

# Capital Programme Application Form



<b>Corporate Priority</b>	Our Services - to provide digital choice, to provide quality services, to provide responsive services
<b>Proposed Scheme</b>	<b>Upgrade of our Financial Management System</b>
<b>Outline of Proposal, including timescales</b>	The eFinancials system (provided by Advanced) is an integral part of how the council functions. Without it we would be unable to raise invoices to our customers, pay our suppliers, allocate the income we have received, exercise budgetary control, plan future expenditure or produce final accounts for inspection by our external auditors. The version of the software used by TWBC has been in place since 2018 and a new version of the software is being released in 2021. This new release contains enhancements, especially in the area of Debtor recurring billing, raising and approving orders to invoices, general ledger & reporting and updated underlying software. Once the new version is released the existing version used by TWBC will no longer be supported by the software providers and so any faults or errors will not be rectified. The proposal is to upgrade the eFinancials suite of software in the summer/autumn of 2021.
<b>Sources of funding</b>	Capital & Revenue Initiatives Reserve
<b>Objectives</b>	Upgrade of the eFinancials suite of products
<b>Benefits</b>	<ol style="list-style-type: none"> <li>1. Being able to continue to operate a key finance system with the surety that any faults or errors will be rectified,</li> <li>2. Improvements to the process for raising orders.</li> </ol>
<b>How will the proposal contribute towards:</b>  <b>Corporate Priority?</b>  <b>Local Area Agreement?</b>  <b>Asset Management</b>	This will enable the council to continue to deliver its services.

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<b>Plan?</b>  <b>Other plans and strategies (please specify)?</b>	
<b>Constraints</b> <b>(e.g. time, reliance on external funding, legal or technical factors)</b>	Our version of eFinancials is now at risk of being de-supported at any time unless we place an order or make separate arrangements for legacy system support.
<b>Is this scheme already in the Capital Programme?</b> <b>(If so, has the work started or has the contract been let?)</b>	No
<b>Does this scheme create new assets, which the Council will need to replace in due course? If so, please give the asset life expectancies.</b>	No
<b>Have Accountancy agreed that the proposed</b>	Yes

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<b>expenditure should correctly be treated as capital?</b>	
<b>Implications of proposal being rejected</b>	<ol style="list-style-type: none"> <li>1. Increased risk of an unresolvable catastrophic failure of the eFinancials software resulting in us being unable to carry out finance functions.</li> <li>2. Other pieces of software such as Java will eventually advance to the point that eFinancials will be unusable.</li> <li>3. Continuation of a duplication of work and non-automated financial processing within the council.</li> </ol>
<b>Implications of proposal being delayed</b>	<ol style="list-style-type: none"> <li>1. An increase in the risk of an unresolvable catastrophic failure of the eFinancials software resulting in us being unable to carry out finance functions.</li> <li>2. Continuation of a duplication of work within the council.</li> </ol>
<b>Alternative solutions (If capital funding not available)</b>	Carry on using existing eFinancials software under legacy support arrangements at a cost of £25k until there is an unresolvable catastrophic failure then pay for an emergency upgrade.
<b>Risks (outline risks and action required to meet them)</b>	This is a continuation of our existing FMS software capabilities, therefore any likelihood of there being any operational issues or need for training are low. These will though be discovered by extensive testing before going live with the new software. The new improvements may unexpectedly require us to change our current operating procedures. These will also be discovered during testing and changes to procedures made in good time.
<b>How does this proposal impact on equalities?</b>	The current software is flexible enough for use for a mild visual impairment. This will continue in the updated versions.
<b>Are there any VAT implications?</b>	No

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Capital Costs				
Expenditure	2021/22	2022/23	2023/24	2024/25
Site Acquisition				
Construction				
Structural Maintenance				
Fees				
Vehicles, Plant, Furniture and Equipment				
Grants and Contributions				
Other expenditure	£47,000			
Total	£47,000			
Less external grants and contributions				
Less sales of related fixed assets				
<b>Net cost to Tunbridge Wells Borough Council</b>	<b>£47,000</b>			

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Revenue Effects of Capital Expenditure				
Expenditure / Income	2021/22	2022/23	2023/24	2024/25
Loss of Interest (3% of net cost)	£1,410			
Additional revenue costs (please specify)				
Reduced revenue costs (please specify)				
Additional income (please specify)				
<b>Net cost to Tunbridge Wells Borough Council</b>	<b>£1,410</b>			

<b>Net Present Value</b> (Please speak with Finance if you are unsure what this is)	
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**Date the scheme discussed by the Head of Service with the relevant Portfolio Holder:**

**Supply email endorsing their support for the approval of funding by Cabinet.**

**Work must not commence without budgetary approval from Cabinet (or s151 in an emergency)**