

Report of the Interim Deputy Chief Executive

INTELLIGENT SCANNING – FINANCIAL EXEMPTION1. Purpose of report

To seek approval for an exemption from Section 5.3 of the Council's Financial Regulations (contracts) to allow the purchase of the intelligent scanning module offered by Civica without the requirement to obtain at least three quotations.

2. Background

Civica currently provide the financial management software that underpins the Council's general ledger, creditor, debtor and purchasing functions. They also provide an intelligent scanning module that offers the potential to significantly reduce the administrative burden of processing creditor invoices. The module allows an invoice to be scanned (or a digital copy placed on the Council's server) and the visual data is then converted into the appropriate entries in the creditors system. This is then reviewed by the user with any changes entered using an interface identical to that used to enter the invoice manually.

Intelligent scanning offers a number of benefits as well as the reduced administrative burden including reduced paper and printing costs, improved accuracy of data, timely payments to suppliers and providing a platform for greater integration utilising available technology. It has already been successfully implemented in a number of other local authorities who are benefitting from the functionality that it provides. The costs associated with the acquisition of intelligent scanning are set out in financial implications below. Section 5.3 of the Council's Financial Regulations (contracts) requires that at least three quotations should be obtained for goods, materials or services with a contract value between £25,000 and £60,000.

Whilst there are other providers of intelligent scanning in addition to Civica, the use of one of these alternative suppliers would necessitate changing the provider of the entire creditors software and require major changes to existing procedures. This is not considered to be an effective use of resources in the present circumstances and an exemption from the requirement to obtain at least three quotations is requested.

3. Financial implications

Civica have quoted a one-off cost of between £35,720 and £40,220 for the purchase of the intelligent scanning software (dependant on invoice volumes) with on-going revenue costs between £4,238 and £5,408. The one off cost of the purchase would be met from the £40,000 included in the 2018/19 capital programme for E-Facilities Initiatives. The on-going revenue cost would be met from the ICT software maintenance budget.

Recommendation

The Committee is asked to RESOLVE that an exemption from Section 5.3 of the Council's Financial Regulations (contracts) to allow the purchase of the intelligent scanning module from Civica without the requirement to obtain at least three quotations be approved.

Background papers: Nil