

REPORT TO: POLICY AND RESOURCES COMMITTEE – 20 FEBRUARY 2023

REPORT ON: FINANCIAL MANAGEMENT SOFTWARE

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 52-2023

1.0 PURPOSE OF REPORT

To consider future contract arrangements for the provision and licensing of Financial Management Software.

2.0 RECOMMENDATIONS

It is recommended that the Committee -

- Agree to the renewed purchase of Financial Management Software for a 5-year period.
- Remit the Head of Customer Services & IT to purchase Financial Management Software, licensing and support from Civica UK Limited following a compliant procurement process using the Crown Commercial Data and Applications Solutions (DAS) RM3821 Framework.

3.0 FINANCIAL IMPLICATIONS

- 3.1 The total projected cost of the completed tender, £550,000 for a 5-year contract will be met from existing Corporate Services Revenue budgets.
- 3.2 Staffing costs to support the deployment and use of the products to be met from existing Corporate Services staffing budgets.

4.0 BACKGROUND

- 4.1 This report supports the Council's IT Strategy which was approved at Policy and Resources Committee on 18 February 2019 (Report 81-2019). The Council's IT strategy sets out to deliver mobile and flexibly accessible services through low cost corporately deployed solutions.
- 4.2 Dundee City Council's financial management system is used to allow the Council to meet legislative requirements and to deliver many significant operational requirements including the preparation of final accounts, the ordering of equipment, payment of suppliers and the invoicing of Council debtors.
- 4.3 In the last financial year, the system was used by over 2000 users to manage and administer Council budgets totalling £812.575M, place 39,411 orders, process and pay 110,440 supplier invoices and issue and manage 65,569 Council debtor invoices. In addition to the management of Council finance the system manages the finance of several of the Council's partner organisations.
- 4.4 Modules requirements for the sound management of the Council's finances include
- General Ledger
 - Debtors Ledger
 - Creditors Ledger
 - Invoice Scanning

- Purchasing including supplier punchouts
- Assets
- Reporting
- Health Check
- Alerts

4.5 Civica UK Limited have, since 2007, provided the Councils financial management system, Civica Financials. In recent years this product has been renewed on an annual basis. Whilst consideration has been given to alternative solutions, satisfaction with the current system and the significant costs of change, far outweighing the value of the contract, has led the Council to pursue an interest in a multi-year contract with Civica UK Limited.

4.6 A multi-year contract will bring about a number of benefits for the Council, these include access to functional improvements, increased data security and financial benefits which will save on the equivalent cost of the annual renewal and protect the Council from the effects of inflation over the initial 5 years of the contract.

4.7 A new contract for the use and licensing of this software is required.

4.8 A procurement exercise has been carried out using Crown Commercial Data and Applications Solutions (DAS) RM3821 Framework.

The outcome of this procurement is the recommendation for the award of a multi-year contract for Financial Management Software to Civica UK Limited.

5.0 POLICY IMPLICATIONS

This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

6.0 CONSULTATIONS

The Council Leadership Team were consulted in the preparation of this report.

7.0 BACKGROUND PAPERS

None.

ROBERT EMMOTT
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

Date: 08 FEBRUARY 2023