Audit Panel			
REPORT TITLE	Oracle Cloud Update		
KEY DECISION	No	**Item No.**	
WARD	N/A		
CONTRIBUTORS	Executive Director for Corporate Services		
CLASS	Part 1	**Date**	10th December 2019

1   Contents

2   Summary

2.1   This report sets out the position to date with regard to the Oracle Cloud Programme. In view of the comments raised at the last Audit Panel meeting, this report primarily focuses on Oracle programme's first phase, covering the finance systems and core HR & recruitment platform, Taleo. This report provides a background to the programme, its timeline, the detail of what has actually been implemented, consideration of the internal audit recommendations and issues arising and whatever remains outstanding.

3   Policy Context

2.1   Decisions regarding the re-implementation of the council's core finance, procurement, payroll and human resources systems contribute directly to the council's tenth corporate priority which is 'inspiring efficiency, effectiveness and equity'. The contents of this report also support the achievements of the sustainable community strategy policy.

2.2   The information set out in the body of this report is consistent with the delivery of the Council's corporate priorities (contained within the new Corporate Strategy 2018-22), and is particularly relevant to the Council's strong and resilient framework for prioritising action which has assisted the organisation in the face of austerity in seeking greater efficiency through the use of the resources it has available.

4   Recommendations

4.1   Members of the Audit Panel are asked to note the contents of this report.

Oracle Implementation

5   Background

5.1   Following an options appraisal in the autumn of 2016, M&C agreed for officers to work towards the implementation of an integrated finance, procurement, payroll and human resources solution. The key driver for the options appraisal was based on the fact that the existing arrangements for both the One Oracle Finance EBS R12 system provided by Cap Gemini and the ResourceLink payroll system provided by Northgate were coming to an end with the payroll contract ending in March 2018 and the Finance contract ending in July 2018.

5.2   Ensuring that new arrangements were in place by the time the existing contracts came to an end was important to avoid any costly alternative arrangements. This gave the programme a high degree of urgency however by early 2018 it was becoming apparent that the payroll system would not be ready in time and so a two year extension was agreed with Northgate.

5.3   For Finance, Core HR and Taleo things had, by May 2018, moved to a stage where there were no "showstoppers" preventing go live and although there were a number of lesser issues and work to be done as a result of what was a rapid implementation, it was felt the system was sufficiently advanced to be able to go live.

5.4   A brief overall timeline of events is as follows:

- Jul To Dec 16 Options appraisal and report to M&C
- Jan To Apr 17 Procurement exercise for system integrator
- Apr To May 18 Appointment of system integrator - Evosys
- May 17 to May 18 Programme Implementation covering following phases
    o Pre implementation CRP – system show and tell
    o CRP1
    o CRP2
    o CRP3
    o Key User Training (KUT)
    o User Acceptance Testing (UAT)
    o Cutover
    o Go Live

Note – CRP means conference room pilot and is simply a workshop comprised of Evosys and Council officers to work through the system and workflows to configure the system. There are three iterations of the process further refining the system each step of the way.

n.b. Data migration - featured throughout all of the above phases

- May 18 Programme splits into Phase 1 and Phase 2
- May 18 Phase 1 (Finance Modules and core HR) goes live
- May 18 to date Phase 1 modules become business as usual for most day to day users except the support team where support arrangements are still to be resolved.
- May 18 to date Phase 2 implementation

5.5   A number of challenges were faced during the implementation. The urgency and speed with which the system needed to be implemented meant that key tasks needed to be prioritised and this inevitably meant that input to others such as communications was less than desired. Also data cleansing and migration were a major challenge and took a significant amount of time.

5.6   Since go live of the phase 1 modules just over 18 months ago the Council has been adapting to the new system. Users have been working with the modules and the system has been supported. The system works in the sense that orders for works and services have been and continue to be issued, invoices are paid, debt is raised and recovered and the accounts have been closed. However, the scale of the changes, the number of modules implemented, the issues arising and the issues outstanding have been challenging for many in the Council and this has hindered progress towards making full use of the system in the ways expected. Change management is ongoing and further work is required to determine and achieve full benefits realisation.

6   Modules Implemented And In Operation

6.1   The following modules have been implemented and went live in May 2018.

- Procurement
- Accounts Payable
- Scanning (auto scanning and import of payable invoices) (New module)
- Accounts Receivable
- Advanced Collections
- General Ledger
- Projects (New module)
- Fixed Assets (New module)
- PBCS - Planning & Budgeting Control Service (Budget & Budget Monitoring) (New module)
- Core Human Resources (HR) & Recruitment System (Taleo) (New Modules)

Key Differences from EBS R12

6.2   The implementation of Oracle Cloud was not a simple upgrade of the previous system. It was an implementation of what has proved to be a new and different system.

6.3   For those modules that existed in EBS R12 the equivalent modules in Cloud have a very different look and feel to them and navigation around the system is also different. The

implementation of the new modules not previously part of EBS R12 will also obviously be different to the previous systems in use.

6.4 From the outset it was made clear that Oracle Cloud was configurable, but not customisable. This means that there were limitations to how the system could be adjusted to the needs of the Council and this has proved an issue in a few areas where the functionality is poor. However the extent of the configuration options has provided some flexibility. Some of the settings for these have needed to be tweaked since go live in light of the way the system is used e.g. default settings when choosing from a list of selection criteria.

6.5 A key change has been within the procurement module where the routing of order approvals now route to the cost centre manager and their managers depending on their approval limit. This has strengthened financial control and forces the Council to maintain its employee hierarchy however getting the employee hierarchy up to date has been an issue.

6.6 The implementation of the scanning module should mean reduced workload on the payments team potentially enabling staff to be used more flexibly on other work areas and faster payments to suppliers.

6.7 A new process has been developed as part of the accounts receivable module to enable cost centre managers and other staff across the Council to raise sundry debt. The new process means that users can enter the details directly on to Oracle and there is then an approval workflow before the invoice is generated. This new process provides the functionality for managers to raise debt directly however this functionality had some issues to begin with and is therefore being rolled out gradually and has only been rolled out to a few users thus far.

Issues Arising

6.8 Some functionality issues have been experienced with approvals of orders, invoices and journals. These include emails not being received by approvers, attachments not being received and the notification "bell" not syncing properly to update for new approvals. These issues are currently resolved though they have arisen more than once.

6.9 There have been a number of issues within the Accounts Receivable module. In particular the functionality around recurring billing is poor in that annual price rises have to be entered manually for each customer. This has been taken up with Oracle however is as yet unresolved. Another issue has involved the functionality for coding inflationary price uplifts to customers where these were being coded differently to the main charge. Identifying and rectifying this issue with Oracle took some time but has now been resolved though there is some tidying of accounts still required.

6.10 For the fixed assets module officers have found that some of the accounting produced by the module has been of a standard nature and not sufficient to meet Cipfa's accounting code of practice. Officers have had to produce manual accounting to overcome this which has impacted on the ability to meet deadlines. It is currently unclear from Oracle if or when this functionality will be improved. A review is therefore required to determine whether it is possible to continue with this module or revert to the previous software.

6.11 There are a few key issues both within and surrounding the PBCS module where some are functional but others are off system. Although the system is available to budget holders around the Council not all budget holders feel they are sufficiently able to use the system and in many cases the finance team are inputting figures on behalf of budget holders. This isn't necessarily a new issue as the finance team were also doing this in the previous system. Unpicking the reasons for this has proved delicate. The functionality in PBCS is clunky in some areas and in some cases training is required but in others there is simply a reluctance

to use the system. The onus has been on the finance team to "encourage" budget holders to use the system and to deal with any issues when they do not. However to successfully deploy PBCS wider management intervention will be needed beyond finance. This is also important before the approvals functionality can be fully deployed.

6.12 All of the changes and issues highlighted above has meant that for accountants, managers and budget holders across the Council there has been a significant learning curve to become accustomed to the new system. Although training has been provided and has proved a basis for many users to use the system there are also a number of users who have found the system challenging. This can be due to a range of factors including the quirks of the system, system issues/errors, the lead in time for users to become sufficiently knowledgeable to use the system effectively and the skillset of the users themselves.

7 Modules Not Yet Implemented

7.1 The following modules have not yet been implemented and are on hold.

- I-Supplier
- Advanced Financial Controls
- Cash Manager

7.2 The I-Supplier module was tested and was practically ready for implementation on a phased basis however issues around whitelisting access to Oracle from outside the Lewisham internal network as a result of GDPR has put this on hold. It is currently unclear when this will be resolved.

7.3 The Advanced Financial Controls module has been demonstrated but has been on hold due to other priorities. It needs the input of officer time in order to properly understand the system and evaluate the reports and compare them to the existing system AP Forensics reports. It is expected this work will resume in the new-year.

7.4 The Cash Manager module is on hold because the functionality tested did not provide any obvious benefits however officers decided to keep this open to review once other modules had settled down.

8 System Wide Considerations

8.1 There are a number of overall system considerations that needed to be worked through throughout the programme. Some are complete, some need review, some are in progress and some are outstanding. It cannot be emphasised enough that Oracle Cloud is a completely new system and was not a simple upgrade of the previous EBS R12 and therefore many things had to be started from scratch. In addition Lewisham was one of the first Councils to adopt Oracle Cloud meaning there was no standard setup for an organisation such as local government. This complexity needs to be considered in the context of any audit issues arising.

System Architecture/Structure

8.2 A key work area involved the overall system architecture or structure. The system is based on a system hierarchy that enables the segregation of data, for example data in respect of carers is kept separate so that names and addresses of foster parents can be kept separate from other suppliers. System architecture and hierarchy is different from a HR hierarchy and accounting hierarchy and directorate hierarchy. The system hierarchy is designed to enable

flexibility so that for example non Lewisham schools who wish to purchase payroll services can be accommodated within the system.

8.3   A diagram of the system structure is attached as an appendix for information. Also attached is a diagram of all the other systems integrating to and from Oracle.

Security

8.4   Security is a key issue as there are a number of differences from the EBS R12 system. The EBS R12 system comprised entirely finance modules and was self-contained within the Lewisham internal network and accessed via the usual user name and login process. Oracle Cloud is internet based and can be accessed via user name and password from outside of the Lewisham network although users presently use single sign on from the internal network to access the system i.e. once they have logged on to the network they do not have to provide additional login to Oracle.

8.5   In addition, the fact that Oracle Cloud is a Council wide integrated system means that there are a lot more users and this will increase once payroll and other HR modules go live. Previously in EBS R12 login access and specific responsibilities to modules were allocated by the internal support team. However, Oracle Cloud means that users are now set up by HR and roles are allocated by key users from different parts of the Council. Ensuring there is overall clarity and control over access to the system is therefore important and needs further development. Control is currently contained within a few key individuals.

8.6   Since approval levels are linked to roles and roles are allocated by HR it will be important to maintain and develop a close link between finance staff, HR staff and the support team to ensure understanding of the system and control within financial procedures and delegated limits.

8.7   The setup of the access to specific modules is also very different in Oracle Cloud. In EBS R12 these were known as "Responsibilities" and particular responsibilities gave access to particular modules such as procurement, accounts payable etc. There were a number of responsibilities for each module so that access could be split between for example those using the modules to enter transactions from those using the module to approve and manage processes. Knowledge of these responsibilities had been built up over many years and so there was some safety over what was being allocated and what access it gave. In creating Oracle Cloud, Oracle have completely rewritten these responsibilities and they are now known as "Roles" and are very different to Responsibilities. The "out of the box" roles that come with Oracle Cloud did not enable relevant officers to properly perform their existing duties and so the roles had to be customised to Lewisham's requirements. It is important that there is a depth of understanding of what the roles enable users to do and this knowledge needs to be built up further from what has been learned over the course of the implementation and since go live.

Upgrades

8.8   Oracle Cloud is held on Oracle's own servers as opposed to the Council's servers and is provided as a service rather than ownership of licenced software. One of the advantages of this is that upgrades can be applied automatically by Oracle and therefore users are always on the latest version of the software. Security patches can be applied at any time however there are four major upgrades throughout the year and these are applied quarterly. The upgrades contain functionality enhancements as well as other security updates and are firstly applied to test environments. The Council then has two weeks to check the upgrade and advise Oracle of any issues. If the Council does not contact Oracle then the upgrade is automatically applied.

8.9   This compares to upgrades in EBS R12 that were less frequent and where the Council had control over if, how and when they were applied. Upgrades under Oracle Cloud mean that the system is always being kept up to date but it does put the onus on the Council to check the upgrade and this has exposed a regular quarterly workload that didn't exist to the same extent previously. This workload involves coordination of key users who need to undertake basic testing of the key processes and report on the results so that any issues can be reported to Oracle.

Internet Based

8.10   Oracle Cloud is internet based meaning access via a browser either within or outside of the Council's internal network. A number of issues have arisen since implementation, particularly immediately after go live, where users have experienced difficulty either accessing or using Oracle Cloud and have believed the issues to be due to the Oracle system itself. However in a number of cases this has been found to be due to browser issues particularly with internet explorer and users are now encouraged to use firefox and/or google chrome. Identifying and resolving these issues and distinguishing them as "browser issues" as opposed to "Oracle system issues" took some time to understand and meant a steep learning curve for the support team and users.

Training

8.11   As part of the implementation contract with Evosys basic training was provided to key users. Key users would also have become familiar with the system through attending the many workshops that were held to configure the system. In addition, written manuals have been provided by Evosys and Evosys consultants have for the most part been available since go live to answer questions and resolve issues arising.

8.12   For users around the Council e.g. budget holders who only started to use the system post go live a number of training sessions were provided that covered for example the procurement module to explain how to raise orders etc. Drop in sessions were also provided immediately post go live. Users who have encountered problems have also been able to contact the support team for specific help and advice.

8.13   So training has been provided to users but whether it has been sufficient is debateable. The Oracle Cloud modules are very different from EBS R12 but many users have managed on the training provided however other users have had more difficulty. All sorts of factors affect this including the skillset of the user and the functionality of the particular module concerned. Quite often users find the basic processes and workflows of the system are fine but have difficulty when something doesn't work as expected and need an understanding of the finer points of the system to resolve the problem. As users build up familiarity and experience of using the system these issues will reduce further and this has been the case since go live.

9   **Benefits Realisation**

9.1   The primary reasons for moving to Oracle Cloud were based around the breakup of the One Oracle partnership and the need to move to a platform that was supported long term. However it was always expected that the implementation would result in a number of benefits and the extent to which these have been achieved are described in the following paragraphs:

The Opportunity to harmonise coding

9.2   The previous Oracle upgrade in 2014 resulted in a new code structure agreed between the One Oracle partner Councils. This meant all feeder systems needed to be upgraded to the

new coding structure however prior to the move to Oracle Cloud there had been no progress on any feeder systems. The meant that the finance team have been maintaining two coding structures and the conversion between the two for the past five years.

9.3 The move to Oracle Cloud provided an opportunity to make the coding upgrade on feeder systems a priority and to a large degree has been a significant success with upgrades to feeder files from

- Remit (the Council's income system) – whole system upgraded
- Threshold (the Lewisham Homes repairs & maintenance system)
- Payroll – the pensions file is live and the main payroll will go live in the next few months as part of the move to Oracle Cloud
- Controcc for Adult Social Care

However there are unfortunately some feeder files where no progress has been made including

- Controcc for Children's Social Care
- Tribal

Until these files are upgraded there is the continued impact of maintaining two coding structures and all of the possibilities for confusion that this can cause.

Improve Business Processes

9.4 The system architecture/setup has meant that there is now more security around data held on the payment of redundancy and pension payments. This means that these payments can now be paid through the main accounts payable system and through BACS instead of through CHAPS and this has meant a reduction in paper based work and a reduction in costs.

9.5 The Oracle Cloud system setup has also addressed an issue that was technically unresolved in EBS R12 where payments to HMRC were not showing all the required information needed by HMRC to distinguish the payment where a number of payments had been grouped together by the system. This was resulting in fines and bureaucracy to unravel and clarify the breakdown of payments in the BACS file. This has now been resolved in Oracle Cloud and the necessary fields are now being populated correctly.

9.6 Users are now able to access the Oracle system easily from within the Lewisham network so that once they have logged into the Lewisham network they can then access Oracle without the need to put in additional login information.

Support Flexible Working

9.7 Improvements that support flexible working have been made where it has been possible to do so. For example eliminating paper based workflows that require office based working. An example of this includes the ability of users to complete non purchase order payments electronically rather than complete paper based forms requiring manual signatures. This of course means users can submit payment information from anywhere rather than needing to be office based. Further examples of this can be found in phase 2 of the programme.

<u>Reduce Manual Data Entry and Back Office Checking</u>

9.8   Some benefits to meet this objective have been captured. The scanning module means that invoices are scanned automatically thus reducing manual keying by accounts payable staff. Also there is some reduction in checking of invoice payments due to the online approval workflows though this needs to be reviewed in light of some audit concerns. Where possible workflows have been designed so that data entry is done at point of origin rather than through, for example, manual form filling but there is some tension in this objective as it is felt that allowing users to input data directly will lead to a reduction in quality and control. The technical Oracle system will not in itself overcome these concerns and further work is required to review workflows and find ways in which they might be mitigated. Other examples relating to this objective can be found in phase 2 of the programme.

<u>Increase Self Service</u>

9.9   Enabling users to access the system directly and find the information they need has been a key objectives. An example of this is where project managers can now access financial information directly from Oracle and where users will eventually be able to raise invoices directly to customers via Oracle (this is currently being rolled out). Other examples can be found in phase 2.

<u>Reduce Paper And Move Towards Digital Interactions With Suppliers, Customers and Employees</u>

9.10   As stated elsewhere within this section eliminating paper based workflows has been a key objective. Oracle cloud does provide a basis for this and some benefits have been captured as per the workflow that enables non PO based invoices to be paid. Other examples of this will be found in Phase 2 of the programme for example in relation to the reduction in printing of payslips.

<u>Improve Management Information</u>

9.11   One of the expected benefits from Oracle Cloud was an improvement in management information and reporting. There is a range of tools and functionality within Oracle Cloud that will enable improvements in reporting from that provided in EBS R12 however officers are still in the early days of understanding the functionality and making best use of it as the focus has thus far been on ensuring the basic systems and processes are working correctly and efficiently.

9.12   For go live the focus was on achieving the existing level of reporting as all existing reports had to be rewritten for Oracle Cloud. Getting these complete and accurate took some time and some reports have been completed since go live. Some improvements in reporting have been achieved and we now have a base from which to further improve and make full use of the functionality available.

9.13   Aside from reports there are a number of "dashboards" available that provide graphical and numerical information to users on their Oracle desktop without the need to run a full report. These are available but there is some work to do to evaluate them before they can be rolled out to be sure that are going to add value and not confuse users or contradict other reporting information. This work will be undertaken in the new-year.

10   Systems Integrator And Software Supplier Considerations

Evosys

10.1   The implementation of Oracle Cloud was carried out by a joint project team comprising Evosys consultants working with Council Officers to determine the Council's requirements in terms of processes and workflows and reflecting those in the system configuration. A good working relationship was achieved with Evosys throughout what was an intensive and complex implementation and has extended post go live.

10.2   The original intention post go live was that the system would be supported by Council officers in liaison with Oracle as and when required and that there would be no need for Evosys beyond the short period of post go live support. However the degree of issues and depth of understanding required to adequately support the system has been far greater than expected and has consequently made this impractical. Council officers did not have all of the knowledge necessary to support the system and Evosys have therefore been supporting the Council for a longer period than that originally envisaged.

10.3   Currently council employees in the form of key module users and the support team are providing a first level of support to users when issues arise and if they are unable to resolve the issue then they escalate this to Evosys. Where the issue cannot be resolved by Evosys then this is escalated to Oracle. The support from Evosys for phase 1 modules is now mostly offshore and communication is mainly via email but also via online face to face meetings as and when required.

10.4   These support arrangements have evolved rather than being the subject of a detailed plan (though this has since been documented) and have required the goodwill of all concerned to adapt and work together to support the system in an efficient and effective way. This has been a success though meeting current needs and workload has been difficult. As the system beds down and as officer's knowledge deepens then it is expected there will be less reliance on Evosys.

10.5   Further work is required and planned in the next few months to provide a deeper level of technical understanding of the system to Council employees providing the first level of support. This is intended to reduce the need for support from Evosys and enable the Council to begin to support the system in the way originally planned.

Oracle

10.6   The Council also has a good working relationship with Oracle. Oracle Cloud is being implemented by a number of Council's and Oracle have been keen to discuss issues faced by the Council and for officers to share their knowledge of the system with colleagues from other Councils and vice versa.

10.7   The issues arising with the system and workload to put them right has been significant for Council officers despite the support from Evosys and Oracle. Oracle have been receptive to concerns/issues raised with them over functionality issues and there are established processes in place for seeking improvements and enhancements beyond the normal fixing of day to day issues that are raised with them via Evosys as described in paragraph 10.3.

10.8   However the extent and speed with which they are able to develop the system and improve functionality has yet to be realised. There are a few key issues across modules and although there are workarounds these are not ideal. For example annual price increases to customers require manual updating on a customer to customer basis rather than increasing the prices

for all customers by say a certain percentage all at once. This issue is yet to be satisfactorily resolved.

10.9   Regular meetings are held with Oracle representatives whether as part of workshops dealing with specific modules or as meetings to discuss implementation type issues. Some meetings are of a top level strategic variety and others are user workshops. A recent workshop was attended by officers using the accounts receivable package from across the Council together with the Oracle account manager onsite and video links to Oracle consultants offshore in various parts of the world who covered various aspects of the system. This showed a commitment by Oracle to address officer concerns in regarding this module.

11   Audit Issues

11.1   There have been a number of audit issues arising from recent audit reports and a listing is attached to this report of the agreed actions arising. Many of the actions are of an administrative/ good practice nature rather than specific to Oracle Cloud. The audits concerned are in respect of Accounts Payable 18/19 and the Oracle Cloud Financial Migration 17/18.

11.2   For the Accounts Payable audit the actions are still being worked on with some due at the end of this month (December 19) and others due in the new year. For the Financial Migration audit the three actions are outstanding and will be resolved urgently.

11.3   An external audit report entitled Information Technology Audit Report 18/19 has not been included as part of this report as the audit points and recommendations relate to the previous Oracle EBS R12 system.

12   Financial Implications

12.1   This report provides an update on the implementation of Oracle Cloud phase 1 financial modules and issues arising. This report is for information only and there are no specific financial implications arising from the recommendations in this report.

13   Legal Implications

13.1   There are no specific legal implications arising from this report.

14   Crime and disorder implications

14.1   There are no crime and disorder implications directly arising from this report.

15   Equalities implications

15.1   There are no equalities implications directly arising from this report.

16   Environmental implications

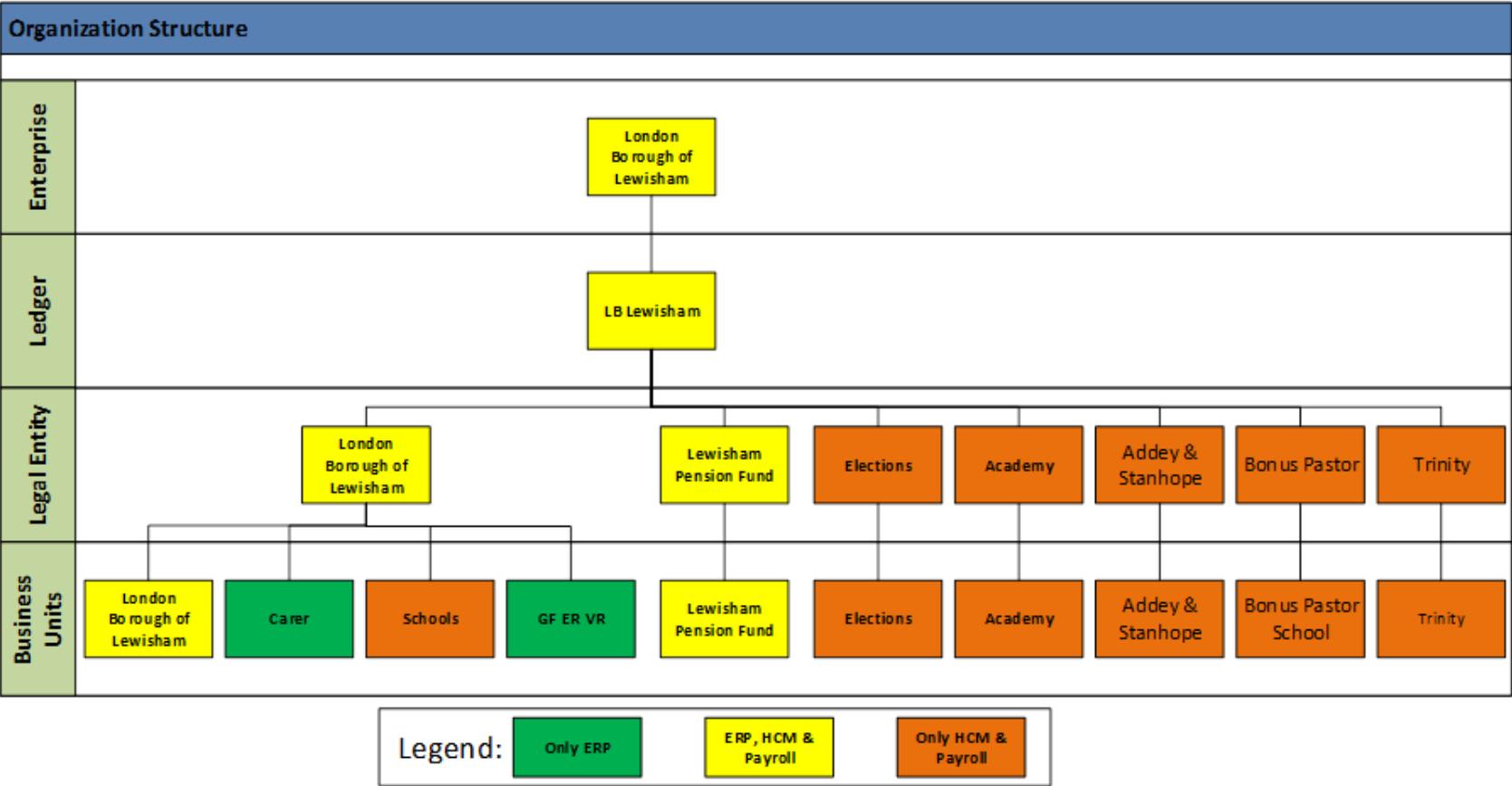16.1   There are no environmental implications directly arising from this report.

17   Conclusion

17.1   The implementation of Oracle Cloud has been a major and complex programme. The system itself is very different to its predecessor and the Council has implemented new modules to gain the benefits of an integrated system and improve processes and workflows.

17.2   Key reasons for moving to Oracle Cloud were the dissolution of the One Oracle partnership, the need to seek a new solution, the indication from Oracle that their support for the existing software would end in 2022 and the fact that the separate system and contract for payroll was also coming to an end. All of which provided an opportunity to bring finance, HR and payroll into one integrated system.

17.3   Although the primary motives was not benefits driven this is a long term investment for the Council and the benefits of this investment need to be captured. Some benefits have been delivered but these are at an early stage and work is ongoing to capture all possible benefits.

17.4   There have been a number of issues arising through the course of the implementation and post go live and these have either been resolved or otherwise dealt with. This includes the audit issues raised (see appendix) where a number of actions have been agreed and are in progress.

For further information on this report, please contact:

Selwyn Thompson, Director of Financial Services on 020 8314 6932
Peter Allery, Group Finance Manager, Oracle Cloud on 020 8314 8471

Lewisham System Architecture And Structure

Organization Structure

Enterprise	London Borough of Lewisham
Ledger	LB Lewisham
Legal Entity	London Borough of Lewisham · Lewisham Pension Fund · Elections · Academy · Addey & Stanhope · Bonus Pastor · Trinity
Business Units	London Borough of Lewisham · Carer · Schools · GF ER VR · Lewisham Pension Fund · Elections · Academy · Addey & Stanhope · Bonus Pastor School · Trinity

Legend:
- Only ERP
- ERP, HCM & Payroll
- Only HCM & Payroll

A DIAGRAMMATIC VIEW OF ALL THE FEEDER SYSTEMS INTO AND FROM ORACLE CLOUD
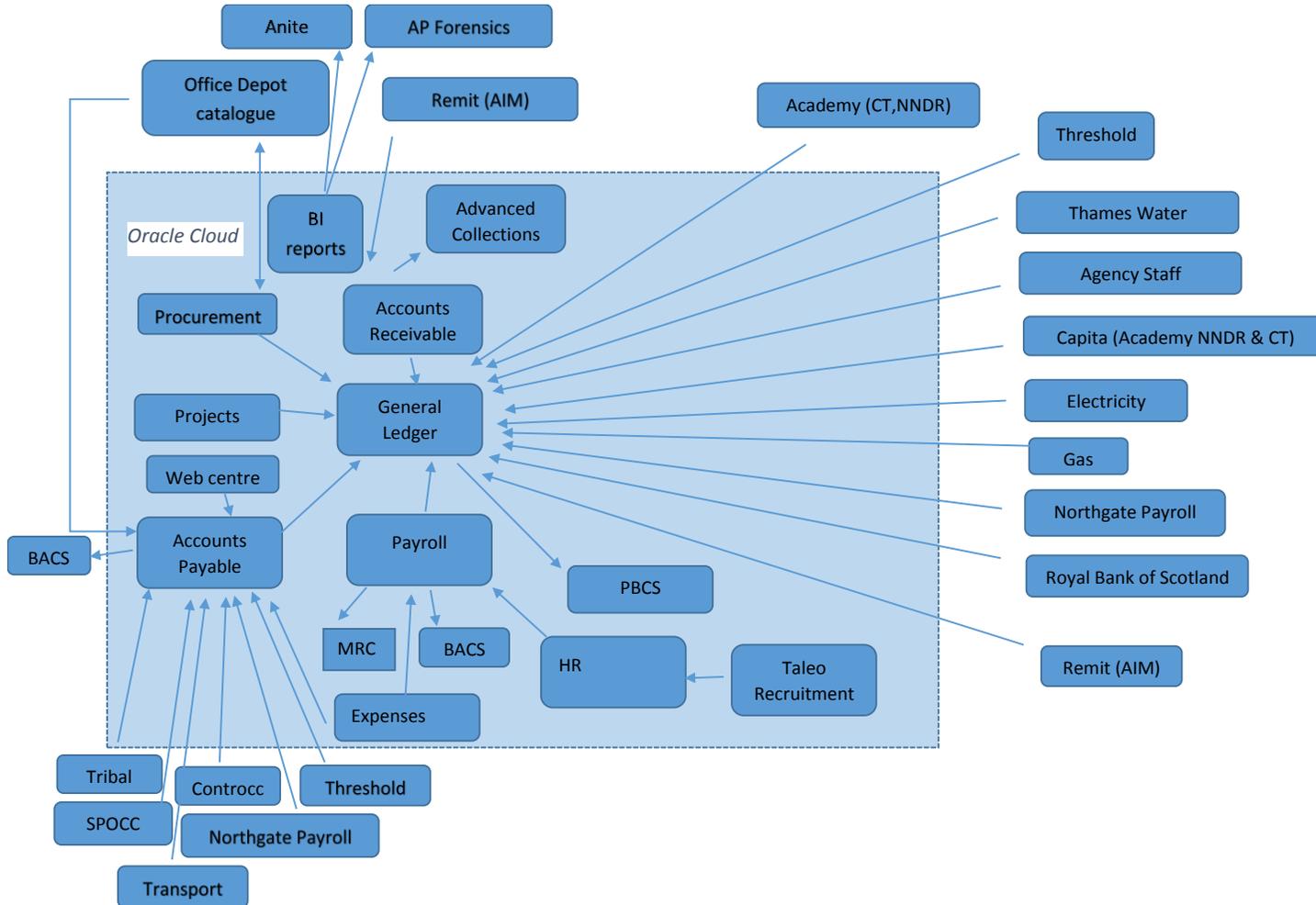
List Of Issues Recorded On Evosys System Since 10/9/19

Service Request Number	Status	Subject Area	Title
83228	Closed	Finance Supports	Duning is not working
83301	Closed	Projects Functional Support	Lewisham my services DB/JCS health monitoring
83627	Closed	Procurement Support	Procurement error message for violation rule008
84049	Open	Finance : Accounts Receivable	Payment Contact Methods To Be Updated
84209	Closed	Finance : Accounts Receivable	Approval Routing For AR Invoice Write Off
84215	Open	Finance : Accounts Payable	Unapproved Price Variances Being Generated On AP
84298	Resolved	General Ledger	SR00415759 Approved Journal Notification Message
84330	Closed	Finance : Accounts Payable	Carer supplier visible in Lewisham BU
84333	Closed	Finance : Accounts Receivable	AR IRF Error: Code combination is required for memo line
84334	Closed	Integrations	PaaS setup in Test instance incomplete
84361	Closed	Finance : Accounts Payable	Lewisham Carer Supplier Interface Status Report - Not received since 2nd September 19
84367	Open	Integrations	PaaS monitoring : DB/JCS report
84490	Closed	Procurement Support	Procurement "Manage requisitions" screen not bringing up search details
84511	Open	Procurement Support	Users not able to view requisitions/POS from efuy.fa.sender.1@workflow.mail.em3.oraclecloud.com (Error 404--Not Found)
84555	Resolved	Procurement Support	Approved Supplier has not imported - R5010033186
84649	Closed	General Ledger	IN00469338 Journal Approval incorrect
85347	Closed	Procurement Support	Requisition R5010033881
85517	Closed	Procurement Support	No notification emails
85552	Closed	General Ledger	IN00473233 journal approval incorrect - not going to the correct people
85709	Closed	Finance : Accounts Receivable	AR Accounting Entries
85755	Open	Finance : Accounts Receivable	Recurring Bill Accounting AR To GL
85998	Open	Procurement Support	Configuration of new Procurement punchout and e-invoicing to new supplier, Staples
86303	Closed	General Ledger	Journals email notifications not acming through with attachments
86328	Closed	Procurement Support	Requestor name is missing from Lewisham Carer Supplier file
86351	Open	Procurement Support	User is unable to access 'PO Details Report'
86404	Closed	General Ledger	19D Procurement testing
86405	Closed	Procurement Support	19D Procurement testing
86463	Closed	General Ledger	19D FIN testing
86496	Open	Procurement Support	Unexpected Error message when clicking on attachments
86703	Closed	Finance : Accounts Receivable	IRF Request Form and IRF Notification in DEV2 comes up with error
86898	Closed	Finance : Accounts Receivable	IRF Memo lines error ORA:00904 in DEV2
86915	Open	Finance : Accounts Receivable	Approval Groups for IRF approvals (IRF Notification)
86960	Open	Integrations	Require MyServices admin account to reset PaaS password
86975	Open	Finance : Accounts Receivable	Receivables To Ledger Reconciliation - No values in drop down boxes
87075	Open	Finance : Accounts Receivable	Account 8252479 showing potential duplicate transactions from recurring bill plan

List Of Oracle Issues Arising From Recent Internal Audits

Ref	Actions to implement the recommendation	Action Owner	Due date
ACCOUNTS PAYABLE AUDIT 18/19			
1.1	A verification check by the FTT of supplier setup details or changes is already done as part of the process. We will ensure this is done for all supplier amendments and evidence retained going forward. IA Comment: now completed as per management comments. We will re-consider if a verification check for all new supplier set-ups is required	Financial Transactions Team Leader - Payments	31/12/2019
1.2	Time scales for processing supplier amendments will be agreed and then completed within the time frames where possible. The reliance on suppliers for the verification check will be taken into consideration.	Financial Transactions Team Leader - Payments	31/12/2019
1.3	A request will be raised with Oracle Cloud for the following; To highlight the active supplier to all officer's via the supplier's dashboard. To create a role to allow read only access to the supplier's module as required by some officers. To be able to generate a report that will list supplier set-ups so they can be monitored.	Financial Transactions Team Leader - Payments	31/03/2020
2.1	The Director Of Financial Services will oversee the review of approval limits for each department using a feeder file. Going forward the Financial Transactions Team will complete spot checks of invoices via feeder files to make sure these are being authorised as per the Cost Centre Hierarchy.	Director of Financial Services - by default	31/12/2019
2.2	We will review the procedures for processing non PO invoices via the FTT, so that a segregation of duties can be enforced. Once a process has been agreed this will be communicated to the relevant departments.	Financial Transactions Team Leader - Payments	31/03/2020
2.3	For those officer that are able to approve and input payment requests via spreadsheet, we will inactivate their input role to avoid this. IA Comment: now completed as per management comments.	Financial Transactions Team Leader - Payments	31/03/2020
3.1	A review of non PO payments will be done to help identify if a PO could have been used rather than processing these cases manually. This will be an on-going process and will become part of business as usual.	Financial Transactions Team Leader - Payments	31/12/2019
3.2	The PO exemption list will be reviewed and published and the Financial Procedures updated accordingly.	Financial Transactions Team Leader - Payments	31/12/2019
3.3	The Financial Procedures will be reviewed and updated to reflect new working processes where a DEP or CEP is no longer required before a purchase order is raised.	Director of Financial Services	31/12/2019
4.1	Officers will be reminded that POs should be raised before an invoice is received. Non PO invoices should be promptly sent in to Oracle Cloud for payment. Officers will be reminded that for all invoices, receipting of PO's and on system approval of non-PO transactions is required in a timely manner.	Financial Transactions Team Leader - Payments	31/12/2019
4.2	We will investigate if it possible to flag an invoice as in dispute, on hold, or a copy invoice so that delays are taken into consideration when reporting on payment performance. A request for this functionality will be raised with Oracle as this requires system development.	Financial Transactions Team Leader - Payments	31/03/2020
5.1	Officers will be reminded that supporting documentation should be scanned onto Oracle Cloud via the Web Centre where ever possible. They will also be reminded that cost centre codes should be recorded on a non-PO invoice prior to sending to the FTT.	Financial Transactions Team Leader - Payments	31/12/2019
5.2	Spot checks will be undertaken by the FTT to verify that cost centre codes have been recorded and supporting documentation has been retained for non PO payments. In some cases the documentation may only be added for the 1st week of a recurring payment. We will check that at least the 1st instalment has back-up documentation.	Financial Transactions Team Leader - Payments	31/12/2019
6.1	A review of current limits will be done against those originally approved to ensure they are aligned. Retrospective approval will be sought if required.	Group Finance Manager	31/12/2019
6.2	Going forward, if the approval limits attached to a job role are changed, there should be written evidence to confirm this.	Group Finance Manager	31/12/2019
6.3	The limits for Service Group Manager's will be reviewed to establish if two levels are required and to make clear the criteria for award of which of the two levels. Alternatively if two levels are not required, approval limits for the current Service Group Manager's should be reviewed accordingly.	Group Finance Manager	31/12/2019

Ref	Actions to implement the recommendation	Action Owner	Due date
7.1	Going forward we will review the monthly void payments report and if there are any voided payments this will be noted on the payment check file.	Financial Transactions Team Leader - Payments	31/12/2019
7.2	The payment check sheet will include a tick box that can be used when an email has been sent to the Treasury as a reminder.	Financial Transactions Team Leader - Payments	31/12/2019
8.1	An investigation will be done to consider if it is viable to set-up a cost centre code to enable us to monitor late interest payments.	Group Finance Manager – Core Accounting	31/12/2019
8.2	When the process has been agreed, an instruction will be sent to officers to inform them of the new process to follow.	Financial Transactions Team Leader - Payments	31/12/2019
9.1	A link will be added to the finance site on the intranet to the smarter working site where the Oracle Cloud user manuals can be accessed. Refresher training will be provided to officers who require it including using the supplier's dashboard and accessing relevant manuals.	Group Finance Manager	31/12/2019
9.2	A review of the internal share point site will be done and any old documentation will be archived.	Financial Transactions Team Leader - Payments	31/12/2019
10.1	We will produce a monthly exception report to be sent to the relevant directorate leads.	Financial Transactions Team Manager	31/12/2019
11.1	A review of the process to help enforce procedures for a raising a PO will be done. This may be done as part of monthly exception reporting.	Financial Transactions Team Leader - Payments	31/03/2020
11.2	Officers will be reminded that POs should be raised when orders are placed, and before the invoice is received and that when raising a PO VAT should not be included.	Financial Transactions Team Leader - Payments	31/12/2019
12.1	The FTT Transactions Team Leader will lease with the Information and Data Protection Officer to ensure training and guidance is given to managers reminding them of the process for retaining documentation.	Financial Transactions Team Leader - Payments	31/12/2019
13.1	We will investigate the issue with processing feeder files from Controcc into Oracle Cloud.	Income & Payments Team Manager	31/12/2019
14.1	The E-procurement Accrual reconciliation will be completed on a monthly basis within two working days of the month end and will be authorised. Investigations will continue to ensure that supporting documentation needed for the E-procurement Accrual reconciliation can be produced which should also be retained.	Group Finance Manager – Core Accounting	31/03/2020
15.1	Going forward, the Accounts Payable reconciliation will be completed and authorised within two working days of the month end. Supporting documentation will be saved with the reconciliation.	Group Finance Manager – Core Accounting	31/03/2020
16.1	We will continue to follow up on the request with EvoSys to produce a report of amendments to user profiles on Oracle Cloud, including when a profile has been deactivated and the roles the user had.	Shared Applications Support Manager	31/12/2019
17.1	The Oracle Cloud Access and Cost Centre Manager set-up form will be re-designed to simplify the process. If a different role is allocated the audit trail will be retained to confirm this. We will also consider if it is possible to give officers the option to copy another officer's profile with the same access requirements.	Shared Applications Support Manager	31/12/2019
17.2	If an amendment to a person's access is required, this will be processed via Hornbill.	Shared Applications Support Manager	31/12/2019
17.3	We will consider if head of service approval is required, if so, going forward we will check it is in place. If not the form will be re-designed as per action 18.1. If a head of service is not in post, an alternative officer will be required to sign the form, and the form will be annotated as a record of this.	Shared Applications Support Manager	31/12/2019
17.4	Procedure notes including the approval process for set-up a new user will be developed.	Shared Applications Support Manager	31/12/2019
18.1	When the team receives the new IT equipment - we will review the business continuity plan again and make sure that it reflects new working practices. This will include a communications test and running scenarios where possible.	Financial Transaction Manager	31/03/2020

Oracle Cloud Financial Migration 17/18		
Ref	Actions to implement the recommendation	Action Owner
1	The data migration process for Oracle Financials Cloud and core HR data concluded in May 2018. A data migration strategy was produced by Evosys for the Evosys migration team. However, it was noted that no formal strategy was produced to guide Lewisham employees in the data mapping and cleansing process from the legacy system. The development of a formal data migration strategy for the Oracle Cloud Financials Solution is no longer applicable as the system is now live. While the recommendation was not implemented, internal audit will not reopen this recommendation as the Oracle Financials Cloud and Core HR system is live and has been for the previous 12 months.	No further action required
2	The Group Finance Manager has proposed that a regular email will be issued to cost centre manager and the managers beneath them in the organisation hierarchy. The email will instruct them to review their vacation rule every 30 days to ensure it is appropriate, consider whether the officer they have delegated to is appropriate and remind them of their responsibility for any approvals by persons arising from the delegation. Consideration will also be given to periodic, ad hoc sample testing of user accounts to obtain assurance that this requirement is being enforced.	Group Finance Manager
3	The Council has yet establish the extent of the audit trails it wishes to enable in the Oracle Cloud system and this is subject to a cost/benefit review. Currently audit functionality is only enabled in the Accounts Payable module and this is restricted to supplier changes. Any audit trail functionality enabled should record as a minimum the User ID, date and time, event (view,create,amend,delete) and activity/transaction type. Where possible, data should also be available regarding the old and new values as part of the audit trail.	Shared Applications Support Manager
4	Job role matices should be produced.	Group Finance Manager