City of London Corporation Committee Report

Committee(s):	Dated:
Corporate Services Committee – For Information	08/01/2025
Finance Committee – For Information	21/01/2025
Digital Services Committee – For Information	30/01/2025
Subject: Enterprise Resource Planning (ERP) Programme Update Report	**Public report:** For Information
This proposal: • **delivers Corporate Plan 2024-29 outcomes** • **provides business enabling functions**	Providing Excellent Services
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	n/a
Report of:	Chief People Officer; Ali Littlewood & The Chamberlain, Caroline Al-Beyerty
Report author:	Simon Gray, Chamberlain's Department

Summary

This report provides an update on the advancements in the Enterprise Resource Planning (ERP) Programme for the fourth quarter of 2024.

The City of London Corporation is undertaking a major programme to replace its systems with an ERP solution, which will take over the duties from the current legacy systems; namely City People (Midland i-Trent) for HR & Payroll, and Oracle R12 for strategic as well as operational finance functions. This new ERP system will update and significantly improve the technology used to provide our essential behind-the-scenes services.

The ERP Programme has achieved significant milestones in the last 3 months, including completing the procurement exercise for the System Integrator Partner, recruiting to roles within the programme team.

The programme timeline has been mapped to deliver in three phases.

Recommendation(s)

Members are asked to note the report.

Main Report

Background

1. The City of London Corporation has embarked on implementing an Enterprise Resourcing Planning (ERP) System that will replace the ageing Finance, HR, Payroll and Operational Procurement systems.

2. The same core back-office systems have been utilised for over 20 years. The systems are now either out of support (Oracle) or an unsupported platform (City People) which causes the City of Corporation the need to procure third-party support and invest staff time in prolonging their life to deliver critical services.

Programme Update

3. The programme has been rebranded as "Programme Sapphire". Establishing a brand for the programme will underpin the change and communications strategy. We will create a recognisable and relatable brand which our audience can engage with and seek to avoid being view as a system replacement – i.e. a technical programme rather than a transformation programme. It also provides a separation from the Programme delivery phase and the future operational state.

4. The programme held a kick-off event on the 17th of November which included over 80 members of the programme team (included the team from the system integrator).

5. During October / November the programme team worked with the system integrator (HCL) to complete the statement of works which confirms the timing, scope and approach of the programme

    i. The programme timeline is being delivered in 3 waves:

    - Wave 1: Learning Management, Performance and Goals & Recruitment – Q1 2025
    - Wave 2: Full HR and Payroll – Q4 2025
    - Wave 3: Finance – Q1 2026

    The payment to the System Integrator is aligned to the above delivery schedule on a milestone basis.

    ii. The requirements of the Corporation are consistent with those that were included in the Invitation to Tender that were issued (no change in scope).

    iii. The approach is based on the Corporation adopting to best practice using the SAP Public Cloud (Adopt not Adapt).

6. The programme is following the SAP Activate methodology and is now in the "Explore Phase" as shown below:
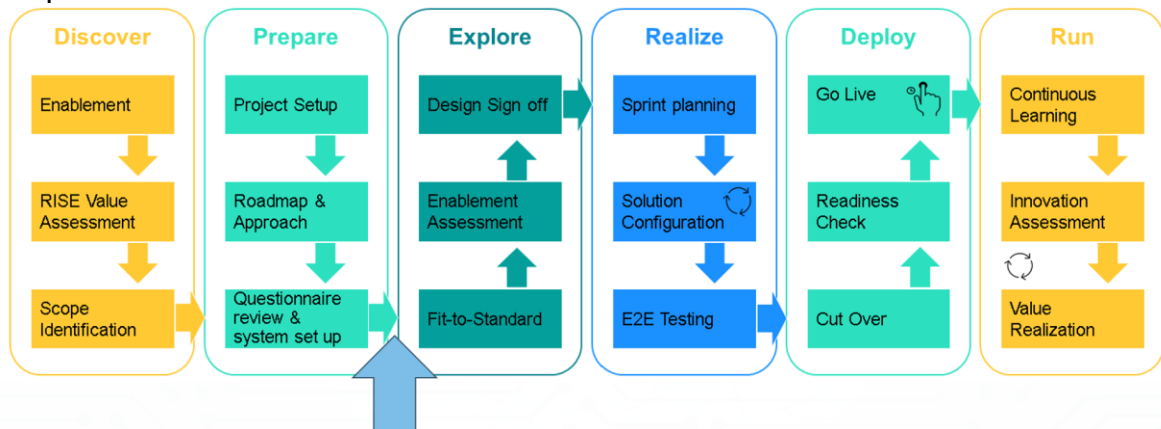
7. The Explore phase will be delivered between 18th November 2024 and 31st March 2025. There are currently over 200 "fit to standard workshops" scheduled to agree the design of the solution.

8. The initial focus has been on Wave 1 design workshops, which are scheduled to be completed by December 20th, 2024, and are on track at the time of writing this report. The first data migration wave will be delivered in December 2024 to support Wave 1 testing.

9. The Realise / Deploy and Run phases will be delivered iteratively for each Wave (see appendix A for detail).

10. The Corporation has also set up networking with other Local Authority customers who are on a similar journey including:

 i. Gloucestershire County Council (SAP upgrade to Public Cloud – Testing Phase)
 ii. Manchester City Council (SAP upgrade to Public Cloud – nearing end of Design)
 iii. Warrington Borough Council (SAP upgrade – end of procurement)

11. The intention is to meet monthly on a virtual basis – initial meetings will focus on each party sharing where it is and challenges / opportunities. The plan will be to develop specific knowledge sharing acoss the functional areas. The above has been facilitated by SAP

12. The program is progressing according to the approved budget.

Programme Next Steps

13. The primary focus will be on completing the fit to standard workshops. The Wave 1 workstreams will also be delivering the change readiness assessments in January which will include:

 i. Testing Plans
 ii. Training Plans

      iii.   Communications Plans
      iv.   Cutover Plans
      v.   Business Support Plans

14. The plans for Wave 2 & 3 Wave will be due after sign-off of the whole design in March. This will include identified benefits discovered as part of the design workshops. During the workshops we are performing as-is process work to validate the benefits targeted

Corporate & Strategic Implications

Strategic implications - The ERP Programme supports the Corporate Initiatives to deliver brilliant basics and mitigates the risk of unsupported legacy systems.

Financial implications – Digital Services Committee, Finance Committee and Court of Common Council have approved the budget envelope to bring in the relevant resources including backfills.

Resource implications - The requirement of resourcing is detailed in this paper.

Legal implications - All staff resourcing, and employment contracts will comply with statutory requirements and be in line with best practice.

Risk implications - Failure to baseline the programme roles would place a risk on the organisation.

Equalities implications - An Equalities Impact Assessment was done initially and is currently being updated and will be brought back for review. This will be routinely updated throughout the life of the programme.

Climate implications - None

Security implications - None (other than standard vetting requirements)

Conclusion

The last quarter saw notable advancements in the rollout of the new Enterprise Resource Planning (ERP) system, set to supersede the existing systems for Finance, HR, Payroll, and Operational Procurement. Selection of the System Integrator Partner is finalised, with the project aiming to conclude its planned scope by April 2026. The team is now focusing efforts on preparation tasks, such as staffing, data verification, change planning, and initial programme announcements. Members should acknowledge this report.

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Appendix A

Wave 1

Wave 2

Wave 3