HALDIMAND COUNTY

Report ECW-06-2022 Staff Secondment Extension - Business Application Software Project

For Consideration by Council in Committee on December 6, 2022

OBJECTIVE:

To obtain Council approval to extend the secondments of the four staff assigned to the Business Application Software (BAS) Project through to April 2023.

RECOMMENDATIONS:

1. THAT Report ECW-06-2022 Staff Secondment Extension - Business Application Software Project be received;

2. AND THAT the four staff seconded to the Business Application Software Project be extended until April 2023;

3. AND THAT any additional funding required for the staff secondments be funded from CRR - Information Technology.

Respectfully submitted: Tyson Haedrich, M. Eng., P. Eng., General Manager of Engineering & Capital Works

Approved: Craig Manley, MCIP, RPP, Chief Administrative Officer

EXECUTIVE SUMMARY:

Due to the timing of the planned transition of the Business Application Software project to the Innovation and Technology Services (ITS) Division, the secondments of the four staff working on the project are proposed to be extended to the end of April 2023 or until a longer term financial plan has been approved by Council. This extension will allow for the completion of the third party review of the project status including the impacts of the planned project transition. Any additional funding that may be required would come from the funding sources related to the current Business Application Software project and there will be no levy impact on the 2023 Draft Tax Supported Capital Budget.

BACKGROUND:

The Business Application Software (BAS) project involves the replacement of the County's software systems implemented during the 2001 Transition Board with a comprehensive Enterprise Resource Planning (ERP) solution. This ERP includes integrated business software applications including asset management, property management, customer service and work order management.

In 2020, as part of the Municipal Modernization Project, the County engaged Perry Group Consulting Ltd. to conduct a high-level review of the current BAS project situation, assess project delivery and operational issues with the BAS solution, and provide independent advice to the County on current state, issues and recommended next steps/actions.

The BAS High Level Project Review confirmed that the CentralSquare product-set is broadly suitable and upon completion will significantly increase efficiencies and improve customer service, but additional work is needed to assess gaps and provide solutions for missing or inefficient functionality and that the County should continue on the planned implementation path.

The report also provided the following recommendations specific to required resources including a dedicated full time project manager and additional resources (secondments) from the business units where the system is being deployed

The report also noted that ERP projects typically take up to five years to implement, and while the County is behind its stated schedule, that is not uncommon.

ANALYSIS:

Faced with concerns about the growing complexity of the project and the inability to meet certain key milestones, staff have re-engaged with Perry Group Consulting Ltd. on the BAS project as part of Perry Group's ongoing review of the Innovation and Technology Services (ITS) Division resource requirements. One of the key considerations of the Perry Group's review of resource needs is the transition of the BAS project into the ITS Business Solutions group.

While the Perry Group's final review has not been completed, the general consensus is that the current approach to the BAS project implementation is unlikely to achieve the project goals. Initial recommendations, based on ongoing discussions with the Perry Group, are to transition the project to the Business Solutions Team in ITS and split the project into smaller distinct pieces that may be more manageable to achieve. There is also the recognition that the original goals of the project were unrealistic and that due to the relatively small size of the County related to the complexity of operations of a single tier municipality there will be no perfect solution for the County.

At this time the County is waiting for the final Perry Group reports on their go forward plan for the BAS project as well as the ITS Division resource requirements. In the interim the project will continue to move forward and the following staff will be required to continue their secondments, potentially through to April 2023 until a longer term plan can be presented to Council with the Tax Supported Operating Budget:

- 2.0 FTE Human Resources (Coordinator HRMS/Benefits and Compensation Specialist)
- 2.0 FTE Innovation and Technology Services (Service Desk Analyst and Supervisor, Business Solutions)

It is anticipated that the Perry Group's reports will dictate both the duration and number of secondments required for the BAS project and that any required budget impacts will be addressed at that time.

FINANCIAL/LEGAL IMPLICATIONS:

For the reasons discussed in the previous section, the secondments of the four staff working on the BAS project are proposed to be extended to the end of April 2023 or until a longer term financial plan has been approved by Council. Any additional funding that may be required would come from the funding sources related to the Business Application Software project shown in the following table, specifically CRR – Information technology:

	Current Approved Budget
Capital Expenditures:	
Project Expenditures	$3,150,300
Total Capital Expenditures:	**$3,150,300**
Financing:	
CRR- Information Technology	$1,522,800
CRR – General	$755,500
Contingency Reserve	$872,000
Total Financing:	**$3,150,300**

As any changes would only impact the capital reserve funds noted above there will be no levy impact on the 2023 Draft Tax Supported Capital Budget.

STAKEHOLDER IMPACTS:

Not applicable.

REPORT IMPACTS:

Agreement: No

By-law: No

Budget Amendment: No

Policy: No

ATTACHMENTS:

None