

DECISION NO: PCCG-2015-020

OFFICE OF POLICE AND CRIME COMMISSIONER

LEAD CHIEF OFFICER: Nigel Stephens – Assistant Chief Officer
Resources

TITLE: Provision of an Enterprise Resource Planning System

DATE: 23rd March 2015

TIMING: Urgent

PURPOSE: Approval

1. RECOMMENDATION

1.1 It is recommended that the contract for the Provision of an Enterprise Resource Planning (ERP) system ERP be awarded to Supplier B, in accordance with paragraph 63(c) of the Manual of Governance.

1.2 The contract is awarded for two (2) years in accordance with the Crown Commercial Services (CCS) G-Cloud 6 framework terms and conditions.

2. INTRODUCTION & BACKGROUND

2.1 The Force requires a new ERP to replace its current legacy financial system Lawson which is no longer fit for purpose in the organisations changing environment. To support the changes the Commissioner approved the forces digital strategy on 25 November 2014.

2.2 The functionality of the system is limited and to improve processes and become more efficient and effective an ERP system is required.

2.3 The implementation of a new ERP system will allow for greater system integration thus removing manual processes which currently delay the production of financial management information. Improved reporting functionality will also allow access to financial information for a wider group of users within the Force. This will transform the way officers and staff access financial data.

The system will free up staff time within the Finance function to perform more value added activities such as strategic financial management.

2.4 The innovative use of catalogues will enable staff to procure goods and services quickly whilst maintaining appropriate internal control over expenditure. Use of an automated technology for the approval of supplier invoices will also speed up supplier payments and therefore improve supplier relationships. Use of common suppliers and catalogues will also improve the purchasing power of the Southern Wales Forces further releasing costs.



2.5 The current accounts receivable software is not integrated with the current general ledger and therefore a manual interface is required to update the general ledger. An integrated accounts payable module will enable a reduction in manual processes and allow staff to concentrate more on debt collection

	rather than data manipulation.																						
2.6	Research was undertaken to establish if there were any suitable frameworks or contracts available to utilise that would meet the forces requirements.																						
2.7	Research into Crown Commercial Services (CCS) Eastern Shires Purchasing Organisation (ESPO) and Yorkshire Purchasing Organisation (YPO) purchasing organisations, highlighted that the most appropriate route that met the forces requirements was CCS's G-Cloud 6 framework.																						
3.	<u>ISSUES FOR CONSIDERATION</u>																						
3.1	An evaluation was carried out in accordance with G-Clouds guidance and ERP was used as a search criterion to identify suitable suppliers of a system on the Digital Marketplace.																						
3.2	The initial search identified 137 suppliers. The purpose of formulating a long list is so that you can refine the broad range of services available and find the service which best fits an organisations high level requirements within the Digital Marketplace.																						
3.3	On the Digital Marketplace there are lists of filters which will help to refine searches. Through applying multiple filters, the long list reduces to a manageable short list of services, which can then be evaluated individually.																						
3.4	To shortlist the suppliers further the following criterion was used: Service Management On boarding e.g. moving onto the process Off boarding e.g. moving off the process The filter reduced the identified suppliers to 122.																						
3.5	To short list further the following criterion were used: Networks the service directly connects to: GSI, PNN, API access available and supported, open standards supported and documented. The filter reduced the identified suppliers to 5.																						
3.6	Shortlisting identified one supplier was listed twice, therefore the number of suppliers was reduced to four (4). A second supplier was removed from the process due to its limited offering. The remaining three (3) companies were evaluated based on their service definition, terms and Conditions and pricing documentation). The results are listed in the table below.																						
3.7	<table border="1"> <thead> <tr> <th></th> <th>Supplier A</th> <th>Supplier B</th> <th>Supplier C</th> </tr> </thead> <tbody> <tr> <td>Award Criteria</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Price</td> <td>40.00</td> <td>40.00</td> <td>40.00</td> </tr> <tr> <td>Response, terms and conditions, service definition</td> <td>48.00</td> <td>60.00</td> <td>48.00</td> </tr> <tr> <td>Total Score</td> <td>88.00</td> <td>100.00</td> <td>88.00</td> </tr> </tbody> </table>				Supplier A	Supplier B	Supplier C	Award Criteria				Price	40.00	40.00	40.00	Response, terms and conditions, service definition	48.00	60.00	48.00	Total Score	88.00	100.00	88.00
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4.	<u>NEXT STEPS</u>	
4.1	On approval of the report, Tenderer B will be awarded the framework and initiate their implementation plan for the service.	
5.	<u>FINANCIAL CONSIDERATIONS</u>	
5.1	Agresso Software Module Description	Costs
	Agresso ERP	£229,200
	E-Procurement	£18,000
	Management Information and Reporting	£27,000
	Data load and Interface Suite	£18,600
	Expenses Experience Pack	£18,000
	Absence Experience Pack	£18,000
	Total Perpetual GCloud 6 ERP & Modules Costs	£328,800
6.	<u>PERSONNEL CONSIDERATIONS</u>	
6.1	A project team would need to be established to implement the new system and discussions with the Joint Fusion Team have commenced.	
7.	<u>LEGAL IMPLICATIONS</u>	
7.1	This report has been submitted in line with the European Directives and the Manual of Governance and in accordance with the conditions of the G Cloud framework.	
8.	<u>EQUALITIES AND HUMAN RIGHTS CONSIDERATIONS</u>	
8.1	This project/proposal has been considered against the general duty to promote equality, as stipulated under the Single Equality Scheme and has been assessed not to discriminate against any particular group.	
8.2	In preparing this report, consideration has been given to requirements of the Articles contained in the European Convention on Human Rights and the Human Rights Act 1998.	
9.	<u>RISK</u>	
9.1	<p>The risks for the Commissioner if the contract is not approved and awarded are:</p> <ul style="list-style-type: none"> • Using out-dated technology restricts the Force's ability to respond to the changing demands of operational policing. • Collaborative opportunities will be restricted. • The force will not be able to support the National Police Procurement Hub to drive out further efficiencies. 	

10.	<u>PUBLIC INTEREST</u>
10.1	Following approval by the Commissioner, this report will be made available to the public.
11.	<u>CONTACT OFFICER</u>
11.1	Paula Corfield, Head of Procurement
12.	<u>ANNEXES</u>
12.1	N/A

For OPCC use only

Office of the Chief Constable	
I confirm that the Provision of Catering Services report has been discussed and approved at a formal Chief Officers' meeting. It is now forwarded to the OPCC for approval.	
Signature: 	
Date: 27th March 2015	
	Tick to confirm (if applicable)
Financial The Chief Finance Officer has been consulted on this proposal.	✓
OPCC (insert name) The Chief Executive has reviewed the request and is satisfied that it is correct and consistent with the PCC's plans and priorities.	✓
Legal The legal team have been consulted on this proposal.	N/A
Equalities The Equalities Officer has been consulted on this proposal.	N/A
Chief Executive/ Deputy Chief Executive: I have been consulted about the proposal and can confirm that financial, legal, equalities etc... advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate report to be submitted to the Police and Crime Commissioner for Gwent.	
Signature: 	
Date: 27th March 2015	
Police and Crime Commissioner for Gwent I confirm that I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. The above request has my approval.	
Signature: 	
Date: 27/03/15	