

Record of operational decision

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| Decision title: | Unit 4 (Business World) Variation of contract |
| Date of decision: | 18 January 2022 |
| Decision maker: | Assistant Director Corporate Support |
| Authority for delegated decision: | Herefordshire Council's Constitution (19 May 2017) Scheme of Delegation, Part 3: Section 7 – Officer Functions: 3.7.5 Operational decisions. Chief Executive Scheme of Delegation to Officers (updated 7 June 2021), point 75 ICT Commissioning and Strategy to Assistant Director Corporate Support. |
| Ward: | Countywide |
| Consultation: | N/A |
| Decision made: | Agree variation of Unit 4 (Business World) contract to add modules for Invoice, Scanning and matching software for a term of 5 years, at a total cost of this new addition is £144,250 (over 5 years). |
| Reasons for decision: | <p>The Payments team currently use a specific piece of software known as 'V1' for all of their scanning and matching needs and uploading of invoices so as to allow the Council to pay suppliers.</p> <p>The V1 software has been in situ for a few years and while it does the job at a basic level, efficiencies and cost savings will be achieved if the Unit 4 (Business World) Proactis finance module was used as a replacement to V1.</p> <p>The cost of the new Proactis software is £8,174.80 per annum more expensive than V1. However, due to the cost savings Hoople/the payments team will achieve in using the new system, Hoople will pay the implementation cost and pay for the additional cost of this new software. The Council will only pay the same annual sum they are currently paying for the V1 software. These costs will be written into the SLA between the Council and Hoople and are broken down as follows:</p> <ol style="list-style-type: none"> 1) The Council will continue to pay £16,775.20 per annum 2) Hoople will pay the implementation cost of £19,500 plus £8,174.80 per annum <p>A procurement process is not required due to the cost of this finance module complying with the Councils Contract Procurement Rules in varying a contract and the cost of the module being less than 50% of the original total contract value.</p> <p>This RoOD is to document and acquire the authorisation needed to purchase and implement this new finance module/solution.</p> |
| Highlight any associated risks/ | If the new Proactis system is not purchased this would result in the Council having to continue using the V1 software for a further 12 months |

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| finance/legal/equality considerations: | <p>due to the contract termination conditions of the agreement. This will result in efficiencies and cost savings not being achieved and increased pressures put on staff as a result of dealing with Covid.</p> <p>This would have an adverse effect on performance and supplier cash flow potentially impacting on business reputation.</p> |
| Details of any alternative options considered and rejected: | <p>Do nothing – This is not recommended as this will result in increased pressure on staff and efficiencies and cost savings not being achieved through the existing V1 contract.</p> |
| Details of any declarations of interest made: | <p>None</p> |

Signed..... Date: 18 January 2022