

BROMSGROVE DISTRICT COUNCIL

Cabinet 21st June 2023

Renewal of the ERP System

| | |
|--|--|
| Relevant Portfolio Holder | Councillor Hotham - Cabinet Member for Finance and Enabling |
| Portfolio Holder Consulted | Yes |
| Relevant Head of Service | Michelle Howell, Head of Finance and Customer Services |
| Report Author Peter Carpenter | Job Title: Interim S151 Officer Contact Pete Carpenter email: peter.carpenter@bromsgroveandredditch.gov.uk Contact Tel: |
| Wards Affected | All |
| Ward Councillor(s) consulted | N/A |
| Relevant Strategic Purpose(s) | Aspiration, work and financial independence |
| Key Decision | |
| If you have any questions about this report, please contact the report author in advance of the meeting. | |

1. SUMMARY

This report sets out Council activity to renew its ERP System.

2. RECOMMENDATIONS

Cabinet is asked to RESOLVE:

- **That the Council reprocures TechOne but at a reduced licence fee to reflect that HR and Payroll will not be used and delegate the finer negotiations to the Interim Director of Finance.**
- **That the AMS contract continues until the Coucil have confidence that their in house resource is capable of delivering all or part of that function.**
- **That the Wincave contract is renewed via atender process in the autumn.**

3. KEY ISSUES

Background

3.1 The TechnologyOne contract expires in June. The initial call off contract via G Cloud was signed in June 2019 meaning that the contract is due to expire in June 2023. Presently the Council is paying:

- A total of £191k a year on the system.

BROMSGROVE DISTRICT COUNCIL

Cabinet 21st June 2023

- 3.2 The original contract included: Finance, Cash Receipting, Payroll and Human Resources. The Council has not implemented Payroll or Human Resources. Given the experience where the Council have been the only implementer of Cash Receipting, the Council would not implement Human Resources or Payroll, despite present system “creaking” until there were a number of Councils using TechOne. Presently, there is only one Council using HR/Payroll and then not all the functionality and their setup is much simpler than ours. It is not likely that multiple Councils will have gone through a whole cycle and associated year end processes until September 2024. Therefore, it is safe to assume that any implementation would not take place until at least the 2025/6 financial year.
- 3.3 The Council will need to reduce the scope of the contract to just finance and cash receipting to reflect need over the next two years. It is not feasible to move to another system and typically implementation costs will be of the order of magnitude of £1m. There are still issues with the system but these are now moving to resolution and by the end of this financial year we should be caught up with our accounts.
- 3.4 TechOne is still available via G Cloud and we are also looking for other frameworks that might be more applicable and flexible for the Council. The Council does not have the capacity to contract direct with TechOne.
- 3.5 The Wincave contract is not due to expire until December 2023. This will need to be retendered by September.

4. Legal Implications

- 4.1 Legal and procurement will be fully involved in the re-procurement of the Contract.

5. Financial Implications

- 5.1 The control environment is key to the operation of the Councils financial Framework.

6. Strategic Purpose Implications

Relevant Strategic Purpose

- 6.1 The Strategic purposes are included in the Council’s Corporate Plan and guides the Council’s approach to budget making ensuring we focus on the issues and what are most important for the borough and our communities. Our Financial monitoring and strategies are integrated within all our Strategic Purposes.

Climate Change Implications

- 6.2 The green thread runs through the Council plan. This includes risks linked to activities and actions that link to our climate.

BROMSGROVE DISTRICT COUNCIL

Cabinet 21st June 2023

7. Other Implications

Customer / Equalities and Diversity Implications

7.1 There are no direct equalities implications arising as a result of this report.

Operational Implications

7.2 Operational implications have been dealt with as part of the 2023/24 MTFP, quarterly monitoring and the Closedown process.

8. RISK MANAGEMENT

8.1 The financial stability and sustainability of the Council is a core underlying theme of the Council's Risk Management Strategy.

9. APPENDICES

None

AUTHOR OF REPORT

Name: Pete Carpenter– Interim Director of Finance
E Mail: Peter.Carpenter@bromsgroveandredditchbc.gov.uk