

**DERBYSHIRE COUNTY COUNCIL**

**CABINET**

**12 June 2012**

**JOINT REPORT OF THE STRATEGIC DIRECTOR FOR CHILDREN &  
YOUNGER ADULTS, THE DIRECTOR OF TRANSFORMATION, DIRECTOR  
OF FINANCE AND DIRECTOR OF HUMAN RESOURCES**

**REPLACEMENT OF THE DSAS SYSTEM FOR SCHOOLS  
WITH THE SAP SYSTEM – (EDUCATION/TECHNOLOGY AND  
RECYCLING)**

**1. Purpose of the Report**

To seek Cabinet approval to pilot the replacement of the DSAS (Derbyshire Schools Administration System) with the SAP system.

**2. Information and Analysis**

The DSAS system provides administrative, finance, payroll and reporting services and has served the Council and Derbyshire Schools for over 20 years. The system was written in-house and depends on database software and operating systems which are no longer supported and on programming skills which are increasingly rare. This makes maintenance and further development of the system very difficult. Risk of failure is increasing sharply and replacement of the system is now required.

In 2008/9 during the procurement exercise which resulted in the selection of the SAP system, investigations concluded that all but a few of the existing DSAS functions could be provided by the SAP system, and that alternatives to those lost functions would be relatively simple to achieve. Additional benefits in terms of access to online Ordering and Invoice Payment and more timely and detailed reporting could also be provided through the SAP system. Council staff visited another local authority to see the software in use and indicative pricing was obtained from SAP for

Schools User licences. The work involved in migrating from DSAS to SAP is significant and it was determined that there were unfeasible Council staff resourcing requirements and unmanageable project risks involved in attempting to implement the change until the core SAP application was installed, deployed and settled into stable operation.

Now that the SAP system is stable and most of the teething problems are passed, attention has returned to the project and the original assumptions and findings have been revisited. A significant schools stakeholder consultation has recently concluded (detailed results can be found in Appendix 1) and the findings indicate a strong preparedness to proceed with the migration. The showcase events confirm that almost all the DSAS functionality can be provided by SAP and that the missing functions can be delivered successfully by other means.

Whilst it is clear that the Council's Juniper Virtual Private Network will provide secure connectivity between schools there are several configuration options which need to be tested thus it is proposed to run a pilot deployment in a small number of schools, before confirming the detailed roll-out plan. These various options have differing consequences for local printing, network file sharing and the requirements for Microsoft Client Access Licences (CALs) and need to be tested and evaluated before full roll-out begins.

The schools selected for the pilot would be representative of the types (primary, secondary, special), sizes (small, medium, large staffing establishments) and locations (rural, urban). The pilot will run at the beginning of the new academic year in September, but some initial network connectivity testing will be done in late June and early July.

A training programme will be devised and refined during the pilot. Head Teachers, Bursars and Finance Systems will continue to have roles similar to those in the DSAS system and will need instruction in the use of the SAP system. To encourage full participation it is proposed to provide cover for supply teaching and travel costs for staff attending the training.

It is anticipated that the Training Team will be resourced by secondment of internal staff.

As there are a number of other projects affecting schools ICT underway at present, or planned to commence in the near future, the final timetable for

the roll-out is not yet confirmed. Ideally the migration from DSAS to SAP will be on rolling programme from October 2012 to conclude in September 2013. It is anticipated that the changes in the provision of Internet Service Provision from EMBC to EMPSN (or alternative supplier) will be completed by October 2012 and that the change to the proposed new MIS (Management Information System) and Learning Platform (LP) is estimated to take place between January and August 2013.

### **3. Financial Considerations**

The pilot is likely to require external technical support, particularly regarding the re-configuration of SAP. The actual cost of this support is difficult to estimate precisely, however an allocation of £150k is considered a reasonable estimate. If Capgemini are unable to supply suitably experienced contractors under the existing contract, an appropriate procurement process would be undertaken. In addition, there will be a need to release staff time from the pilot schools to work on this project. A further one-off budget of £10k is therefore sought to support any supply cover requirements and meet any other incidental expenses of the pilot.

In addition to establishing the technical requirements the pilot will also commit a thorough investigation of the one off and recurring costs and benefits of the project. Once identified, details of these costs and benefits will inform a final decision on procurement which will be the subject of a separate report to Cabinet. That report will also confirm the funding sources to allow the project to be completed and replacement system implemented.

The Council's balance sheet has a Schools Accounting System Replacement reserve which was created to support the replacement of DSAS. The balance held in the reserve is £349k and it is proposed that the expenditure on the pilot, up to the limits suggested, be funded from this source.

### **4. Other Considerations**

In preparing this report the relevance of the following factors has been considered: legal, prevention of crime & disorder, equality of opportunity; environmental, health, transport, property and human resources considerations.

5. **Background papers** – Relevant papers held in Core Systems Team.
6. **Call-In** - Is it required that call-in be waived in respect of the decisions proposed in the report? No.
7. **Key Decision?** No.

**8. OFFICERS' RECOMMENDATIONS**

That Cabinet approves the pilot and agrees to allocate up to £160k for this purpose, the costs to be met from the Schools Accounting System Replacement reserve.

**IAN THOMAS**  
**Strategic Director for Children & Younger Adults**

**DAVE HICKMAN**  
**Director of Transformation**

**PETER HANDFORD**  
**Director of Finance**

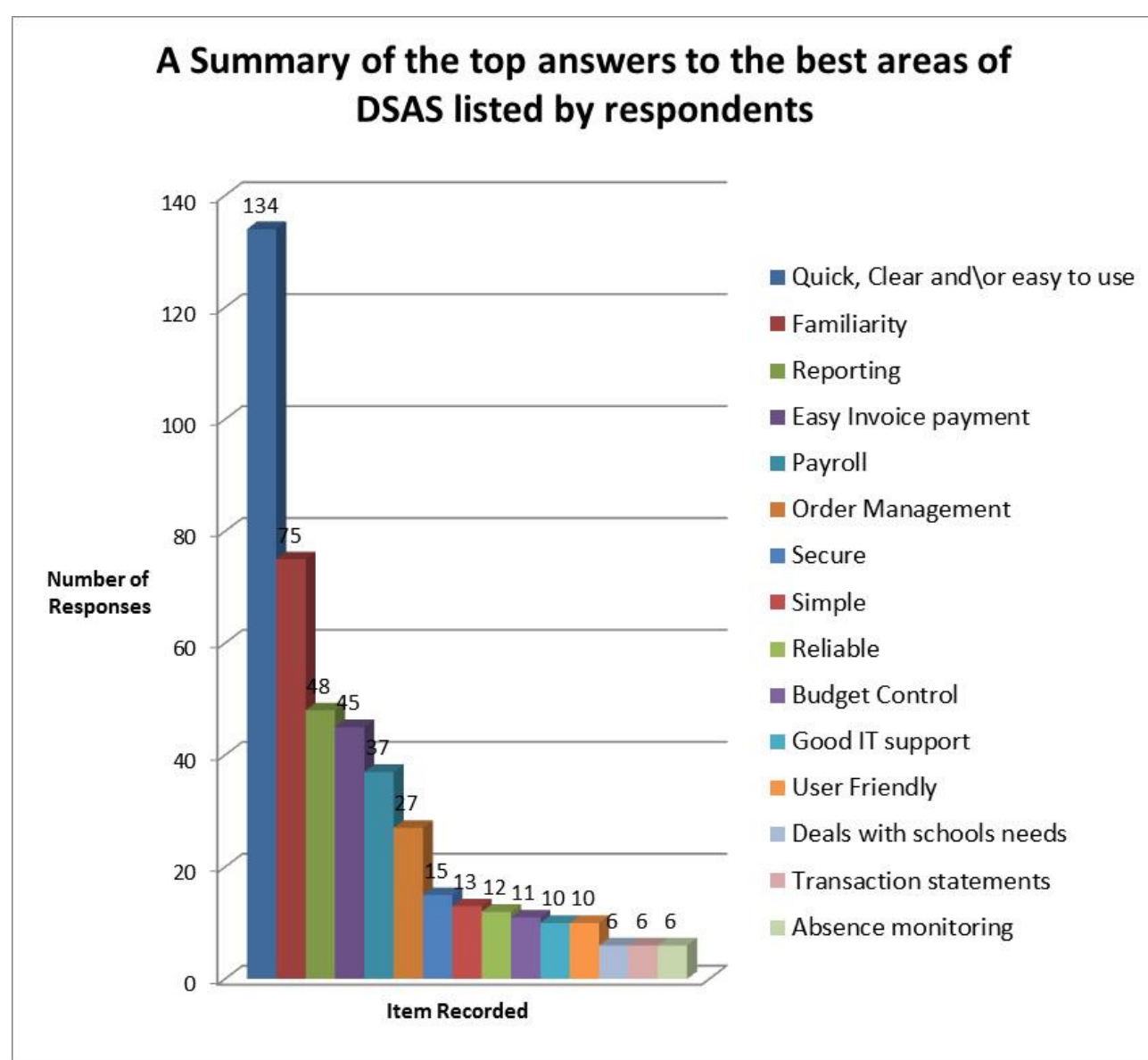
**TONI COMPAI**  
**Director of Human Resources**

**County Hall**  
**Matlock**

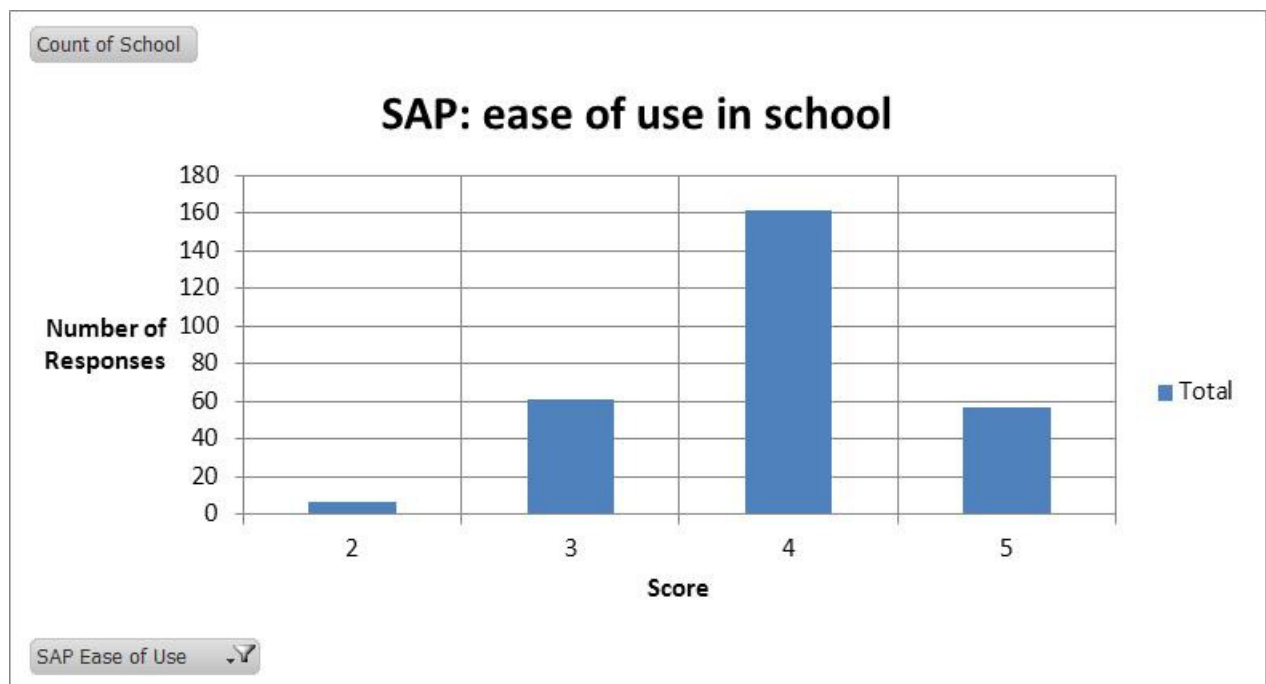
### Results of Primary School SAP Showcase Events as at 21 December 2011

We have now run all 14 SAP showcase events around the county and have had over 500 attendees representing approximately 250 Primary, Special and Nursery schools. Each attendee was given a questionnaire and asked to complete various questions throughout the day. All scoring was in the range of 0 to 5 (0: very poor, 5: excellent).

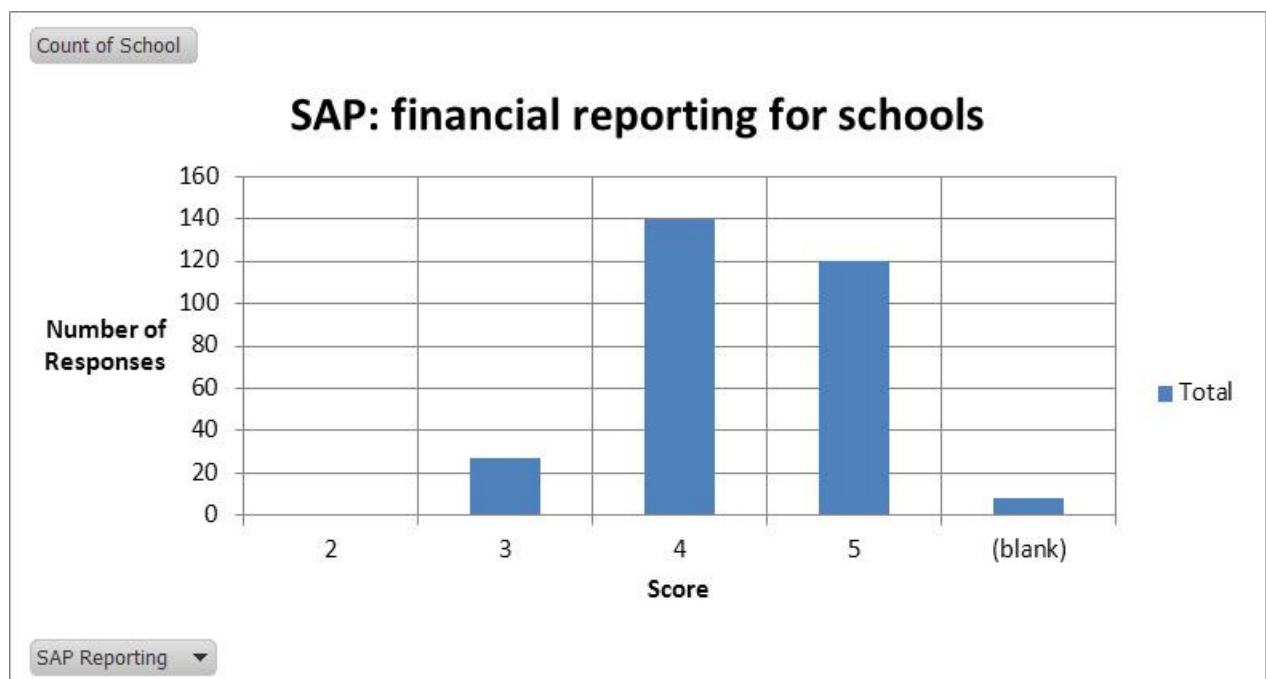
Before seeing the SAP system, each attendee was asked to list what they thought were the best three things about the existing DSAS finance system. Here is a list of top ten responses:



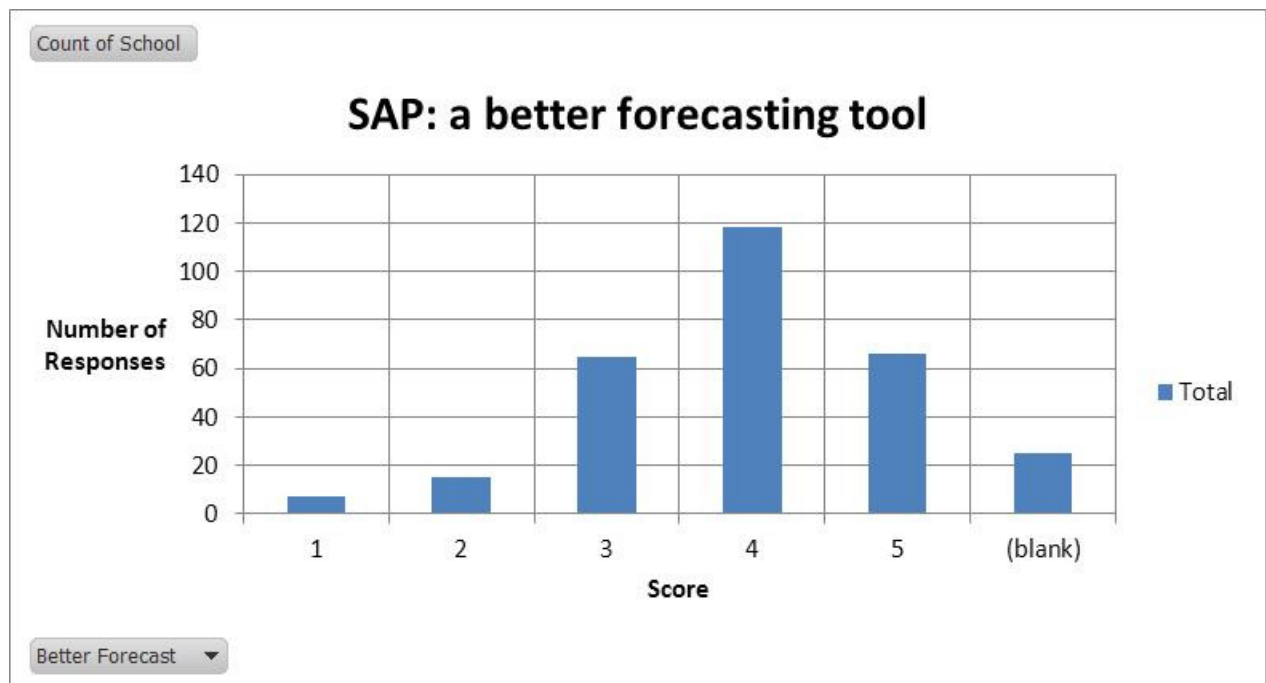
Schools were asked to rank how easy they thought SAP was to use after seeing a number of SAP transactions:



Schools saw a number of SAP standard financial reports on line items and other postings. They were asked if they felt that SAP met their day to day reporting requirements:

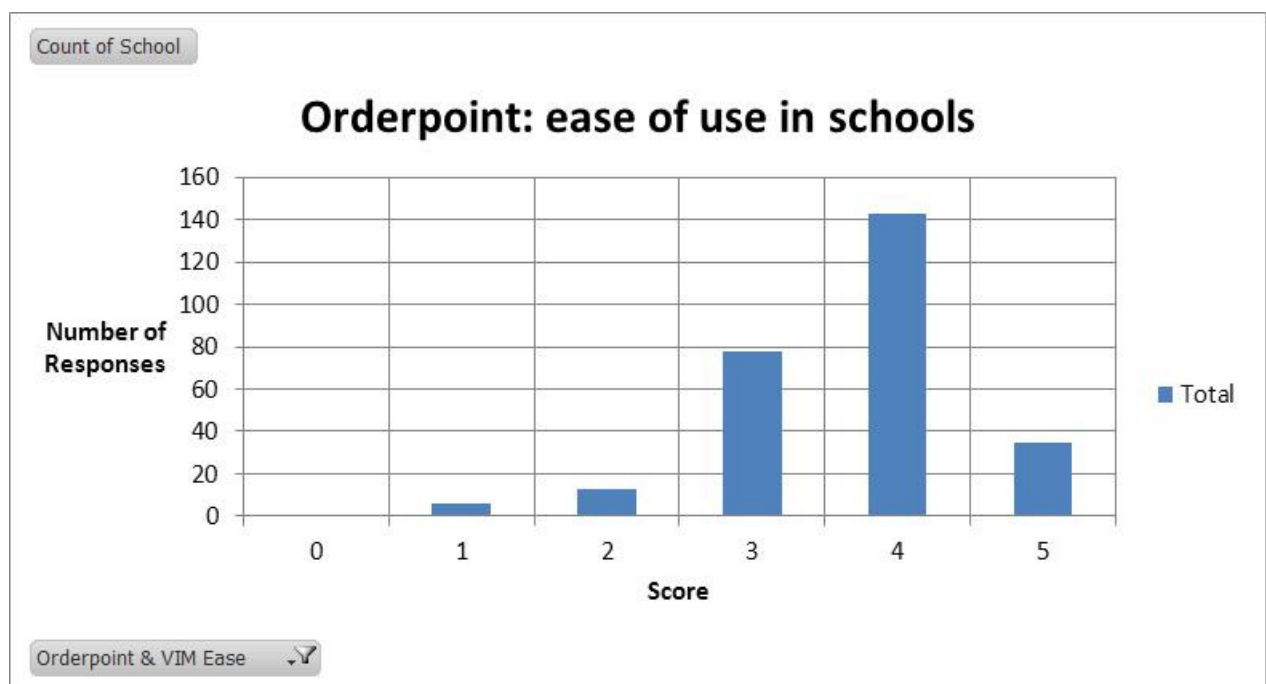


Schools were shown the monitoring and forecasting functions in SAP and were asked if they could make use of it and whether it was an improvement to their current system of forecasting budgets.

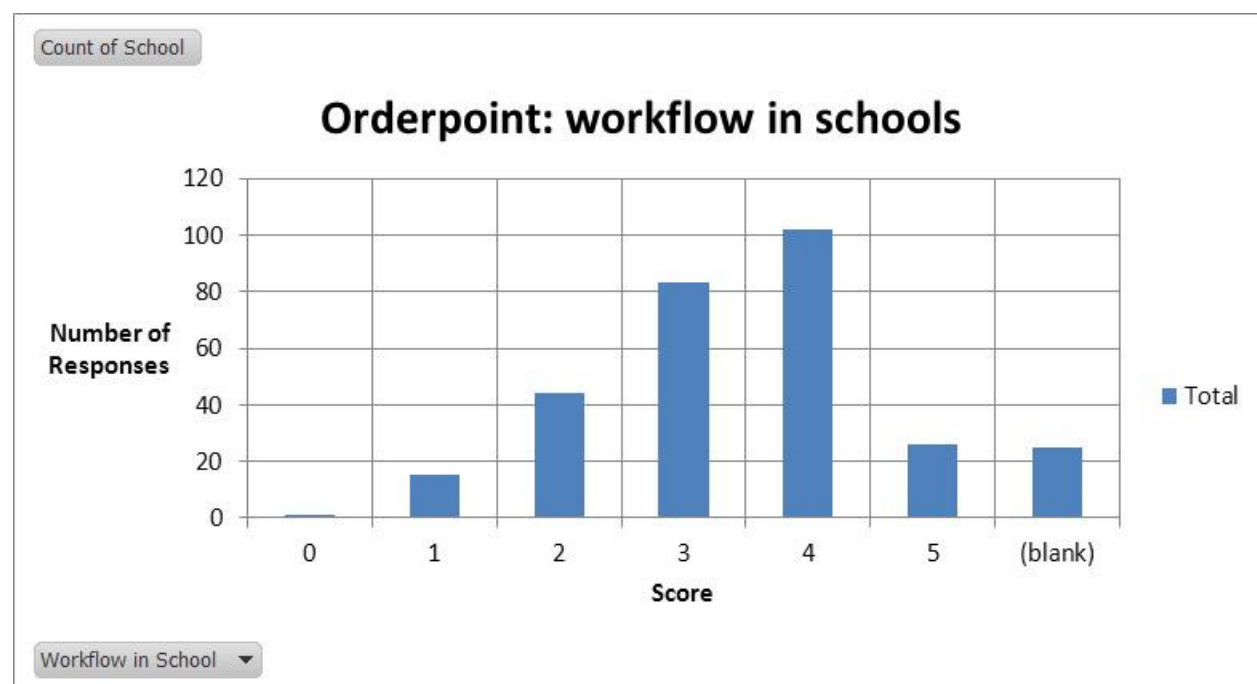


#### Orderpoint:

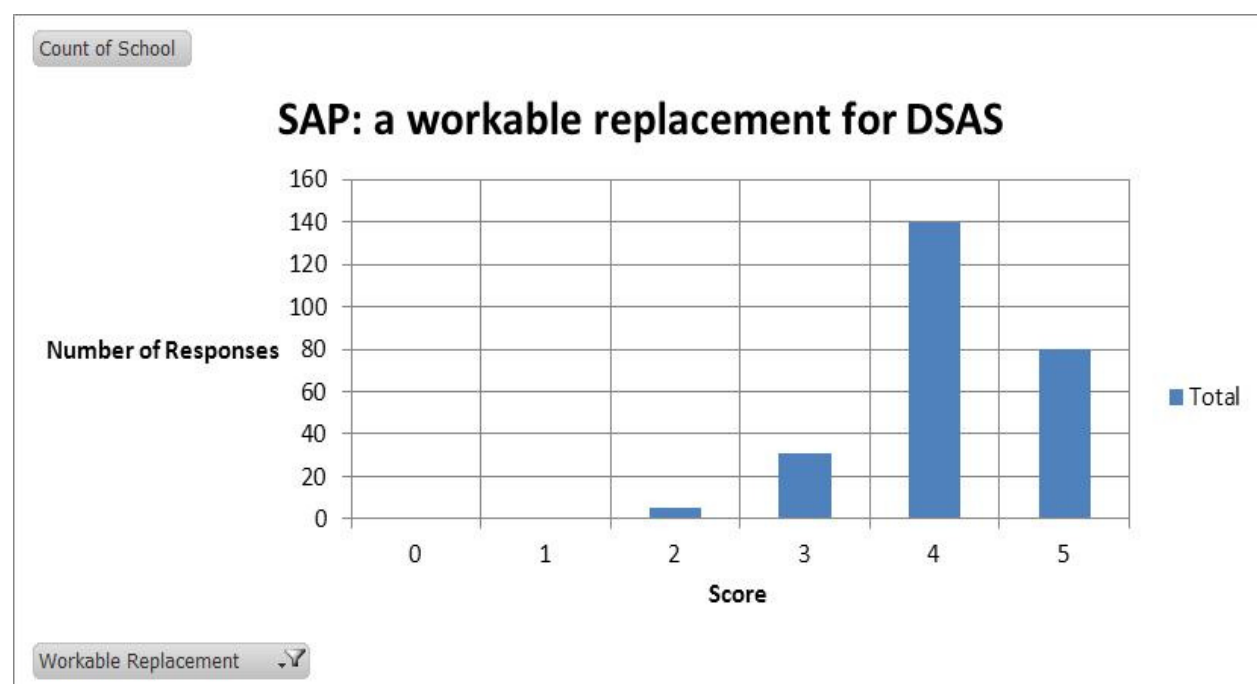
After a demonstration of the Orderpoint and the Vendor Invoice Management (VIM) systems, schools were asked to score the ease of use in a school environment:



Smaller schools worried about the methods of authorisation control on orders, which rely on workflow, currently requiring three individuals to approve certain orders. They cited that they would not have enough staff available to keep the process working. Whilst these schools realised the potential advantages of the system, they remained concerned and felt that the workflow around orders may be impractical when asked how easy they thought workflow would be to operate in schools:



Schools were finally asked to rank whether they thought that SAP would be a workable replacement for DSAS in school:





### **Pilot Schools**

Out of all the attendees, 161 have expressed a preference to pilot the SAP system and encouragingly, 128 have volunteered assistance to help blueprint a schools system.

### **Secondary Schools**

Of 35 Bursars who attended a secondary school event, 22 offered to help blueprint and 25 asked to pilot the SAP system. Other results from similar questions posed to the primary schools revealed a similar pattern of responses.