REDDITCH BOROUGH COUNCIL

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Budget Scrutiny
Working Group Notes

Ionday, 3 December 2018

Present:

Councillor Jennifer Wheeler (Chair), and Councillors Joanne Beecham, Michael Chalk, John Fisher and Yvonne Smith

Officers:

Chris Forrester and Martin Goodall

Democratic Services Officer:

Jess Bayley

4.   **ENTERPRISE SYSTEM - UPDATE ON PROGRESS (CHRIS FORESTER AND MARTIN GOODALL)**

The Financial Services Manager and the ICT Application Support Officer provided an overview of the progress that had been made with the procurement of an Enterprise System for the Council. The following points were highlighted on this matter for Members' consideration:

- The initial estimated costs of the project for the Council had been £200,000.
- However, following the return of a number of bids in a recent procurement exercise Officers had found that the costs to the Council were likely to almost double.
- The costs were driven by the higher number of implementation days that would be required on site to deliver the project than had been anticipated.
- The project was being delivered on behalf of Redditch Borough and Bromsgrove District Councils. In total the project would cost approximately £800,000 divided between the two authorities.
- There were two organisations that had been shortlisted to deliver the project, though a final decision remained to be taken.
- The bid costs appeared to reflect thinking about the costs and time required under a worst case scenario.

Members subsequently discussed a number of areas in detail:

- The training that would be provided to staff once the new system was in place. Members were advised that this would comprise a mixture of training from the company and training delivered by staff champions.
- The complexity of the new system which would require the company to write the code before training was delivered.

- The arrangements for pre-scrutinising the Financial System report. Members were advised that the group was due to pre-scrutinise the report at a meeting on 7th January.
- The need for Members to make an informed decision on this subject. Members expressed concerns that the previous decision taken on this matter had involved Members viewing the report within a Council agenda that was 637 pages long.
- The potential for a briefing to be provided to all Members to enable them to make an informed decision on the subject.
- The options available to Members in terms of the system. Members were advised they could select one of the two organisations bidding to deliver the service or alternatively tender for organisations to deliver separate systems for different services.
- The services that would be covered by the Enterprise System. Members were advised that the system would apply to finance, HR, cash receipting and some other areas.
- The problems with the existing systems. Members were advised that they were not fit for purpose, were inefficient and needed to be replaced to comply with GDPR requirements.
- The scope of the new system and how it would be introduced. Members were advised that a phased approach would be adopted.
- The need for the system to be thoroughly tested before it was used by the Council.
- The preference amongst Officers for the Enterprise System to enable the Council's Financial Services to comply with CIPFA recommended ways of working.
- The base for the server, which was likely to be hosted by the company.
- The timing for the introduction of the system. Members were advised that the Council would aim to avoid the end of the financial year, as this could be a busy period. Ideally the system would be introduced in October to allow time to test for issues without impacting on services.
- The timeframes for the introduction of the system. Members were advised that it was likely the system would take at least 18 months to deliver, though Officers suggested that it would be better to deliver the project properly rather than to rush to meet a specific deadline.
- The need for the Council to have a maintenance contract with the final supplier to ensure that the system was upgraded efficiently when necessary.
- The need for the Council to have a project manager throughout the process of delivery to ensure that it was delivered smoothly.
- The time that would need to be spent on data migration work prior to the introduction of the new system.
- The need to use the old system for legacy work whilst the new system was developed.
- The likelihood that whichever company was awarded the contract would use the cloud as part of the work on the system which would provide greater resilience than other systems used by the Council in the past.
- The costs to the Council of the new system. Members were advised that there were no borrowing costs. The Council was funding the project from capital receipts. In terms of the revenue costs these would be the same as existing costs unless Wyre Forest District Council joined the project in which case it would cost £80,000 more.
- The potential impact on staff workloads.
- The current enforcement approach to ensuring that appropriate information was provided when processing purchase orders.

- The work that was being undertaken to procure a separate system for Housing. Members questioned why a separate system was needed for housing and were advised that this was due to complexity with the rents system.
- The value of obtaining further information about the new housing system and progress that had been achieved with this.
- The life expectancy of the system. Members were advised that the expectation was that the system would be subject to multiple upgrades over time and could be used for many years.
- Members questioned what would happen if all the cables to the external server were destroyed. Members were informed that it was unlikely that this would occur.
- The visits that Officers had undertaken to other authorities using similar systems, including Aylesbury Vale District Council and Wolverhampton Metropolitan Borough Council.
- The need for Bromsgrove District Council to also approve the proposals in order to proceed.
- The technical solutions that would be in place to ensure that private data for one Council could not be accessed for another.
- The potential for comparative prices to be included in the report to enable Members to assess whether the costs of the system represented good value for money.
- The potential for other organisations in Redditch and Bromsgrove to access the system.
- The need for the Council to achieve best value for money.

RECOMMENDED that

there should be an all Member briefing on the subject of the new Finance System before Council makes a decision on this subject on 28th January 2019.

ACTION: the Deputy Chief Executive and other relevant lead officers to be invited to attend a future meeting of the group to discuss progress with the introduction of a new Housing ICT system.

The Meeting commenced at 2.05 pm
and closed at 3.57 pm