Programme Athena
Programme Closure presentation

June 2013

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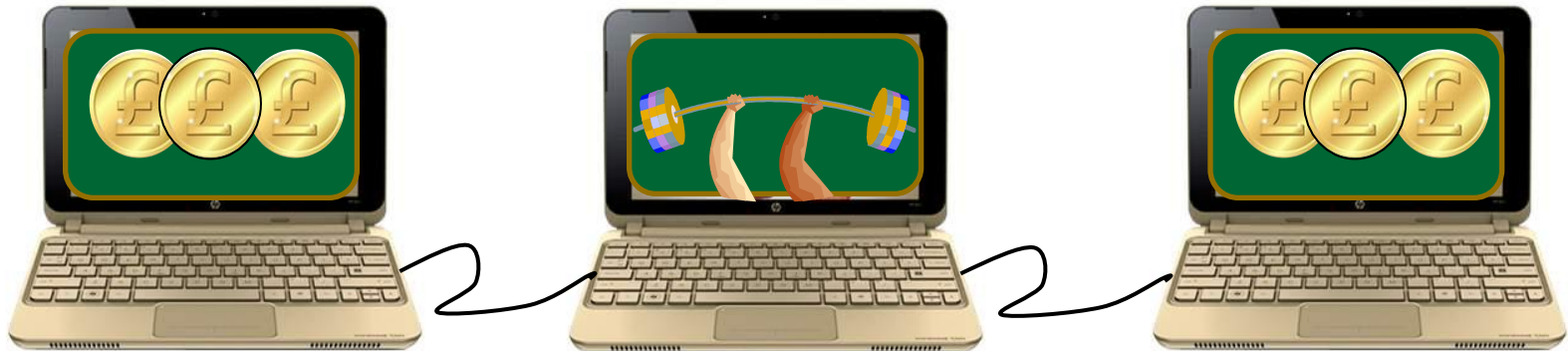**Nathan Elvery – Programme Sponsor**

Our Purpose

"Programme Athena is about creating shared solutions for London public sector organisations to gain the opportunity and ability to deliver significant efficiencies and service improvements for ICT-enabled support service functions such as Finance, Procurement and HR."
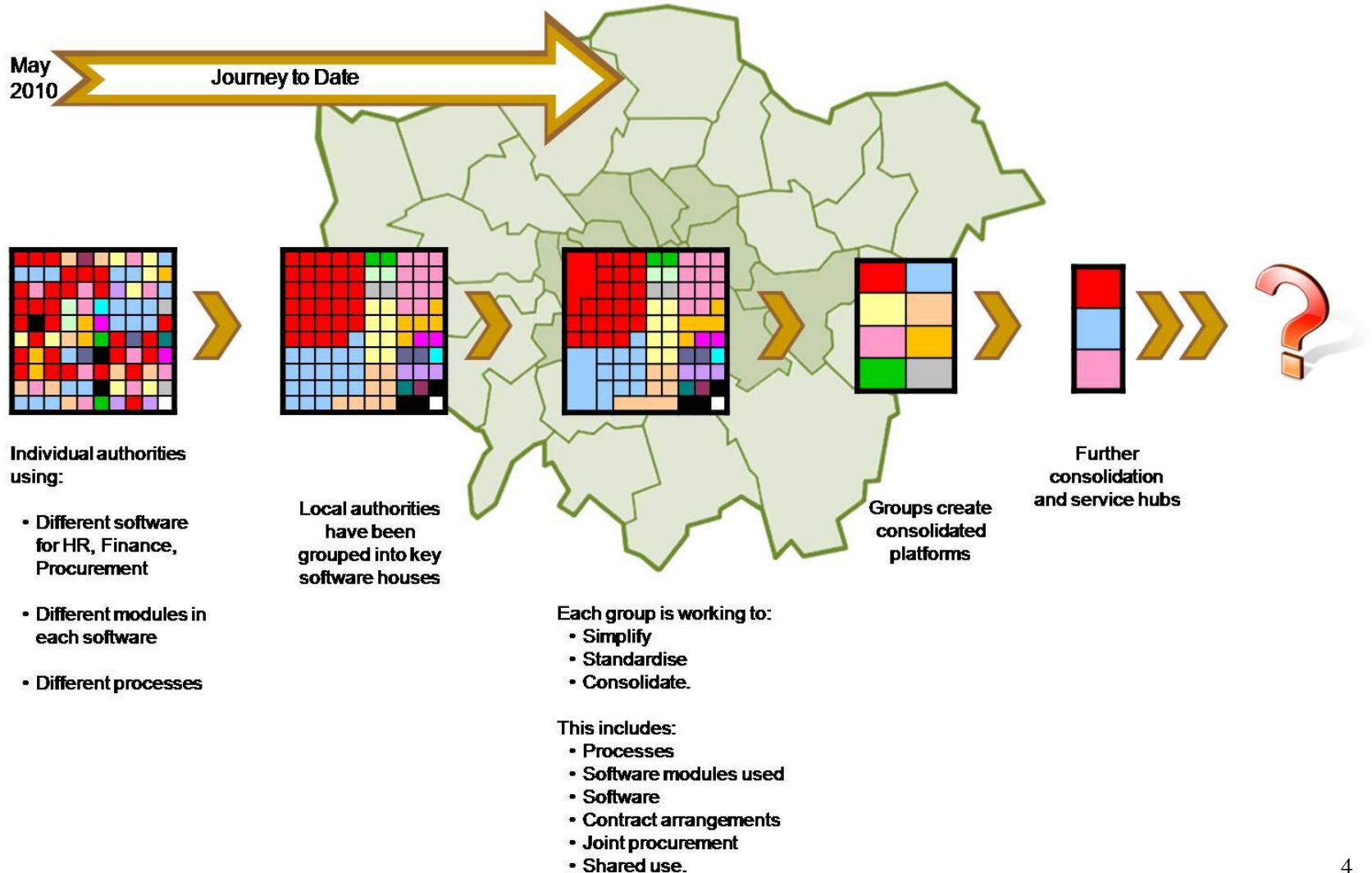
Athena's Aims

- **Enabling through commonality**

- **Value through shared solutions**

The Progression

Programme Athena – London's Journey

May 2010 **Journey to Date**

Individual authorities using:

- Different software for HR, Finance, Procurement

- Different modules in each software

- Different processes

Local authorities have been grouped into key software houses

Each group is working to:
- Simplify
- Standardise
- Consolidate.

This includes:
- Processes
- Software modules used
- Software
- Contract arrangements
- Joint procurement
- Shared use.

Groups create consolidated platforms

Further consolidation and service hubs

4

Athena Outcomes

- Reduction in number of systems/suppliers = reduced annual running/one-off costs

- Solutions accessible to all London Boroughs, providing flexibility for the state of readiness

- Boroughs enabled to share back office staff to reduce costs, provide resilience and improve skills

- London sharing back office systems as other organisations do across the country

Interest from Other Quarters

- Several County Councils

- Other Capital Ambition projects

- London, in regard to other core systems

- NHS

- Barcelona City Council

- TFL vi Islington Council

- Northern Authorities

- Cabinet Office

Finally, why the name "Athena"…

- Goddess of Wisdom

- A War Goddess focusing on strategy rather than bloodshed

- Provided resources that delivered many things

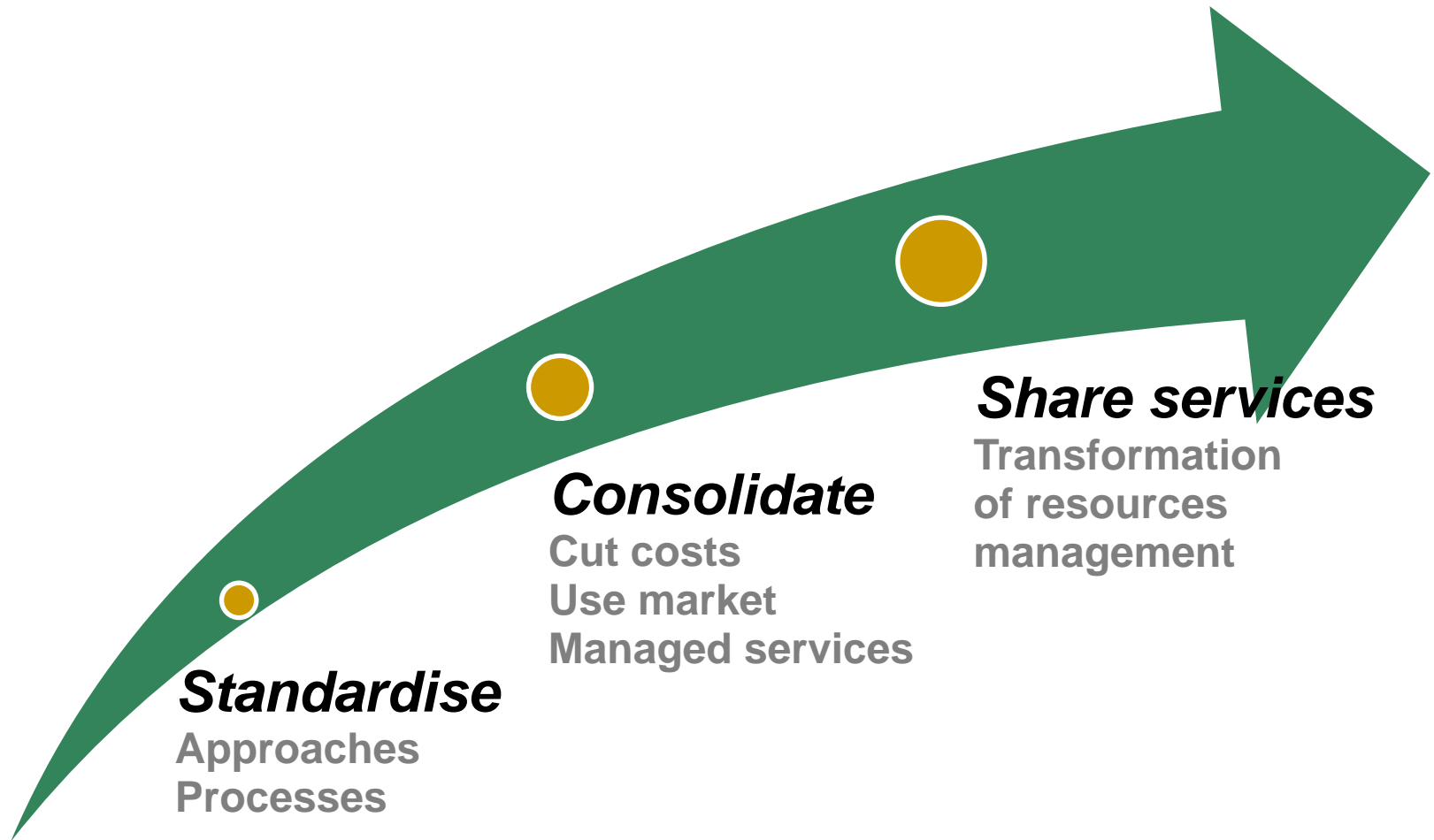# Progress and Achievements

Pre-Athena Landscape

- London organisations had common suppliers and systems

  - 4 suppliers provided 28 finance systems

  - 4 suppliers provided 23 of the procurement systems

  - 4 suppliers provided 29 of the payroll/HR systems

- Procured and managed systems & suppliers as individual boroughs

- Significant cost variations existed between boroughs

- All boroughs were invited to participate

Our Journey

Share services
Transformation
of resources
management

Consolidate
Cut costs
Use market
Managed services

Standardise
Approaches
Processes

Mobilised Projects

- **Oracle Joint Services**

  (formerly One Oracle Project)

  - CapGemini awarded systems integrator & hosting

  - Licensing and support arrangements finalised; work packages continuing with Boroughs leading different aspects – Croydon leading the implementation

- **BT/Agresso Managed Services**

  (formerly Tri-Borough Project comprising of Westminster, H&F, K&C)

  - Framework has been awarded

  - Implementation underway including: solution implementation, business change requirements, transition & client arrangements

  - Contract award January 2013

Pre-Mobilised Projects

- **One Agresso**
  - Outline business case drafted
  - Core information and metrics gathered
  - Scoping options and discussing features
  - DoFs have provided strategic steer
  - Collaborative working underway

- **One SAP (Haringey & WF)**
  - Successful bidders to discuss and propose solutions through competitive dialogue; visits to reference sites
  - Evaluation of final proposed solutions; award January 2013

- **One Cedar (led by Camden)**
  - Resources committed by participating Boroughs
  - Decision point January 2013

Pre-Mobilised Projects

- **One Midland**
  - Meetings held with participating boroughs and MD of Midland
  - Networking has begun between peer groups
  - An operational group has been established
  - Strategy & way forward being agreed

- **One Northgate**
  - Little engagement from this group
  - Opportunity to exploit joint procurement opportunities to be led by Islington in the next 2 years

Improved Performance and Benefits Realisation

Improved Performance derived from…

- **Coordinating Effort**

  - ❑ Information sharing and comparing

  - ❑ Solution sharing for common problems and issues

  - ❑ Availability of a critical friend and broker

  - ❑ Business and system personnel networks

  - ❑ Alignment of processes

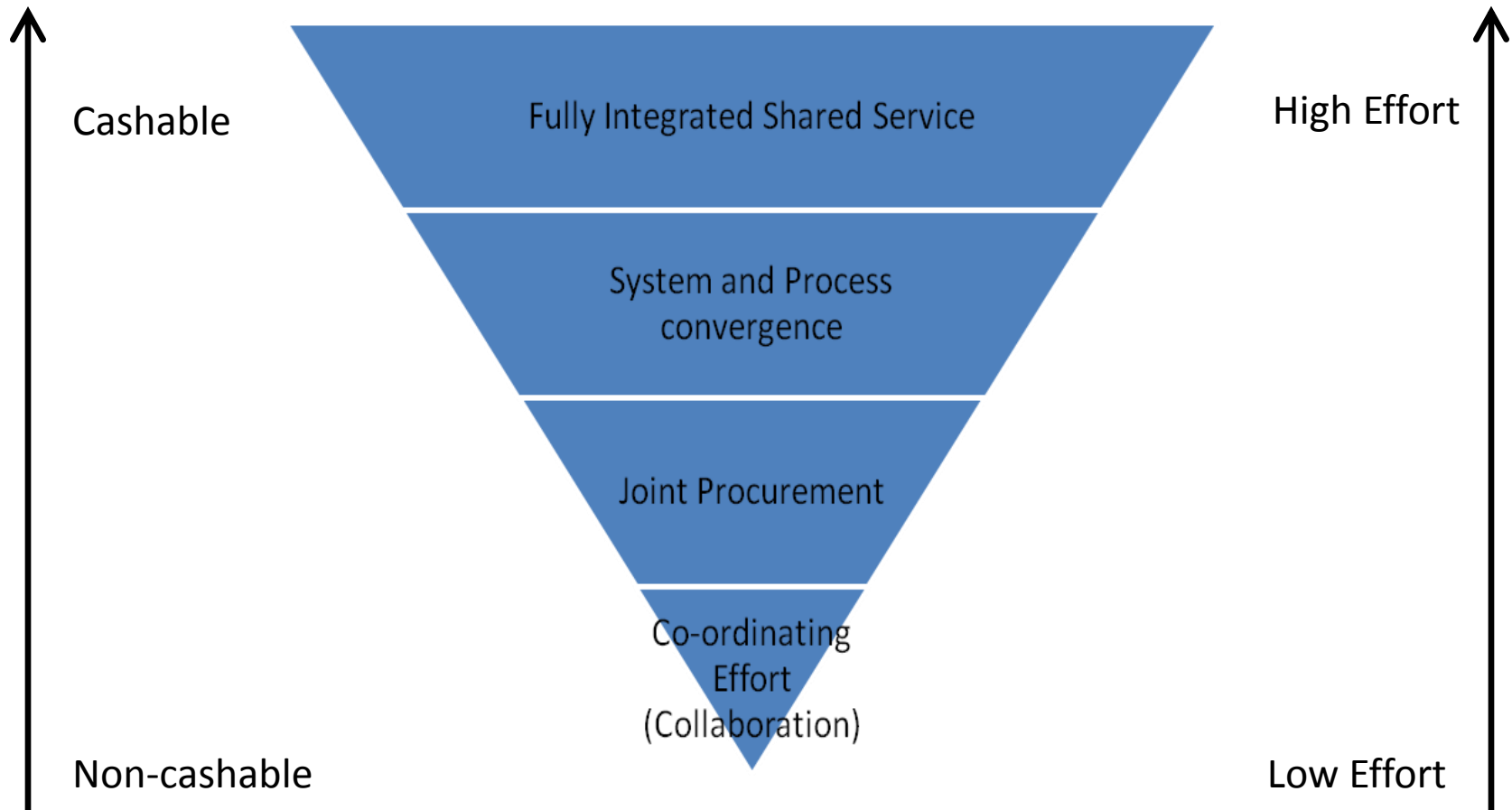 - ❑ Supplier management

Improved performance derived from…

- **Joint Procurement**

  - Shared officer time & cost and ability to source expertise

  - Better design and specification documents

  - Increased engagement from suppliers

  - Combined buying power of multiple LAs

  - Supplier management

Return on Investment

- More easily quantifiable at higher levels of benefit hierarchy
- Investment was £2m (£945k overall; Oracle £500k and Managed Service £500k)
- Using business case information on the projects:
  - Shared system and service savings £600k to £1m <u>per annum per authority</u> with breakeven in implementation costs achieved after 3-4 years
  - Shared system £400k-500k <u>per annum per authority</u> with breakeven in implementation costs achieved after 3-6 years
  - Cost avoidance for future upgrades and transition
- Supported by empirical evidence elsewhere
- Mobilised projects are still or just implementing so actual benefit realisation knowledge will be at a later point
- Benefits required of £8m to achieve CA Rate of Return of 4 and £20m for 10 (illustrative)
- Plus there are the softer benefits ….

Collaborative Working and Convergence

Value of collaborative working

- **Information & Facilitation**

  - Programme Team becomes boroughs' "trusted" source of information, for both gathering and sharing data

  - Honest broker for boroughs is an option and something to consider

  - Boroughs and Chief Officers more informed on options and opportunities for strategic purposes
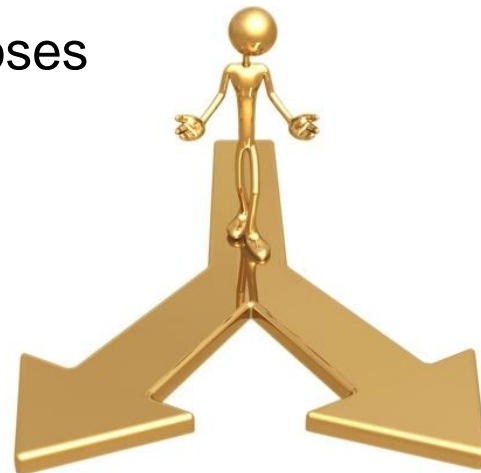
Value of collaborative working

- **Building Communities of Practice**

  - ❑ Information sharing and comparing

  - ❑ Solutions to common problems

  - ❑ Workshops with boroughs

  - ❑ Networks of contacts established within key groups

  - ❑ Building of trust within and across peer groups

  - ❑ Boroughs more open to change process as staff can see

    how it works differently elsewhere
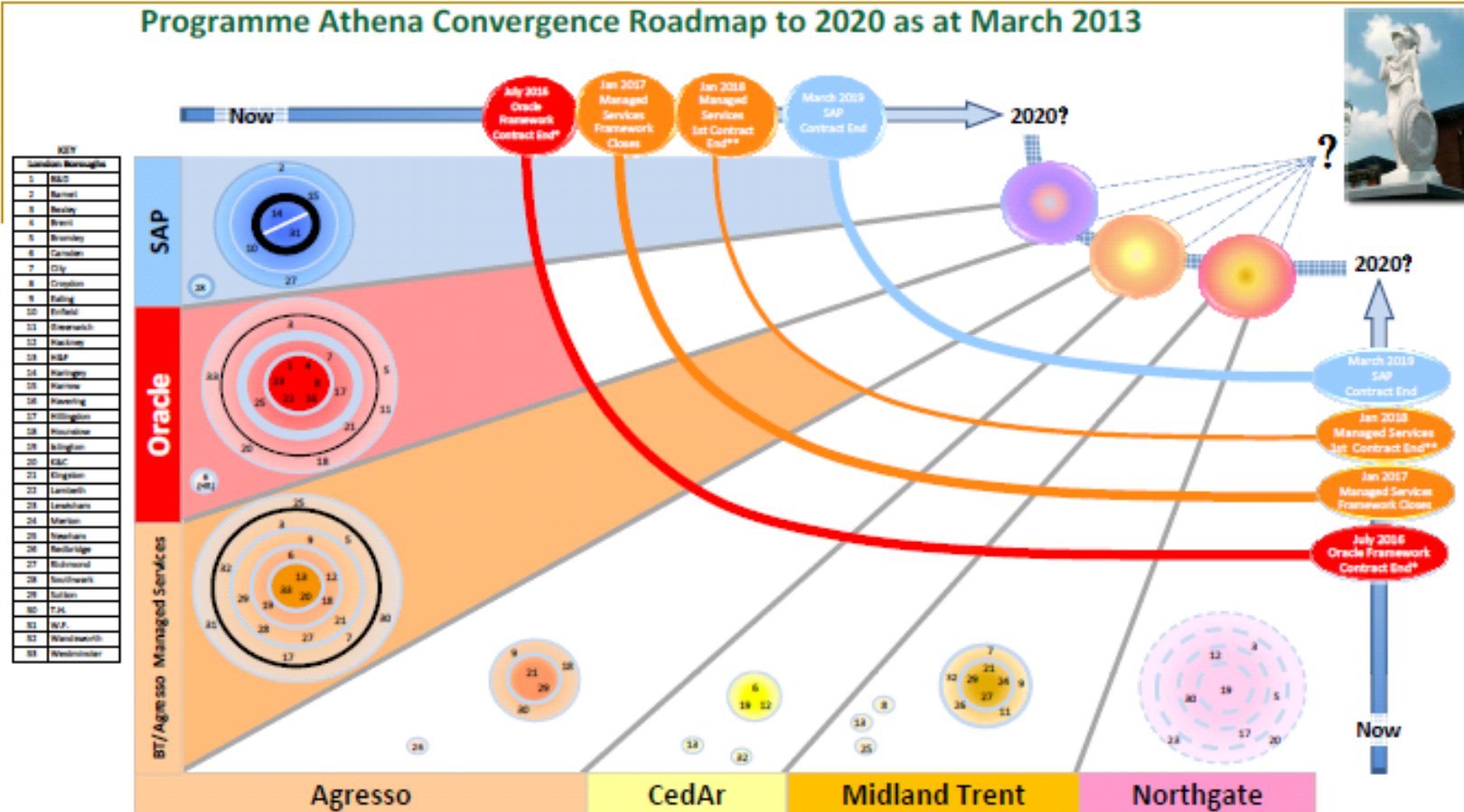
Value of collaborative working

- **Joint Procurements**

  - Increased supplier management and engagement

    to address issues

  - Better-quality specification

  - Cost avoidance

  - Stronger supplier engagement

  - More commercial power (economies of scale)

Convergence Roadmap

Programme Athena Convergence Roadmap to 2020 as at March 2013

Legacy and Next Steps

How Athena's legacy will continue

- Oracle and Managed Service have commercial/client arrangements to promote offer and engage others

- Evaluation of One Oracle and Managed Service programmes to analyse & realise benefits

- Other One Groups have established governance arrangements and understand their opportunities

- Each borough has been provided with individualised briefings on options and opportunities under Athena

- Much stronger corporate awareness of strategic implications

Athena's Legacy (cont'd.)

- Core information and learning to support boroughs

- Operational Networks established between boroughs

- Programme Delivery Group will remain to have oversight and facilitate learning; sharing and maintenance of information

- Capital Ambition Strategic Partner being fully briefed

- Community of Practice and learning