

Upgrade of E5 Financial System

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Purpose of the Report

The purpose of this report is to seek approval for the upgrade of the current financial system.

Forward Plan

This report appeared on the District Executive Forward Plan with an anticipated Committee date of November 2014.

Recommendations

Members are recommended to agree:

- a) that the E5 Financial System is implemented at a capital cost of £106,000, of which £96,000 to come from the ICT Replacement Fund and £10,000 from the already approved ICT Hardware Replacement Programme.
- b) that the revenue implication, of £5,000 is added to the Medium Term Financial Plan for 2015/16.

Background

SSDC brought the current corporate Financial Management System (E5) in house in 2008. Previously, the system was supported and hosted by Somerset County Council. As with most IT systems, it is necessary to carry out upgrades in order to keep up with user's needs, legislation, technological advances and to have the system provider's support for issues that may occur. The current version of E5 – version 5.2 in theory, is unsupported.

Upgraded Version

The new version comes with many benefits to the 210 users of the current version. Users will have a better experience as well as benefits of additional enhancements will which allow more efficient processes.

In addition to this, there are many technical advantages such as being able to run on a Windows Platform and corporate advantages such as the ability to output documents electronically. This will enable to the council to meet the expectations of the customers and suppliers. There are improvements that can be implemented to improve the Council's rate of recovery of debt.

It is recognised that the Financial Systems Team do not have the resources in terms of capacity in-house due to the downsizing over the past few years. Therefore it is intended to purchase Project Management in addition to the software. This will ensure that the implementation is successful and timely since ABS has the experience of upgrading from version 5.2 to 5.4. The ICT Hardware Replacement Programme will contribute towards the storage as part of their programme to replace hardware.

Financial Implications

A breakdown of the capital costs of this project are:

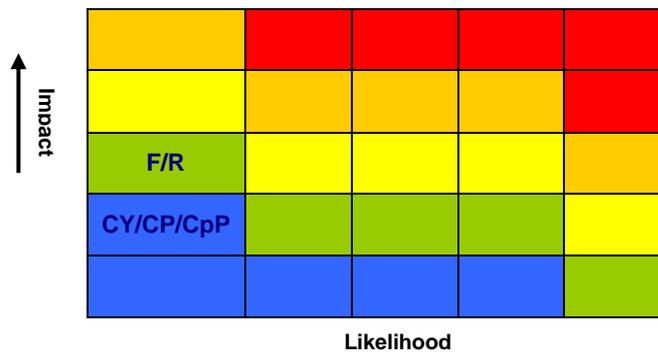
	£'000
Service Costs	66
Software Costs	30
Hardware Costs	10
Total Project Cost	106

The ICT Hardware Replacement Programme, approved by District Executive in February 2014, as part of the capital bids for 2014/15, will contribute £10,000 towards the storage as part of their programme to replace hardware.

The remaining £96,000 is being requested from the ICT Replacement Fund. The ICT Reserve currently stands at £337,000, should this allocation be approved, the remaining balance for other projects will be £241,000.

This project will have revenue implications of £5,130 due to the loss of interest (£2,880) and an additional £2,250 for annual maintenance. This will need to be added to the medium financial plan for 2015/16 onwards.

Risk Matrix



Categories	Colours <i>(for further detail please refer to Risk management strategy)</i>
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Corporate Priority Implications

The budget is closely linked to the Corporate Plan and growth bids are scored accordingly.

Carbon Emissions and Climate Change Implications

None

Equality and Diversity Implications

When the budget was set any growth or savings made included an assessment of the impact on equalities as part of that exercise.

Background Papers

Indicative Costs and services estimates – ABS October 2014