

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 30 NOVEMBER 2010

Title:

HR/PAYROLL SYSTEM

**[Portfolio Holder: Cllrs Mike Band and Stephen O'Grady]
[Wards Affected: All]**

Note pursuant to Section 100B(5) of the Local Government Act 1972

An annexe to this report contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in Paragraph 3 of the revised Part of Schedule 12A to the Local Government Act 1972, namely:

Information relating to the financial or business affairs of any particular person, including the authority holding that information.

Summary and purpose:

This report outlines the process for replacing and improving the Council's HR/Payroll system. Members are asked to agree to the proposal and approve a budget virement to meet to one-off purchase and implementation costs.

How this report relates to the Council's Corporate Priorities:

The HR/Payroll system supports the effective management of one of Waverley's key resources, its staff, and therefore relates to all of Waverley's corporate priorities.

Equality and Diversity Implications:

Having good quality HR information and reporting supports the delivery of Waverley's equality and diversity objectives. Workforce planning is a key strand to the Equality Strategy.

Climate Change implications:

This report does not have any direct climate change implications.

Resource / Value for Money implications:

A proposal has been developed with one of the leading suppliers of HR/Payroll systems, in partnership with Tandridge Borough Council. The financial details are included in the (Exempt) Annexe to this report. This report explains why this supplier and the proposed procurement and implementation approach provides good value for money for Waverley. The figures show that the ongoing additional revenue cost of the new system will be able to be contained within the existing revenue budget for

the current system following a review of software and support costs. There is a one-off capital cost associated with the acquisition and implementation of the new system. It is proposed to vire the funding from another IT capital budget head within the approved capital programme for 2010/11.

Legal Implications:

There are no direct legal implications.

Introduction

1. The current HR/Payroll system is made up of two separate applications provided by the same supplier. The systems are not integrated and are not capable of meeting Waverley's information and reporting needs in the future. The (Exempt) Annexe gives further details in support of replacing the current systems.
2. Over the past year several options have been considered including a Surrey managed payroll and an Oracle solution with Woking. These have all proved to be either too expensive or not meeting requirements. A proposal has now emerged that will enable Waverley to work in partnership with Tandridge Borough Council to implement a new integrated system that is used by many local authorities, including a number in Surrey.
3. The current proposal from Midland HR is to provide a solution that expands Tandridge District Council's use of the Midland HR solution to other Surrey Districts and Boroughs. Tandridge currently host Midland HR for Epsom and Ewell and Mole Valley. Waverley will be set up as another "Company" in the Tandridge system and Waverley staff will use the system remotely over the "ESIP" network.
4. This proposal will put Waverley on a significantly better footing for developing its HR and payroll information in the future. This partnership approach also enables Waverley to secure a very competitive price.

Contract Procedure Rules

5. The estimated level of expenditure required would normally need the Council to obtain three quotes for the system. In order to benefit from the reduced partnership-based prices and from the sharing of hardware and IT support proposed, the Executive is requested to agree to the procurement of the Midland HR system under CPR. The Executive is recommended:

Recommendation

The Executive is recommended

1. to agree to the purchase of the Midland HR/payroll system on a partnership basis with Tandridge Borough Council;
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2. to agree a waiver under Contract Procedural Rule 3.1 to procure the Midland system without seeking alternative quotations in order to secure the financial and operational advantages that this proposal delivers; and
3. to agree to vire the capital budget for the one-off costs of supply and implementation, as set out in the exempt annexe from the data centre air conditioning capital budget in 2010/11.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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