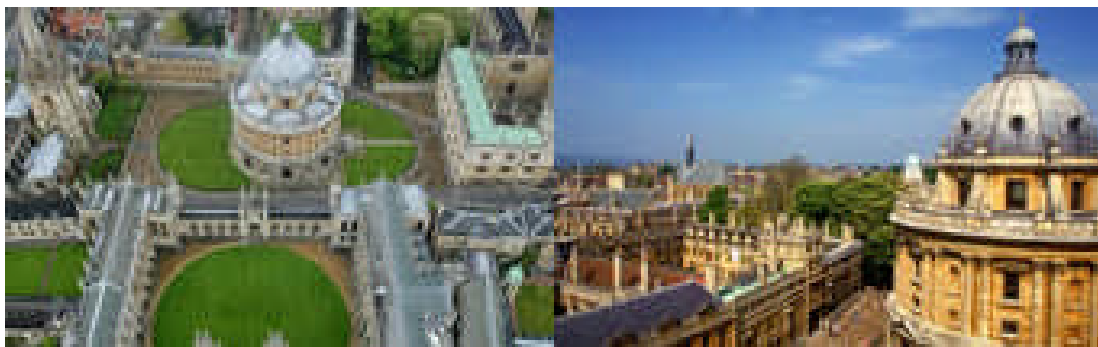


# Oxford City Council

## Post Implementation Review of PARIS & iTrent projects

### Final Report



Assurance rating for this review	No Assurance
----------------------------------	--------------

Distribution List
<b>Jackie Yates – Director of Finance and Efficiency</b>
<b>Adrian Orchard – Interim Head of ICT</b>
<b>Nigel Kennedy – New Head of Finance</b>
<b>Jane Lubbock – Head of Business Improvement</b>
<b>David Oakes – ICT Manager</b>
<b>Simon Howick – Head of People &amp; Equalities</b>
<b>Sean Hoskins – Payroll Manager</b>

# Contents

<b>Background and scope .....</b>	<b>3</b>
<b>Our opinion and assurance statement.....</b>	<b>5</b>
<b>Executive Summary of PARIS and iTrent Projects .....</b>	<b>6</b>
<b>Areas of Good Practice .....</b>	<b>7</b>
<b>Limitations and responsibilities .....</b>	<b>8</b>
<b>Findings and recommendations.....</b>	<b>9</b>
<b>Appendix 1 - Terms of Reference .....</b>	<b>17</b>
<b>Appendix 2 - Assurance ratings .....</b>	<b>21</b>
<b>Appendix 3 – Overview of project controls .....</b>	<b>22</b>

# Background and scope

## Introduction

This review was undertaken as part of the 2010/11 Internal Audit Plan.

This report has been prepared solely for Oxford City Council in accordance with the terms and conditions set out in our letter of engagement. We do not accept or assume any liability or duty of care for any other purpose or to any other party. This report should not be disclosed to any third party, quoted or referred to without our prior written consent.

## Background

During 2010 Oxford City Council (the 'Authority') managed two projects; one delivering a new Payroll/HR system, iTrent and the other delivering a new Finance system, Paris. Difficulties were encountered during both projects and this review has focused on identifying the areas of learning and project management best practice which can be adopted in future projects undertaken by the Council.

## Approach and scope

### Approach

Our work is designed to comply with Government Internal Audit Standards (GIAS) and the CIPFA Code.

### Scope of our work

In accordance with our Terms of Reference (Appendix 1), agreed with the Director of Finance & Efficiency we undertook a post implementation review of the iTrent and PARIS projects. Our assessment considered risks arising in the following areas:

- Project management controls and documentation of key project decisions;
- Project governance and adequate involvement of key stakeholders;
- Involvement by the Council's business officers, the ICT team from Oxfordshire County Council and the suppliers of software and hosting services, and the adequacy of their resources and skills
- Unaddressed project risks and issues;
- Delivery of projects against scope and business requirements;
- Testing the accuracy and completeness of data uploaded as batches into Paris on a sample basis; and
- Identifying good practices that can be adopted for future projects.

This assessment involved interviews with the staff at Oxford City Council and Oxfordshire County Council and review of documentation generated internally by the project teams and by the external suppliers. We have discussed the key observations made through the above assessment in this report.

### Limitations of scope

The scope of our work was limited to those areas identified in the terms of reference.

**Staff involved in this review**

We would like to thank all client staff involved in this review for their co-operation and assistance.

**Name of client staff**

Jackie Yates – Director of Finance & Efficiency

Anna Winship – Financial Accounting Manager

Helen Bishop – Head of Services

Patrick Favell – Oxfordshire County Council ICT Manager

Shaun Hoskins – Payroll Manager





Simon Howick – Head of P & E

# Our opinion and assurance statement

## Introduction

This report summarises the findings of our Post Implementation Review of the PARIS & iTrent projects.

Each of the issues identified has been categorised according to risk as follows:

Risk rating	Assessment rationale
 Critical	Control weakness that could have a significant impact upon, not only the system, function or process objectives but also the achievement of the <b>authority's objectives</b> in relation to: <ul style="list-style-type: none"> <li>• the efficient and effective use of resources;</li> <li>• the safeguarding of assets;</li> <li>• the preparation of reliable financial and operational information; and</li> <li>• compliance with laws and regulations.</li> </ul>
 High	Control weakness that has or is likely to have a significant impact upon the achievement of key <b>system, function or process</b> objectives.  This weakness, whilst high impact for the system, function or process does not have a significant impact on the achievement of the overall authority objectives.
 Medium	Control weakness that: <ul style="list-style-type: none"> <li>• has a low impact on the achievement of the key system, function or process objectives; and</li> <li>• has exposed the system, function or process to a key risk, however the likelihood of this risk occurring is low.</li> </ul>
 Low	Control weakness that does not impact upon the achievement of key <b>system, function or process</b> objectives; however implementation of the recommendation would improve overall control.

# Executive Summary of PARIS and iTrent Projects

<p><b>Owner:</b> Jackie Yates – Director of Finance and Efficiency</p>	<p><b>Overall Opinion:</b> <b>No Assurance:</b> There are weaknesses in the design and/or operation of controls which [in aggregate] could have a significant impact on the achievement of key system, function or process objectives and may put at risk the achievement of organisation objectives.</p>	<p><b>Key Areas of Risk:</b></p> <ul style="list-style-type: none"> <li>• Project planning</li> <li>• Resource availability</li> <li>• Stakeholder commitment and buy-in</li> <li>• Data Migration and testing</li> </ul>	<p><b>Overall Status</b></p> <p><b>0</b> Critical</p> <p><b>4</b> High</p> <p><b>2</b> Medium</p> <p><b>0</b> Low</p>
<p><b>Conclusion:</b> The lack of project delivery experience among the Council’s staff became evident from a number of factors such as availability of resources; the formality of documentation and stakeholder commitment. Our findings below are based on an assessment of the two projects, but we feel that for the delivery of a project of this size, in future, there is need for a significant improvement in the overall project governance and project management skills in the Council. We have also shown, in Appendix 3, the controls which existed for the iTrent and PARIS projects. If the existing control environment is replicated on future projects of this size, there is an increased likelihood of the project not achieving its objectives. Our key observations are as follows:</p> <ul style="list-style-type: none"> <li>• The projects were approached as IT changes rather than business changes and therefore the overall governance and involvement of stakeholders was low. We could not see evidence of a formal definition of the specific requirements for each project and any tracking for the delivery of these requirements;</li> <li>• A resource plan was not prepared, which caused delays in the project delivery and also affected the quality of key tasks such as testing of programmes;</li> <li>• Customised test plans were not used to test the business processes for the two projects. Similarly data migration was not planned for in detail. There was no evidence of any formal sign off for the completion of testing and data migration activities; and</li> <li>• Some decisions were left entirely to the vendors and there was limited management involvement to assess or validate the decisions made by the vendors.</li> </ul>			

# Areas of Good Practice

## Our review identified the following areas of good practice:

- Project risks & issues were logged and a 'Red/ Amber/ Green' status allotted to each issue identified;
- Project meetings were held regularly and key stakeholders were invited to the meetings;
- Major decisions were signed off by the transformation board, such as vendor selection. However, this practice was not followed consistently;
- Reporting to Project Board and Steering Group was consistent, structured and formal;
- The Project Initiation Document defined most project roles in line with Prince 2 requirements, such as Sponsor, Project Manager, Senior Users, Senior Suppliers;
- For the iTrent project a detailed exercise was carried out to identify the business's expectations from the system and this was communicated to vendors;
- The costs incurred on engaging with the vendor for iTrent, Midland, were managed tightly by the project manager and all invoices were scrutinised by the project manager before payment;
- Standard documentation provided by Midland is being re-written to reflect each of the businesses processes accurately;
- A manual is also being written to document the payroll processes so they can be followed if key personnel are unavailable;
- Quarterly iTrent project newsletters were generated and circulated business wide to communicate progress and increase awareness; and
- Road shows were organised across the business to highlight the impact of the change through the implementation of iTrent. This was achieved by engaging with business leads and sending out correspondence to all.

# Limitations and responsibilities

## Limitations inherent to the internal auditor's work

We have undertaken a post implementation review of PARIS and iTrent projects, subject to the following limitations.

### Internal control

Internal control, no matter how well designed and operated, can provide only **reasonable** and not absolute assurance regarding achievement of an organisation's objectives. The likelihood of achievement is affected by limitations inherent in all internal control systems. These include the possibility of poor judgement in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

### Future periods

The assessment of controls relating to PARIS and iTrent projects is that historic evaluation of effectiveness is not relevant to future periods due to the risk that:

- the design of controls may become inadequate because of changes in operating environment, law, regulation or other; or
- The degree of compliance with policies and procedures may deteriorate.

## Responsibilities of management and internal auditors

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

We shall endeavour to plan our work so that we have a reasonable expectation of detecting significant control weaknesses and, if detected, we shall carry out additional work directed towards identification of consequent fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected.

Accordingly, our examinations as internal auditors should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist, unless we are requested to carry out a special investigation for such activities in a particular area.



# Findings and recommendations

Ref	Good practice	Control weakness found	Risk rating	Recommendations	Management response
1.	<p><b>Stakeholder involvement</b>            Stakeholders are persons with a vested interest in the success of the project. This could be for a variety of reasons, such as improved operational efficiency of the team or business function; reduced operational costs; improved compliance, etc. Stakeholders' involvement is key to the project's success. Some good practices in this area are:</p> <ul style="list-style-type: none"> <li>• Stakeholders have specific objectives for the success of the project and are made accountable for the project delivery;</li> <li>• Stakeholders are involved in the decision making process and they take decisions which are appropriate for the project; and</li> <li>• Stakeholders are involved in most project communication and meetings.</li> </ul>	<p><b>Insufficient stakeholder involvement</b>  <i>Applicable for PARIS and iTrent</i></p> <p>For the PARIS and iTrent projects, key stakeholders were identified in the project initiation document ('PID'), but their roles were defined very briefly. The PID did not state the responsibilities of each stakeholder regarding the delivery of benefits that Authority expects to derive from the projects.</p> <p>It was also noted that stakeholders did not regularly attend steering committee meetings and project board meetings. As a result some of the project decisions were left to the vendors without any challenge from the project team members or stakeholders.</p> <p>For PARIS the stakeholders' attendance was evidenced through an examination of a sample of meeting minutes. For the iTrent project, as</p>	<p>●            High</p>	<p>The Authority should ensure that stakeholders' responsibilities are clearly defined in the project documentation and they are made accountable for the projects that they are responsible for. This can be done by engaging with each stakeholder and agreeing their objectives and responsibilities in relation to project delivery.</p>	<p><b>Action Plan:</b>            [A new team has been established under Jane Lubbock, Head of Business Improvement, which will hold responsibility for the Council's project and programme methodology. Marie Stock has been recently appointed as the Business Improvement Manager to lead on this work. The Council has a tailored version of PRINCE2 for its projects and guidance on this as well as template documents are available to all staff via the intranet and are directly supported by the Business Improvement Team; this is also supplemented with internal and external project management training courses. To date, the project management methodology has not been mandatory, therefore the previous team did not have the authority to enforce use of the methodology across projects. It was however</p>

Ref	Good practice	Control weakness found	Risk rating	Recommendations	Management response
		minutes were not formally documented, we confirmed this through interviews with the project manager.			<p>recommended that the methodology should be adopted and this was monitored via the previous Transformation Board, to which both the iTrent and PARIS projects reported.</p> <p>As the Business Improvement Manager, Marie will be reviewing the project and programme management methodologies and how these have been embedded within the Council to ensure that the appropriate controls are in place to deliver our projects.]</p> <p><b>Timing:</b> [Project management methodology will be applied to all projects commencing after or projects which are not substantially advanced on 1<sup>st</sup> June 2011 ]</p> <p><b>Responsible official:</b> Marie Stock, Business Improvement Manager</p>
2.	<p><b>Project planning</b> Project planning involves the following:</p> <ul style="list-style-type: none"> <li>• A detailed exercise to understand the need for change;</li> </ul>	<p><b>Project planning process to be more organised</b> <i>Applicable for PARIS</i></p> <p>We made the following observations</p>	<p>● High</p>	The Authority should revisit the processes adopted for managing projects. The initial planning activities in a project are key to ensuring that the	<p><b>Action Plan:</b> [Refer comment to control weakness # 1 above]</p> <p><b>Timing:</b> [Project management</p>

Ref	Good practice	Control weakness found	Risk rating	Recommendations	Management response
	<ul style="list-style-type: none"> <li>A business critical project is approached as a business change and involves cross business functions/ departments;</li> <li>Requirements capture is performed through consultation with all affected business units;</li> <li>Where more than one solution is identified or more than one vendor is shortlisted appropriate criteria and metrics are used to make a selection;</li> <li>The agreed solution is signed off and accepted by all stakeholders;</li> <li>Project management methodology is agreed and appropriately implemented; and</li> <li>A project assurance role is included to ensure quality of project delivery and ensure continued focus from the project team on project objectives.</li> </ul>	<p>in relation to the project planning for PARIS:</p> <ul style="list-style-type: none"> <li>The project was approached as an IT change rather than a business change. This resulted in lower involvement of the key stakeholders throughout the project planning and execution phase;</li> <li>The 'requirements capture' process did not involve all the key stakeholders and system users. We did not see any evidence of any specific mapping of user requirements to the system functionality. Further there was no formal sign off to the specifications to evidence that the stakeholders were happy with what the vendor was asked to provide in the system;</li> <li>The vendor selection was included in the planning process, but in the absence of any formal documentation, it is not possible to see what benefits/ advantages were considered for selecting Northgate over other vendors;</li> <li>The decision making structure was not clearly defined and although the responsibilities of the project team and steering committee were defined in the PID, the individuals</li> </ul>		<p>requirements are clearly defined, all key project roles and stakeholders are defined, they are aware of their responsibilities and commitment to the project.</p> <p>It is also essential that the teams have a sufficient amount of experience and training in handling projects. The elements of training should include a basic understanding in project management methodology; user responsibilities; and an understanding of the importance of individual contribution to the project.</p>	<p>methodology will be applied to all projects commencing after or projects which are not substantially advanced on 1<sup>st</sup> June 2011 ]</p> <p><b>Responsible official:</b> Marie Stock, Business Improvement Manager</p>

Ref	Good practice	Control weakness found	Risk rating	Recommendations	Management response
		<p>on the steering committee and project board did not have clear directions about their responsibilities for project delivery;</p> <ul style="list-style-type: none"> <li>• A quality assurance role which is a requirement of PRINCE2 methodology was not defined in the PID; and</li> <li>• Although PRINCE2 was the chosen methodology for the project, its requirements were not followed by the project team, as can be seen from the above examples.</li> </ul> <p>From the documentation and the overall process followed by the project team, we noted that there was a lack of sufficient training and experience within the team to handle a project of this nature.</p>			

Ref	Good practice	Control weakness found	Risk rating	Recommendations	Management response
3.	<p><b>Resource commitment to projects</b> Availability of resources is key to the success of a project. Some good practices in this area are:</p> <ul style="list-style-type: none"> <li>• A detailed resource planning exercise is performed at each project phase to plan the staff involvement on the project; how long they will spend away from their day-to-day activities; and how their daily role will be back filled by others;</li> <li>• Resource requirements are reviewed &amp; amended regularly;</li> <li>• Staff allocated to the project are fully committed to it and do not have any other distractions when working on the project;</li> <li>• Staff committed to the project are appropriately skilled; and</li> <li>• The project team and involvement of project team members is planned and all business leads are made aware of their involvement.</li> </ul>	<p><b>Inadequate resource commitment to the project</b> <i>Applicable for PARIS and iTrent</i></p> <p>We noted that staff commitment was generally low on both the iTrent and PARIS projects, and where staff members were involved they were devoting only a part of their time to the project while still being fully involved on their day-to-day jobs.</p> <p>We did not see any detailed resource plans for both projects implying that the project teams and the business functions were not made aware of the resource commitments for the project through its lifecycle.</p> <p>The absence of such commitment was also reflected in the quality of project testing; and the over-reliance on the vendor for making key project decisions.</p>	<p>●</p> <p>High</p>	<p>The Authority should ensure that project teams plan the staff requirement for their projects and all relevant department heads are made aware of the requirements in a timely manner.</p> <p>Where staff members are allocated, they are exclusively available to the project and they are clear of their role in the project and what they are expected to achieve. This could be achieved by completing a resource mapping exercise and seeking agreement from the business leaders to ensure appropriate resources are provided.</p>	<p><b>Action Plan:</b> [Refer comment to control weakness # 1 above]</p> <p><b>Timing:</b> [Project management methodology will be applied to all projects commencing after or projects which are not substantially advanced on 1<sup>st</sup> June 2011 ]</p> <p><b>Responsible official:</b> Marie Stock, Business Improvement Manager</p>

Ref	Good practice	Control weakness found	Risk rating	Recommendations	Management response
4.	<p><b>Data migration and testing</b></p> <p>Through adequate testing of the programmes and data in the new system, the project team can demonstrate to the key stakeholders that the project is meeting its requirements and is expected to derive all the planned benefits. Specifically, this stage should involve the following:</p> <ul style="list-style-type: none"> <li>• A detailed test plan is prepared to ensure that all business functions and requirements are tested;</li> <li>• Testing should emulate a normal working environment;</li> <li>• Completion of testing for individual modules/ programmes/ business functions should be formally signed off by the tester; and</li> <li>• Upon completion of all testing, the key stakeholders should sign to indicate their acceptance of the programme development.</li> </ul>	<p><b>Insufficient project testing</b> <i>Applicable for PARIS and iTrent</i></p> <p>A limited amount of user testing was performed of the functionalities available in PARIS. This resulted in some gaps in system functionalities, for example the lack of a meaningful interface between PARIS and Agresso.</p> <p>Specifically, for the PARIS project we noted the following in relation to testing:</p> <ul style="list-style-type: none"> <li>• The supplier provided generic test plans and these were accepted and used for performing user acceptance testing by the authority's project team without any challenge;</li> <li>• The tests were not mapped to the business processes and the key system requirements;</li> <li>• The project team did not have sufficient understanding of business processes to perform a meaningful system testing exercise and;</li> <li>• We did not see any formal sign off for completion of the testing and acceptance of the development activity before the go-live sign off.</li> </ul>	<p>●</p> <p>High</p>	<p>The Authority should ensure that its project management methodology includes the following:</p> <ul style="list-style-type: none"> <li>• The users getting involved with testing system functionality, understand the significance of their contribution;</li> <li>• Detailed test plans should be created to test all the functionalities expected from the system and each test plan should be signed off by the user, upon completion;</li> <li>• Adequate resources should be made available for performing user testing; and</li> <li>• The overall results of the user testing should be evaluated by the project manager/ project board to arrive at a decision to go-live or if any further development is required.</li> </ul>	<p><b>Action Plan:</b> [Refer comment to control weakness # 1 above]</p> <p><b>Timing:</b> [Project management methodology will be applied to all projects commencing after or projects which are not substantially advanced on 1<sup>st</sup> June 2011 ]</p> <p><b>Responsible official:</b> Marie Stock, Business Improvement Manager</p>

Ref	Good practice	Control weakness found	Risk rating	Recommendations	Management response
		We noted that the iTrent project had tailored test plans to test the system functionalities. A parallel run of iTrent was performed and the results from the two systems were compared. However, we did not see any evidence of a formal sign-off for the completion and acceptance of the testing results.			
5.	<p><b>Progress Tracking</b> In this process, the project team will track the progress against the original project plan, plan for all future activities and ensure adequate resources are available to ensure that the project remains focused on its objectives.</p> <p>The good practices in this area are:</p> <ul style="list-style-type: none"> <li>• Detailed project plans are used for mapping out the project activities;</li> <li>• Progress is tracked against the project plans;</li> <li>• Meetings are held regularly to update the key stakeholders about the progress of the project;</li> <li>• All meetings are scheduled, have a detailed agenda and formal minutes are created at the end of</li> </ul>	<p><b>Project administration performed informally</b> <i>Applicable for iTrent</i></p> <p>For the iTrent project we made the following observations regarding the overall administration of the project</p> <ul style="list-style-type: none"> <li>• Meeting minutes were not formally documented. Without this evidence it is not possible to assess how effectively the actions were tracked and monitored for completion;</li> <li>• Project meeting agendas were not formally set; and</li> <li>• The project was split into phases but we did not see any formal documentation of the evaluation performed and the criteria used by the project team for moving the project to the next stage.</li> </ul>	<p>● Medium</p>	<p>The nature of documentation to be retained is usually dictated by the project management methodology that is followed. The Authority should ensure that where such methodology is adopted, all project teams follow the minimum documentation requirements as stated by the methodology.</p>	<p><b>Action Plan:</b> [Refer comment to control weakness # 1 above]</p> <p><b>Timing:</b> [Project management methodology will be applied to all projects commencing after or projects which are not substantially advanced on 1<sup>st</sup> June 2011 ]</p> <p><b>Responsible official:</b> Marie Stock, Business Improvement Manager</p>

Ref	Good practice	Control weakness found	Risk rating	Recommendations	Management response
	<p>the meeting;</p> <ul style="list-style-type: none"> <li>• Actions from meetings are noted and owners allocated to each action with expected completion dates; and</li> <li>• Project phases and milestones are clearly planned in the project.</li> </ul>	<p>In the absence of such documentation it is not possible to judge how the project team were tracking progress and monitoring that all project activities were being completed and the project objectives were being achieved.</p>			
6.	<p><b>Data Migration</b> Data migration is crucial for ensuring the accuracy and completeness of information and results generated from the new application.</p> <p>A data migration plan should be prepared, which will show the migration process and also the process for testing of the migrated data.</p> <p>The data owner for each business process affected by data migration is responsible for ensuring that the migrated data meets the business objectives and is required to formally sign off the results of the migration activity.</p>	<p><b>Data Migration managed informally</b> <i>Applicable to iTrent</i></p> <p>We noted the following in relation to data migration for the iTrent project:</p> <ul style="list-style-type: none"> <li>• Data cleansing and mapping was performed manually by a team of testers, without formal involvement from data owners; and</li> <li>• We did not see any evidence of formal sign off for completion of the data migration process;</li> </ul> <p>The parallel run for iTrent compensates the observations made above to an extent. However, in the absence of formal sign off from the data owner, there is a likelihood that all the migration objectives may not be addressed.</p>	<p>● Medium</p>	<p>Where the migration of data to the new system is a key activity in the project, the Authority should ensure that the relevant data owners are involved.</p> <p>Adequate documentation should be retained to show evidence of the specification of what data should be transferred to the new system, the plan for transfer of this data, tracking and monitoring of data transfer, testing of data transfer and a sign off from the data owner to confirm that migration of data has been completed in line with the plan and expectations.</p>	<p><b>Action Plan:</b> [Refer comment to control weakness # 1 above]</p> <p><b>Timing:</b> [Project management methodology will be applied to all projects commencing after or projects which are not substantially advanced on 1<sup>st</sup> June 2011 ]</p> <p><b>Responsible official:</b> Marie Stock, Business Improvement Manager</p>



# Appendix 1 - Terms of Reference

## I. Objectives and deliverables

Oxford City Council has recently implemented Paris, a cash receipting system; and iTrent which is a payroll application.

Oxford City Council's ICT service is provided by Oxfordshire County Council under a Partnership Agreement. This County's ICT team hosts the Paris Cash receipting systems and associated applications including Agresso, the financial management system. The iTrent payroll is hosted remotely by Midland Software.

After the implementation of Paris, the Council experienced significant difficulties in completing the bank reconciliations. Similarly, there have been delays in reconciling the payroll, interfaces with the Council's financial system Agresso. Such issues could arise due to one of the following reasons:

- People related issues (training of staff or managing the change over process);
- Process issues (adequate testing of processes and controls and standardisation of process); and
- Data issues (accuracy and completeness of underlying data).

The implementation of iTrent, the payroll application is not complete, as the interface between Agresso and iTrent is not yet operational. This review covers both applications with the objective of comparing the existing project controls to best practice and how the project implementation process considered risks in the above three areas.

## Deliverables

As a part of the post implementation review our deliverable will be a report detailing our findings with regard to our assessment of the controls and Management practices within the Council over project implementation.

## Information Requirements

Listed below is information that will be required at the commencement of the audit:

- Project plans;
- Project specifications;
- Project management structure;
- Test plans and go-live plans;
- Project go-live process and sign offs;
- Staff training schedules; and
- Project Risk registers.

The list is not intended to be exhaustive. Evidence should be available to support all operating controls. Other information arising from our review of the above documentation may be requested on an ad hoc basis.

## II. Our scope and approach

### Scope and approach

The post implementation review will consider how the two projects were managed and will focus on bringing out the areas of learning and project management best practice which can be adopted in future projects undertaken by the Council. Specifically we will focus on:

- Assessing project management controls and documentation of key project decisions;
- Project governance and adequate involvement of key stakeholders;
- Involvement by the Council's business officers, the ICT team from Oxfordshire County Council and the suppliers of software and hosting services, and the adequacy of their resources and skills
- Unaddressed project risks and issues;
- Delivery of projects against scope and business requirements;
- Testing the accuracy and completeness of data uploaded as batches into Paris on a sample basis; and
- Identifying good practices that can be adopted for future projects.

We will discuss our findings with the Director of Finance and Efficiency, ICT Manager and the relevant project leads or their nominated representative to develop recommendations and action plans. A draft report will be issued to all relevant officers for review and to document management responses.

### Limitations of scope

The scope of our work will be limited to those areas identified in the terms of reference. We will not perform any testing of inbound and outbound interfaces from Paris and the payroll system and we will not validate the completeness and accuracy of the information that is input in the application except as stated in the scope above.

### III. Stakeholders and responsibilities

Role	Contacts	Responsibilities
Director of Finance and Efficiency	Jackie Yates	<ul style="list-style-type: none"> <li>• Review draft terms of reference</li> <li>• Meet to discuss issues arising</li> <li>• Review draft and Final report</li> </ul>
ICT Manager	David Oakes & Roger Rickard	<ul style="list-style-type: none"> <li>• Review draft terms of reference</li> <li>• Review and meet to discuss issues arising and develop management responses and action plan</li> <li>• Review draft report</li> <li>• Implement agreed recommendations and ensure ongoing compliance</li> </ul>
Head of People & Equalities	Simon Howick	<ul style="list-style-type: none"> <li>• Receive agreed terms of reference</li> <li>• Review and meet to discuss issues arising and develop management responses and action plan</li> <li>• Receive draft and final reports</li> <li>• Implement agreed recommendations and ensure ongoing compliance</li> </ul>
Payroll Manager	Sean Hoskins	<ul style="list-style-type: none"> <li>• Receive agreed terms of reference</li> <li>• Review and meet to discuss issues arising and develop management responses and action plan</li> <li>• Receive draft and final reports</li> <li>• Implement agreed recommendations and ensure ongoing compliance</li> </ul>
Head of Finance	Penny Gardner / Sarah Fogden	<ul style="list-style-type: none"> <li>• Receive agreed terms of reference</li> <li>• Review and meet to discuss issues arising and develop management responses and action plan</li> <li>• Receive draft and final reports</li> <li>• Implement agreed recommendations and ensure ongoing compliance</li> </ul>
Chief Executive	Peter Sloman	<ul style="list-style-type: none"> <li>• Receive final report</li> </ul>

#### IV. Our team and timetable

##### Our team

Role	Contact
Chief Internal Auditor	Chris Dickens
Audit Manager	Harish Medhekar
Auditors	Christian Hilpert

##### Timetable

Steps	Date
TOR approval	Jul-10
Fieldwork commencement	Jul-10
Fieldwork completed	T + 8 days
Draft report of findings issued	T + 3 weeks
Receipt of Management response	T + 5 weeks
Final report of findings issued	T + 6 weeks

##### Budget

Our budget for this assignment is 10 days. If the number of days required to perform this review increases above the number of days budgeted, we will bring this to management

#### V. Terms of reference approval

These Terms of Reference have been reviewed and approved:

.....

Jackie Yates  
Signature (Director of Finance and Efficiency)

.....

Chris Dickens  
Signature (Chief Internal Auditor)

## Appendix 2 - Assurance ratings

Level of assurance	Description
<b>High</b>	<p>No control weaknesses were identified; or</p> <p>Our work found some low impact control weaknesses which, if addressed would improve overall control. However, these weaknesses do not affect key controls and are unlikely to impair the achievement of the objectives of the system. Therefore we can conclude that the key controls have been adequately designed and are operating effectively to deliver the objectives of the system, function or process.</p>
<b>Moderate</b>	<p>There are some weaknesses in the design and/or operation of controls which could impair the achievement of the objectives of the system, function or process. However, either their impact would be less than significant or they are unlikely to occur.</p>
<b>Limited</b>	<p>There are some weaknesses in the design and / or operation of controls which could have a significant impact on the achievement of key system, function or process objectives but should not have a significant impact on the achievement of organisational objectives. However, there are discrete elements of the key system, function or process where we have not identified any significant weaknesses in the design and / or operation of controls which could impair the achievement of the objectives of the system, function or process. We are therefore able to give limited assurance over certain discrete aspects of the system, function or process.</p>
<b>No</b>	<p>There are weaknesses in the design and/or operation of controls which [in aggregate] could have a significant impact on the achievement of key system, function or process objectives and may put at risk the achievement of organisation objectives.</p>

# Appendix 3 – Overview of project controls

We have shown below a high level grading of controls observed in six areas which are key to effective delivery of a project. This mapping is subjective based on the work performed. The colours for each section are based on the level of improvement required in each of these areas to enable effective delivery in that area. The mapping shows the improvements required only for the two projects we have looked at and it is not intended to show a picture of all projects performed by the Authority.

Significant improvement required in the formality of controls in this area.	Controls exist, but they can improve further to better manage the project.	Controls exist and are operating effectively.

## Summary of observations for PARIS

### Team is high performing

#### Key Issue (s)

- Responsibilities not clearly defined
- Lack of project delivery experience
- Dedicated resource not assigned to the project
- Lack of knowledge of legacy systems
- Testing & Data migration leads not formally in place
- ICT team not sufficiently available for project tasks

### Stakeholders are committed

#### Key Strength (s)

- Low attendance from stakeholders at meetings
- Lack of buy in from stakeholders and steering committee

### Business benefits are realised

#### Key Issue (s)

- Not all potential benefits identified
- Issue with interface led to increased manual work
- Financial savings are not clearly predicted
- Key Performance Indicators were not defined



### Scope is realistic and managed

#### Key Issue (s)

- Scope not well defined
- Scope frequently changed throughout the project
- The defined scope was not monitored regularly
- Interface with Agresso was defined as in scope but was missed internally

### Work and schedule are predictable

#### Key Issue (s)

- Resource requirements not planned in detail
- Stages not clearly broken up
- Project Milestones were not set for the project
- Critical path not established
- All dependencies were not established

### Risks are mitigated

#### Key Issue (s)

- No quality assurance role included in the project
- No metrics were in place for the decision to go-live
- Process for managing change to project scope did not exist

# Summary of observations for iTrent

## Team is high performing

### Key Issue (s)

- Responsibilities not clearly defined
- Dedicated resource not assigned to the project
- Data Migration & Testing team members had limited experienced
- Not all members of project were team PRINCE2 trained

## Stakeholders are committed

### Key Strength (s)

- All key stakeholders not included in project team and steering committee
- Poor attendance from stakeholders at meetings
- Lack of buy in from stakeholders

## Business benefits are realised

### Key Issue (s)

- No KPI's were documented
- Wider business benefits were not considered
- Benefits were not easily quantifiable & hence were difficult to track



## Scope is realistic and managed

### Key Issue (s)

- The defined scope was not monitored regularly
- Possible scope changes were identified but not formally documented
- Essential and non essential areas within the scope were not clearly identified

## Work and schedule are predictable

### Key Issue (s)

- Plans were not reviewed and updated regularly
- Critical path was not established
- All dependencies were not established
- Project meetings and actions were not documented
- Testing plans not documented

## Risks are mitigated

### Key Issue (s)

- No quality assurance included in the project
- No metrics were in place for the decision to go-live
- Process for managing change to the project scope did not exist

*In the event that, pursuant to a request which Oxford City Council has received under the Freedom of Information Act 2000, it is required to disclose any information contained in this report, it will notify PricewaterhouseCoopers (PwC) promptly and consult with PwC prior to disclosing such report. Oxford City Council agrees to pay due regard to any representations which PwC may make in connection with such disclosure and Oxford City Council shall apply any relevant exemptions which may exist under the Act to such report. If, following consultation with PwC, Oxford City Council discloses this report or any part thereof, it shall ensure that any disclaimer which PwC has included or may subsequently wish to include in the information is reproduced in full in any copies disclosed.*

*©2011 PricewaterhouseCoopers LLP. All rights reserved. 'PricewaterhouseCoopers' refers to PricewaterhouseCoopers LLP (a limited liability partnership in the United Kingdom) or, as the context requires, other member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.*