

10 September 2012

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Julie Fairey

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Dear Ms Fairey

Thank you for your email of 30 July 2012, in which you request the following:

- a) *Please provide information on the decision to bring forward the implementation date of shifting the Ministry's payroll to Novopay, from Datacom.*
- b) *Specifically I would like to know who made the decision, whether it went to the Minister or Cabinet, what advice was given by officials regarding the implementation, and what were the reasons given for making the decision to bring the date forward.*
- c) *I would also like to know what advice the Ministry received from Treasury, Novopay, Datacom and the working group looking at switching systems, in regard to the appropriate timeframe to execute the new payroll system, in particular anything which indicated a recommended date for implementation.*

Your request has been considered under the Official Information Act 1982.

Discussions around scope of your request

In relation to Part C of your request, I understand that during your discussion with Alison Anderson on 13 August, you clarified that by "Novopay" you were referring to the supplier, Talent2, and that by "working group" you were referring to the Payroll Reference Group.

You also clarified that you were only seeking information generated within the last 12 months. Ms Anderson subsequently confirmed this understanding with you by email on 15 August.

Parts A and B of the request

The implementation (“go live”) date for Novopay has on several occasions been changed to a later date from that planned. The date has been delayed, not brought forward.

For projects such as this, the overarching principle is that they should be implemented as early as possible, while at the same time ensuring that the requirements have been met and that go live can occur with acceptable levels of risk. This approach enables costs to be contained and the benefits of the new service to be delivered sooner rather than later.

During a project of this nature, planning refinement occurs throughout the project as new information comes to hand and unexpected events inevitably occur. The go live date therefore shifts from time to time – usually to a later date rather than an earlier one.

In the case of Novopay, I have identified one instance when the go live date was brought forward. This was in December 2011 when the go live date was brought forward by one month, from July 2012 to June 2012. After consideration of the progress being made against milestones, the Novopay Board subsequently decided on 19 January 2012 that it did not have confidence this was feasible. The project was then re-planned with a go live date in August 2012.

The responsible Minister has received updates as to the progress of the project. Responsibility for deciding the implementation date lies with the Ministry.

Information relating to Parts A and B of your request has been identified in the following documents and I have provided the relevant extracts from these documents. You will notice that in document 5, dated 13 February 2012, 14 August was seen as the last ‘safe’ current go live date”. That was “current” at the time of the document, however subsequent refinement of the project planning identified 20 August as a more accurate date. That is the date on which Novopay went live, still with a first payment date of 5 September.

Excerpts from relevant documents

No.	Date	Title of relevant document
1	14/12/2011	Letter from CEO of Talent2 to Group Manager Education Workforce Ministry of Education
2	19/12/2011	Advice to Minister of Education
3	20/01/2012	Memo from Deputy Secretary to Leadership Team
4	9/02/12	Novopay Project Board Minutes
5	13/02/12	Memo from Deputy Secretary to Leadership Team

1. Letter from CEO of Talent2 to Group Manager Education Workforce Ministry of Education

Schedule 4A, Appendix 1 – New Transition Timetable:

Milestone: Go Live
Baseline Date: 8 June 2012

2. *Advice to the Minister of Education*

The current target date for implementation has been brought forward to June 2012.

3. *Memo from Deputy Secretary to Leadership Team*

Re-planning is due to take place in early February to further understand overall impacts on the wider project. However, the Board is no longer confident that the current (mid June 2012) planned implementation date can be achieved.

4. *Novopay Project Board minutes for meeting held 9 February 2012*

February Baseline Replanning Update

- Indicative Go Live projection is 14 August (for a payment date of 5th September).

5. *Memo from Deputy Secretary to Leadership Team*

The Novopay replanning has identified a new 'go live' date of 14 August, the last 'safe' current go live date (the last date providing any fall over in the event of any last minute issues).

Part C of the request

In considering Part C of your request I have interpreted your request for "advice" to mean letters, briefings, memos, or papers provided to the Novopay Board or Payroll Reference Group. Again, this has been decided without further clarification from you as you have not responded to our queries.

The framework used to decide what would be the appropriate timeframe to execute the new payroll system was established early in the life of the project. This was based on the following factors:

- The project should be implemented as early as possible, while at the same time ensuring that the requirements have been met and that go live can occur with acceptable levels of risk.
- The appropriate "time window" for go live is between April and October in any given year, in order to avoid the busy end-of-year or start-of-year payroll processes. School holidays also need to be avoided as school staff are generally not available to undertake training and go live activities.
- The existing Datacom service is "end of life". Every delay to implementing a new system raises the risk of failure of the current service or inability of the current service to adapt to a new requirement. The current contract with Datacom finishes in November 2012 and the platform will no longer have support after March 2013.

Advice provided to the Ministry on the appropriate timeframe has been constrained by that framework and this has limited the amount of potential variation in that advice.

The factors did not change during the past twelve months therefore there was no need for advice on this subject. Advice around changing the particular date was given within the Ministry at a project level. For example, the Ministry payroll team advised that certain dates were not appropriate because the pay period was too close to the school holidays.

I can confirm there are no letters, briefings or memos from the Treasury, Datacom or Talent2 to the Ministry during the relevant time period to advise the Ministry on "the appropriate timeframe to execute the new payroll system, in particular anything which indicated a recommended date for implementation". There is no record of such advice in the minutes of the Payroll Reference Group.

Right to review

Under sections 19 and 28(3) of the Official Information Act 1982 you have the right to ask an Ombudsman to review this decision.

Yours sincerely



Leanne Gibson
Chief Information Officer
Information Technology