

REPLACEMENT OF FINANCIAL MANAGEMENT SYSTEMS

EXECUTIVE MEMBER: Cllr Elaine Woodburn
LEAD OFFICER: Sue Borwick, Head of Finance and Business Development
REPORT AUTHOR: Steven Tickner, Accountant

Summary: This report outlines the proposals for replacing the Council's current Financial Management Systems

Recommendation:	Note: No action may be taken on an executive decision before xxxxxx. a) that the Executive approves the release of £250,000 from the Major Projects Fund to allow for the replacement of the Council's Financial Management System. The current balance on the Major Projects Fund is £1,052,247.
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Financial and human resource implications: A significant resource implication will be encountered in the delivery of a new financial management system. It is requested that the project cost of £250,000 be funded from the Major Projects Fund. There will also be a significant resource constraint in terms of staff time.

Impact on delivering None directly from this report.

Copeland 2020 objectives

Impact on other statutory objectives: Assist with compliance and S.151 issues for the production and maintenance of accurate financial records and information.

Project and risk management controls Current system obsolete and current licence will not be renewed.

There will be risks involved in implementing the system and delivering the project within the timescale set by the expiration of the current licence.

Key Decision Status:

- **Financial:** YES

- **Ward:** NO

Other Ward Implications:

1.0 INTRODUCTION

- 1.1 The licence for the current computerised Financial Management System (FMS) expires in March 2007. The supplier has indicated that they will not renew the licence due to the age of the system and the number of current users. The main purpose of the financial system is to comply with statutory requirements, to facilitate budgetary control and financial control of the Authority, and, to provide accurate, timely, financial information to allow decisions to be made by budget holders.
- 1.2 Due to the timescale for implementing a new system and given the fact that it would have to be in place for 1 April 2007, it is felt that the process needs to begin immediately.
- 1.3 A budget bid had been prepared for the 2006/07 budget and was presented to the first Budget Working Party, but since then, confirmation has been received from Northgate (the current suppliers of the financial management system) that they are not prepared to extend our current licence beyond March 2007.
- 1.4 This will be a significant project for the Council and in particular for the Accountancy section and will involve a considerable amount of resources to enable it to be implemented successfully in such a short timescale. The project will look at the best solution for the Council for providing a financial management system. This may include the purchase of a bespoke system, the purchase of an off-the-shelf system, a partnership arrangement with another authority or other solution that may present itself.
- 1.5 It is therefore requested that the funding for this project be made from the Major Projects Fund as a Budget bid for 2006/07 would not allow the project to start in time for a successful implementation programme. The amount requested from the Major Projects Fund is £250,000.
- 1.6 A detailed project plan will be completed in due course and suppliers will begin to be identified.

List of Background Documents:

List of Consultees:

Leader