

OFFICER DECISION RECORD SHEET

Name of decision maker: Strategic Director – People & Transformation

Service Area: Finance & Digital, Data and Technology Services

Title of Decision: Approval to direct award a three-year SaaS contract to Unit4

Decision made and reasons:

Decision: Considering the high-risk implications of being unsupported by Unit4 for a significant period whilst we move to an alternative cloud solution, a decision has been made to move to Unit4 full SaaS by December 2026. This requires the council to sign up to a three-year contract by 31 December 2024.

Reason:

The council has been using Unit4 as its Finance system since 2004. Last year Unit4 publicly announced that they were moving all customers to their SaaS (Cloud) solution. Any on-premise solutions would no longer be supported.

The current contract ends in March 2025. Dacorum Council has customised Unit4 to provide a bespoke solution that works well for us. To maintain current operations and have the space to simplify our processes the council must sign a three-year contract with Unit4 or risk being unsupported. This agreed approach will give the council two years to simplify its current operations before moving to full SaaS by December 2026 at which point a wider review of the marketplace will be completed.

Commissioning process:

Make a direct award for a three-year SaaS contract with Unit4.

Tender process:

Make a direct award as above.

Commercial Board:

Approval to extend this contract was given by Commercial Board on 26 September 2024.

Reports considered:

The Commercial Board report is attached.

Officers/Councillors/Ward Councillors/Stakeholders Consulted:

Finance & Digital project team
Services affected

Financial Comments:

The revised anticipated costs are £108k in year one, two & three.

The original 24/25 revenue budget for Unit 4 was £43k. A growth bid of £40k was approved based upon the original year one costing of £83k. This total budget figure of

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£83k will now be insufficient in year 01 and will incur a cost pressure on the 25/26 budget of £25k. This will be covered by a drawdown from the technology reserve for year one. A future baseline growth bid of £25k should be added to the current 26/27 service plan to account for years two & three.

The one-off implementation costs are revenue in nature and total £125k. A request to fund these through draw down from the Council's technology reserve has been agreed.

Darren Flanagan, Accountant for People & Place.

Monitoring Officer Comments:

No comments to add to the report

Deputy S151 Officers Comments:

It is proposed that the costs associated with the contract increase will be covered from a drawdown from reserves for year 1 and be included as part of the final budget approval and the remaining years be covered as part of the MTFS planning.

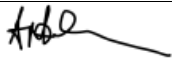
Implications

Value for Money: The move to SaaS will provide an opportunity to redesign our processes to get best value from the technology.

Financial: We are proposing that we extend with Unit4 for a further 3 years. There is an increased cost which will be covered within existing budgets

Risk: If this contract is not extended our core Finance systems will be unsupported from 31 December 2024

Officer Signature:



Aidan Wilkie, Service Director People and Transformation

Date: 18/12/2024