Local Borough Council

Long-term planning pays off in optimised resource usage

Industry

Local Government

Geography

UK

PwC Services

System implementation of Hyperion Planning

PwC implemented an affordable, rapidly deployed web solution with the emphasis on knowledge transfer

Benefits of using PwC

Delivered project on time and within budget

Optimised the full capabilities and benefits of the solution

An emphasis on the implementation of planning best practices

Knowledge transfer to reduce the requirement of ongoing system support

"We just went for it with a "big bang' approach and it went really well. PwC successfully delivered it all on time and budget."

Business background

This Local Borough Council provides local government services to 144,000 people in an area of 40 square kilometres in southeast England. It has two universities, is home to several top IT and insurance companies and is in one of the UK's fastest growing areas. With annual expenditure of £340 million, effective financial planning is essential to achieving the Council's aim of continually improving the quality of its services, while also minimising council tax increases.

It also needed to deliver three and five-year budget forecasts to meet its own internal budgeting needs, which also brought the Council in line with government requirements to monitor its progress against the 2.5% year on year efficiency savings required by the Gershon Review.

The Finance Systems Manager at the Local Borough Council says:

"The need for more integrated medium and long-term financial planning had been rearing its head for a number of years. Not only would it enable us to prepare timely, accurate multi-year forecasts, without the need to divert financial teams from day-to-day tasks, but also comply with government forecasting regulations."

The Council had been preparing its annual budgets using Oracle Public Sector Financials International (OPSFI), Oracle Financial Statement Generator and Excel.

"The Oracle tools met all our requirements for annual general ledger-based budgets," confirms their Finance Systems Manager. "However, the introduction of longer-term plans meant we needed advanced cross-directorate, multi-dimensional modelling and the ability to assimilate continual adjustments at cost centre level into our central planning."

Oracle Hyperion Planning System 9 selected to automate their processes and offer long term planning capabilities

This Local Borough Council selected PwC implement Oracle Hyperion Planning. Its Microsoft Excel and Web-based budgeting and forecasting tools give planners a sophisticated yet easy-to-use OLAP-driven enterprise-wide planning solution that delivers advanced medium and long-term forecasting with a high degree of accuracy. Hyperion Planning also meets local government requirements for devolved budgeting and central planning across a complex management structure.

So, throughout the highly iterative, four month budget planning process, the Council's financial controllers have real- time visibility of data that used to be hidden in end-user systems.

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"As an existing user of Oracle Financials we didn't want to implement lots of third party applications that worked departmentally. Hyperion was capable of so much more, so our decision was largely influenced by the long-term benefits. We had a restricted budget and tight timescales, but PwC worked really hard to provide a solution that was affordable," comments the Finance Systems Manager. "We were also confident that working with PwC would enable us to optimise the benefits of Hyperion Planning and gain a rapid return on our investment."

Despite only starting the implementation in April, the new solution had to be ready in just three months, so that the Council could start producing its next five year plan on 1st July.

"We just went for it with a "big bang' approach and it went really well," continues the Finance Systems Manager. "PwC successfully delivered it all on time and budget. But we were confident of our success, because we'd thoroughly examined the software with Oracle and had enormous confidence in the functional and technical resources of PwC."

As well as rationalising the Council's spreadsheet-based forecasting environment into a single, collaborative, council-wide planning system, Hyperion Planning's spreadsheet-based look and feel ensured rapid adoption by the Council's users, who were able to produce accurate medium and long-term budget forecasts for four directorates and 800 cost centres in just two months. Hyperion Planning will also enable the Council to respond to future government changes to local authority reporting without increasing headcount.

"PwC provided us with a solution that interacts with Oracle to give us a comprehensive business forecasting tool," says the Finance Systems Manager. "It gives us better management information and will enable better use of the Council's resources in the longer term as we can now 'slice and dice' information to see the effects and do modelling, which is a capability that we never had before. It has also given us the building blocks of a solution that can grow with the organisation and deliver much bigger longer term benefit. Sustainable, improved close process delivers management benefits."

The Local Borough Council chose PwC to implement the application based on its commitment to the Council's success and its innovative implementation approach that met the needs of all parties. PwC acted as the main subject matter experts and implementation skill for the implementation of Hyperion Planning, working alongside the Local Borough Council team to deliver the solution.

Delivering Benefits for Local Borough Council

The Oracle Hyperion Planning solution implemented by PwC Consulting is enabling the Local Borough Council to:

- Increase productivity – the system's advanced functionality and easy to use interface streamlines processes and optimises resource usage, with significant time savings being achieved without the need to re-input spreadsheet information
- Improve forecasting – granular, multi-dimensional data analysis and modelling capabilities meet short-term budgeting needs, while also enabling continual adjustments at cost centre level to be combined into long-term, central planning
- Ensure compliance – meets all of the Council's reporting needs, while also enabling it to satisfy government requirements for budget forecasting
- Maximise visibility – collaborative, web-based tools, using tightly integrate financial and operational planning models, support devolved planning with real-time visibility and predictability of forecast data at every stage of the budgeting cycle
- Enhance flexibility – provides a platform for future cross functional expansion and automated process integration to enable greater efficiency and operational synergy

To find out more or discuss how your organisation can benefit from working with PwC, please contact Info.EPM@uk.pwc.com