

**POLICE AND CRIME COMMISSIONER (PCC) FOR LINCOLNSHIRE  
REQUEST FOR DECISION**

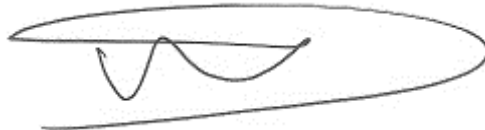
REF: 05-2024

DATE: 6 March 2024

<b>SUBJECT</b>		<b>ERP System Procurement Approval</b>
REPORT BY	ERP+ Project Manager	
CONTACT OFFICER	Julia Debenham, Deputy Chief Constable	
<b>EXECUTIVE SUMMARY AND PURPOSE OF REPORT</b>		
The purpose of this report is to: <ul style="list-style-type: none"><li>Gain approval to award contract to chosen supplier for the ERP system as stated in the attached business case</li></ul>		
<b>RECOMMENDATION</b>	<i>That the proposal to award the contract for a replacement ERP system to the chosen supplier is approved.</i>	

**POLICE AND CRIME COMMISSIONER FOR LINCOLNSHIRE**

I hereby approve the recommendation above, having considered the content of this report.



**Signature:**

**Date: 6 March 2024**

**A. NON-CONFIDENTIAL FACTS AND ADVICE TO THE PCC**

**A1. INTRODUCTION AND BACKGROUND**

Following the expiry of the Strategic Partnership contract with G4S, the contract for tPolice, the current ERP system, was novated to the PCC/Lincolnshire Police and is due to end on 31st March 2025. Due to the current version of the software, there is no premier or extended support available, and the Force has had to procure Market Driven Support to ensure that they can continue to use the system. This is due to end on 31st December 2024.

A project commenced to look at the replacement or upgrade of the current system which supports crucial back-office functions including Finance, HR and Procurement. The Force onboarded specialist/expert knowledge via consultants, to support Phase 1 of the project. Phase 2 procurement was approved to move forward, following an outline business case submission. A full business case has been produced which advises on the recommendations of the project for the system options for which we will award the contract for the new ERP to the chosen supplier following an open tender procurement with evaluation of requirements and method statements and subsequent moderation with strategic overview. A compliant

procurement process was undertaken and supports recommendation of the chosen supplier for the new ERP solution.

It is proposed that the supplier as recommended in the full business case is awarded the contract.

## **A2. LINKS TO POLICE AND CRIME PLAN AND PCC'S STRATEGIES/PRIORITIES**

The solution directly links to the Force's strategy 'Making Lincolnshire Safe' and the Capability Delivery Plan which states we will "Introduce a New ERP System" by providing a stable, efficient, and fully supported system for the Force. The solution also links to the PCC's Police and Crime Plan principle of "Policing that Works" and "Enabling Business Delivery" objectives by investing in technology to provide better information to help manage challenges and demonstrate accountability for necessary expenditure against available funding. With the ability to manage financial and HR data well, support functions will be better placed to support operational frontline service. This will enable continued joint processes between all integrated systems for HR, Finance, Procurement and Learning and Development.

## **B. FINANCIAL CONSIDERATIONS**

Full details of the funding requirements and budgetary provision are included within the Business Case attached within Part 2 of this report.

Implementation of the proposed award of contract to the chosen supplier for the ERP system offers an excellent strategic fit to the Force and OPCC going forward via alignment with the Digital & Data Strategy and providing improved reporting capability in a time-efficient manner to deliver improved performance management in support of service delivery and best use of financial and workforce resources. The current system is not fit for purpose or adequately supported which means immediate replacement is necessary.

The new ERP solution will be based on a cloud computing hosted arrangement (Software as a Service) which means that neither implementation nor running costs are suitable for capitalisation and therefore cannot be supported by external borrowing. Government accounting rules prohibit us from seeking external borrowing to ease the spread of cost over the full term of this contract.

The proposed solution including all external cost estimates and in-house resource requirements represents an estimated additional cost of £2.2m over the full 9 year contract period. This represents good value for money, given the significant improvements in technological capability, flexibility and resilience offered by this solution. However, due to the extensive implementation requirements at the start of the contract, there will be additional cost pressures of approximately £3.5m in the first year and £1.0m in the second year of the contract.

These additional cost pressures can't be met from within existing budgets either and therefore the only option to fund this programme of work from within existing Lincolnshire Police resources would be via draw down from accumulated reserves. We recommend that accumulated reserves are used to fund this project in the first instance.

Depletion of reserves is permanent and does therefore impact on future resilience of Lincolnshire Police to meet upcoming challenges and it is recommended that a request for

Special Grant from the Government is explored to re-imburse this funding pressure on reserves, given that we are unable to borrow against this system.

### **C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS**

*[This should include the legal powers the PCC has for making the decision]*

The Police Reform and Social Responsibility Act 2011 (“the Act”) makes provision for the governance and administration of police forces. The Act charges the Police and Crime Commissioner for Lincolnshire with securing the maintenance, efficiency, and effectiveness of Lincolnshire Police.

The Scheme of Arrangements and Financial Regulations require changes to the Revenue Budget to be approved by the PCC having consulted with the PCC’s CFO.

### **D. PERSONNEL AND EQUALITIES ISSUES**

*[This should include a copy of the Equality Impact Assessment, if required]*

The Equality Impact Assessment (EIA) has been reviewed as part of the business case, with input from the external consultants and the Force Enterprise Architect and has been appended to the business case. The EIA will be reviewed throughout the project to ensure that any concerns are actioned appropriately. Those already raised have been included in requirements for a new system.

### **E. REVIEW ARRANGEMENTS**

This will be managed in accordance with existing Force policies and procedures and will be monitored as part of the ongoing project.

### **F. RISK MANAGEMENT**

All risks are being managed in accordance with existing Force policies and procedures and monitored as part of the ongoing project Risks. The Force has a formal risk on its register for this project.

### **G. PUBLIC ACCESS TO INFORMATION**

Information in this form along with any supporting material is subject to the Freedom of Information Act 2000 and other legislation. Part 1 of this form will be made available on the PCC’s website within one working day of approval. However, if release by that date would compromise the implementation of the decision being approved, publication may be deferred. An explanation for any deferment must be provided below, together with a date for publication.

**Is the publication of this form to be deferred?** No

**If Yes, for what reason:**

**Until what date:**

Any facts/advice/recommendations that should not be made automatically available on request should not be included in Part 1 but instead on the separate part 2 form.

**Is there a part 2 form?** Yes

**If Yes, for what reason:** supplier costings and information as part of tender submission is commercially sensitive

## DECLARATIONS

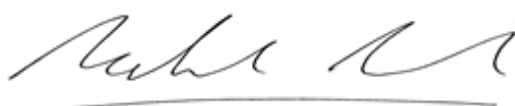
	Initial to confirm
Originating Officer: DCC Julia Debenham recommends this proposal for the reasons outlined above	JD
The CC's Director of Finance & Corporate Services (S151) has been consulted on this proposal	SC
The A/Chief Constable has been consulted on this proposal	JD
The PCC's Chief Finance Officer has been consulted on this proposal	JF
The PCC's Monitoring Officer has been consulted on this proposal	MB

## OFFICER APPROVAL

### **Chief Executive**

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. Consultation outlined above has also taken place. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner for Lincolnshire.

**Signature:**



**Date: 6 March 2024**