

**TO: EXECUTIVE MEMBER FOR TRANSFORMATION AND FINANCE
26TH MARCH 2014**

**HR/PAYROLL SYSTEM REPLACEMENT
Borough Treasurer**

1 PURPOSE OF REPORT

- 1.1 To approve the Council's procurement process for the HR/Payroll system replacement.

2 RECOMMENDATION(S)

- 2.1 That the Executive Member approves the Procurement Plan for the HR/Payroll System Replacement in the attached Confidential Appendix A.**

3 REASONS FOR RECOMMENDATION(S)

- 3.1 It is a requirement of Contract Standing Orders that the Executive Member approves Procurement Plans with a value in excess of £400,000.
- 3.1 The recommended procurement route allows the opportunity to compare externally hosted solutions with an ICT hosted in-house solution.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The alternatives to the recommended procurement route are evaluated in Section 3 (Value for Money) of the Procurement Plan attached at Confidential Appendix A.

5 SUPPORTING INFORMATION

- 5.1 A replacement HR & Payroll system is needed to ensure the Council's business processes are as efficient as possible. This will allow the introduction of a more modern and streamlined system which will reduce inefficient and costly manual interventions and incorporate innovations such as employee self service and electronic payslips. In essence the current set up is inefficient in execution so removing the inefficiencies inherent in the old system, through a combination of process improvement and compatible software will provide a beneficial and cost effective solution for the Council.

The project will comprise two distinct phases. The first will be to replace the core HR and Payroll system before the current contract expires in August 2015. The second phase will consider wider system modules e.g. training, appraisals, leave and flexi time where there are demonstrable business benefits.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The need to procure the required services in accordance with the Public Contracts Regulations is identified within the procurement plan.

Borough Treasurer

- 6.2 The Council's capital programme has made provision for the implementation, licence and backfill costs associated with this procurement. There is an expectation that ongoing revenue savings can be achieved following implementation as a consequence of lower maintenance costs and other efficiencies.

Equalities Impact Assessment

- 6.3 An Equalities Impact Assessment has been completed and will be published on the public website once the tender documents have been published on OJEU and SEBP (7th April 2014)

Strategic Risk Management Issues

- 6.4 A risk register has been drafted and will be updated throughout the life of the project. Price stability over the maximum contract term is a risk that will be considered within the contract terms and conditions

Head of Procurement

- 6.5 Corporate Procurement is represented on the Project Team and this will ensure a good balance is drawn between strict compliance with the Public Contracts Regulations process and ensuring good value for money is achieved

7 CONSULTATION

Principal Groups Consulted

- 7.1 HR/Payroll Project Board, HR/Payroll Project Team, Service Efficiency Group, Legal, Finance, Procurement and ICT.

Method of Consultation

- 7.2 Draft revision 1 sent to Project Team/Management for comments, January 2014

Draft revision 2 (incorporating revision 1 comments) sent to Finance/Procurement/Legal for comments, January 2014

Draft revision 3 (incorporating revision 2 comments) sent to Service Efficiency Group for comments, January 2014

Representations Received

- 7.3 Incorporated into procurement plan

Unrestricted

Background Papers

Procurement plan

Contact for further information

Karen Willmott, Corporate Services, 01344 352784
Karen.willmott@bracknell-forest.gov.uk