REDDITCH BOROUGH COUNCIL

EXECUTIVE   **10TH JULY 2018**

ENTERPRISE RESOURCE PLANNING SYSTEM PROJECT BUSINESS CASE

Relevant Portfolio Holder	Councillor Tom Baker Price
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering – Exec Director Finance and Resources
Wards Affected	All Wards

1. SUMMARY OF PROPOSALS

To enable Members to consider a proposal to procure an Enterprise Resource Planning System to provide financial and human resources integrated systems.

2. RECOMMENDATIONS

The Executive is asked to RECOMMEND that

2.1 The Business case for the implementation of an integrated Enterprise Resource Planning System (ERP) is approved

3. KEY ISSUES

Financial Implications

3.1 The Business case presents the rationale for an enterprise system to deliver financial management and human resources systems for the Council. Over the last few years weaknesses have been identified in the financial management, planning and forecasting capabilities of the systems in place. In addition there are a significant number of manual processes that are undertaken in payroll, payments and HR to ensure that data can be accessed and reported on by officers and external partners. Furthermore the recent peer challenge flagged up a new system as a key element to enable the Council to make future decisions based on accurate, timely and flexible information and meet the future challenges in the commercial environment.

Legal Implications

3.2 Officers have worked with the procurement team and have identified the G-Cloud framework as the preferred option in relation to procurement of a new system. The G-Cloud framework is an agreement between the government and suppliers who provide cloud-based services. Suppliers who are on the G-Gloud framework have already been subject to initial tender validation and therefore buying services through these frameworks is faster and cheaper than entering into

individual procurement contracts. All public sector organisations, including agencies and arm's length bodies, can use the Digital Marketplace.

3.3 Officers will undertake a procurement exercise with those companies who are included on the G-Cloud framework and can provide the systems as required. This will ensure a fair and transparent process is delivered with a robust audit trail.

Service/Operational Implications

3.4 Following feedback from managers and the recent corporate peer challenge it is clear that the current provision does not facilitate the reporting and budget management opportunities that the Council requires to operate efficiently within a challenging financial and commercial environment.

3.5 A new Enterprise System would enable a number of benefits to the operational effectiveness of the Council by improving access, integration of systems to ensure a consistency of financial reporting and provide a more flexible base to support the future commercial activities of the Council. Managers would be able to access on line information to inform decision making and to assess trends in costs and income. There would be an ability to create compelling dashboards and data visualisation that bring focus to the key areas of the business. Alerting, and highlighting using a variety of chart types and other visualisation tools that are easy to interpret and understand. In addition an integration of systems to include HR would reduce manual processing and provide a single platform for all financial and HR data. Within the business case there is a table showing the comparison between each solution identified to enable members to consider how the approach selected best fits the Council future needs.

3.6 Other benefits are detailed in the business case and include:

- Provide a clearer focus on corporate level budgeting to enable a more strategic, long term approach to financial management.
- Ensure decisions are informed by accurate, real time information.
- Enable flexible reporting across Strategic Purposes
- Provide Council users with accurate, consistent and standard financial management information
- Strengthen budget monitoring and profiling
- Enhance the experience of customers and give them more flexibility in how they interact with the council and carry out tasks such as making payments to the council. This can be done by enabling contactless payments, more seamless online payments and other potential systems.
- It is intended that the new system will empower managers to be able to self-serve.
- Enable company structures to be set up within the reporting framework
- Deliver improvements in effectiveness by removing manual processes and 'off-line' manipulation and processing of data in spreadsheets.
- Deliver significant savings from efficient working practices and further automation of processes

3.7 Budget holders have been engaged through the process of identifying requirements for the new system. The feedback in included in the business case

and clearly shows that accurate, accessible, timely financial information is of paramount importance to them when managing and monitoring their budgets. The specification for the system has been formed using this feedback alongside further developments in customer access and automation as advised by potential suppliers.

Customer / Equalities and Diversity Implications

3.8   The new system will drive and support self-help for all users of the finance and HR services. We will co-design the future service, including the various interfaces and portals, to ensure that they are intuitive and easy to navigate. It is anticipated that self-service becomes the most convenient approach to finance servicing for both internal and external customers to improve accessibility and realise further efficiencies.

4.   RISK MANAGEMENT

4.1   It is not considered that there are any strategic risks arising from this proposal. Several departmental risks arise concerning the migration of data to a new system and the implementation of the new system which will require strong project management to ensure that the project remains on track and will deliver its anticipated benefits. These risks will be recorded in the departmental risk register which is monitored on an ongoing basis.

Appendices

Appendix 1 – Business Case for new Enterprise System

AUTHOR OF REPORT

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