
The system is updated on a quarterly basis allowing us to gain enhancements to the system at no cost to the service.

Premises Risk Management System

Provided by Active Informatics for use across all Prevention, Protection and Site specific risk information processes



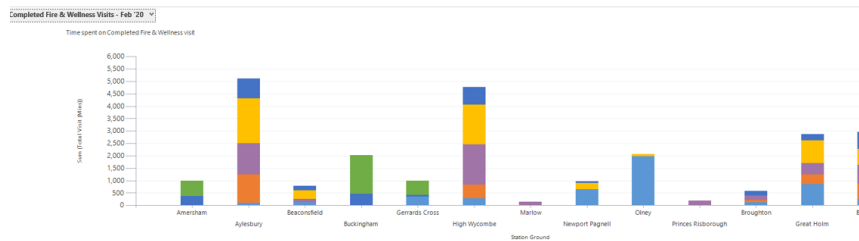
Prevention Performance - 19/20



General

Premises Type:
Agency Area: **Buckinghamshire**

Targeted Premises:
Appointment Scheduled:
S&W Visit Completed: **No**



- Address (Approved)
- Business Names / Occupier known as history
- Persons Living at this Address
- Child Accounts
- Occupancy Summary (Prevention Use Only)
- Premises Risk
- Premises Information
- Firesetter Referral Jobs
- Fire Safety Visits (Audit)
- Risk Notes
- Incidents
- Protection Jobs
- Connections
- Community Visits Jobs
- Safe and Well Referrals
- Safe and Well Jobs
- Site Visits
- Activities

All information related to a property is now captured in one place.

Information is captured real-time allowing us to review progress immediately

A full review of the data we needed to capture for Fire & Wellness was completed ensuring we captured the right data at the right time and store it appropriately.

The new processes meant there were no outstanding Fire and Wellness visits at the end of the year.

The system allows us to display information using the dashboard functionality making it simpler for managers to see work in progress or completed

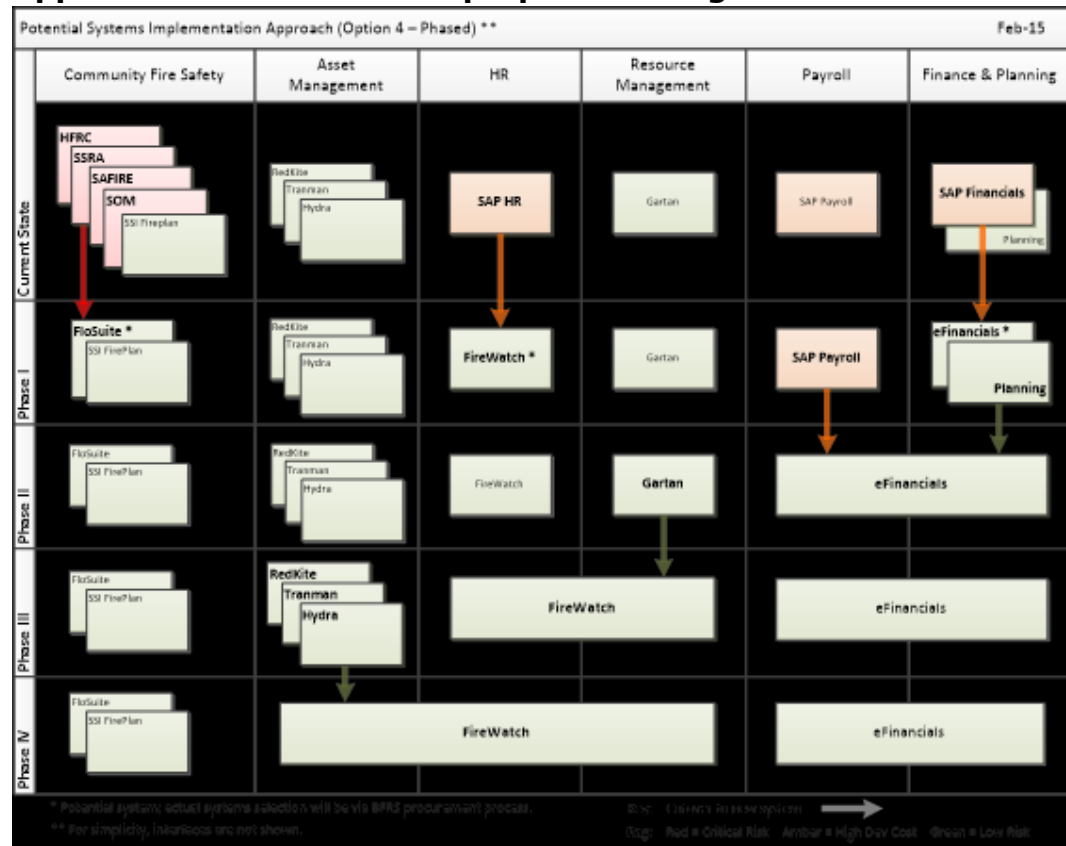
The end of year reporting is simpler and quicker across both Prevention and Protection

The system is hosted by Active Informatics and can be accessed either in the office or at home.

Station staff use the App on a tablet device to capture data on the go. We are continuing to look at offline capability to support when the mobile signal is not sufficient.

Appendices

Appendix 1: Business Case proposed 4 stage cutover



Appendix 2: Business Case proposed Plan

Appendix 3: Business Case proposed Financials

2 year Implementation						
	Year 0	Year 1	Year 2	Year 3	Year 9	Total
ERP Software Licences (Infographics)	27,820	37,064	37,064	37,064	37,064	361,400
Hardware Costs (incl. Implementation)	38,500	0	0	0	0	38,500
Hardware/Software Licences	66,320	37,064	37,064	37,064	37,064	399,900
External Services	307,133	194,500	0	0	0	501,633
Internal Resource Costs	49,315	25,332	0	0	0	74,646
Total Investment	422,767	256,896	37,064	37,064	37,064	976,179
ERP Annual Support (Infographics)	55,640	72,280	72,280	72,280	72,280	706,160
Finance Subscription (Agresso)	57,884	62,639	62,639	62,639	62,639	621,634
Hardware Support	4,500	4,500	4,500	4,500	4,500	45,000
Support Costs	118,024	139,419	139,419	139,419	139,419	1,372,794
Expected Savings	0	-208,272	-246,690	-246,690	-246,690	-2,181,788
SAP Support	0	-57,614	-76,819	-76,819	-76,819	-672,166
ABS Support	0	-6,000	-6,000	-6,000	-6,000	-54,000
Gartan Support	0	0	-55,750	-55,750	-55,750	-446,000
RedKite / Tranman / Hydra Support	0	0	-18,436	-18,436	-18,436	-147,489
Total Estimated Savings	0	-271,886	-403,695	-403,695	-403,695	-3,501,444
TOTAL	540,791	124,429	-227,212	-227,212	-227,212	-1,152,471
<i>Payback Period</i>	540,791	665,221	438,009	210,798	-1,152,471	

Expected Savings

Area	Type of Expense	Annual Cost	Saved Qty, FTE	Direct Annual Savings	Indirect Annual Savings
PHASE 1	Reduced headcount (reduced admin from CFS Systems)	Band G Administrator (top of scale)	Scale G	2	
	Reduced Operational hours (from CFS Systems, HFRC, 6000 checks)	1 hour per shift to open database = 700 hrs 1 hour to upload a completed HFRC = 6000 hrs	Firefighter, Comp	2.5	£94,426
	Reduced Operational hours (from CFS Systems, SAFIRE, 90 cases)	90 hours Operational administration 90 hours Administrator support	Scale G	0.1	£3,008
	Reduced Operational hours (from CFS Systems, SSRA, 200 3/4 cases)	220 hours Inspecting Officer administration 800 hours Administrator support	Scale H	0.5	£16,595
	HFRC - Automated processes	A4 Paper 6000 sheets (forms)	£516	6000 sheets	Negligible
	HFRC - Automated processes	A4 Paper 4000 sheets (job cards)	£175	4000 sheets	Negligible
	Access Database Maintenance	Costs avoided	£4,000	10 days	£4,000
				£60,162	£118,029
PHASE 2	Reduced headcount (reduced admin from HR / Payroll Systems)	Band G Administrator (top of scale)	Scale G	1	£30,081
				£30,081	£0
PHASE 3	Reduced headcount (from admin from Finance Systems)	Band I Officer	Scale I	1	£38,418
				£38,418	£0
				TOTALS	£128,661
					£118,029

Note: Headcount savings are estimated and subject to further verification.

Costing assumptions:

1. The costs presented throughout this document are based on information received so far and are a reasonable indication of the likely costs.
2. Headcount savings are estimated and subject to further verification.
3. No uplift for inflation is included.
4. It is assumed that the costs of purchasing the required modules can be spread without penalty if the implementation is phased (if not the modules may need to be purchased up front).
5. It is assumed that discounts can be negotiated during the procurement process, so the software costs presented in this business case represent the worst case.

6. There may be additional costs for interface development depending upon the degree of automation required.
7. A sufficient number of mobile devices (tablets, smartphones) have already been purchased.
8. Costs are included for third party development of an SQL database to replace the Access databases.
9. Costs for external resources are based on market rates, however it may be possible to second experienced staff to assist from other FRS's at a lower rate (discussions are ongoing with RBFRS).
10. If internal staff are used to resource the project (as far as possible) it will take the same effort as if external staff are used.
11. Internal staff will be backfilled while they are working on the project.
12. Provision is not made for the permanent recruitment of a Business Systems Analyst to support the systems during the project and in the future, but this is highly recommended.