Audit and Governance Committee	Reading Borough Council — Working better with you
23 January 2024	

Title	**Implementation of New Finance System update**
Purpose of the report	To note the report for information
Report status	Public report
Report author	Darren Carter, Director of Finance
Lead Councillor	Councillor Terry, Deputy Leader of the Council & Lead Councillor for Corporate Services and Resources
Corporate priority	Not applicable, but still requires a decision
Recommendations	1. That the Committee notes the successful implementation of the e5 finance system at the start of December 2023 and the arrangements in place for end user support, training and ongoing solution improvement.

1. Executive Summary

1.1. This report updates the Committee on the implementation of the new finance system, e5, which went live at the start of December 2023. The project is now in a hyper care period through to February 2024 during which the Council's finance team is being supported by specialist resources to help resolve support requests, deliver refresher training to end users, and to complete system management knowledge transfer.

1.2. The project Steering Group is meeting on a weekly basis to assess early post go live progress and advise on actions with representation from across the Council. This report summarises the key activities to be completed in the next period to support users and deliver further improvements to the e5 solution.

2. e5 Go Live and Support Arrangements

2.1. Since the last Committee meeting, the Oracle Fusion finance system was closed to users at the end of November and the replacement e5 solution went live in early December to deliver a financial system for both RBC and BFfC. Since go live, over 400 users have accessed the e5 system to raise purchase orders, process invoices, pay suppliers, collect income and perform a variety of financial transactions including the successful processing of interfaces.

2.2. On the whole the implementation has been a success. As with any significant system change there is a period of adjustment required as users get used to operating new process, and there are a number of ongoing work items where improvements were planned to be implemented post go-live.

2.3. Access to the Council's previous finance system Oracle Fusion will still be retained for a very small number of users to facilitate access to historical or closed information – this

mainly relates to accessing debtor's transactions and financial case history, and to support external or internal audit scrutiny and preparation of working papers and financial extracts to support the production of the annual statement of accounts.

2.4. The Council has regular meetings with Advanced, the e5 system provider, where any support issues can be escalated where required.

2.5. Arrangements for end user support and ongoing training were established prior to go live and have been delivered as per the agreed plan.

2.6. The Council's Finance Systems Team are performing day to day management of the e5 solution with the support of project team specialists who will remain in place during January with a reduced presence in February as knowledge transfer is completed to internal resources.

2.7. The Project Steering Group continue to meet on a weekly basis chaired by the Director of Finance and attended by finance and procurement workstream leads and IT representatives. The Steering Group review progress since go live on user adoption, on issue resolution, end to end process performance against the agreed design and will make decisions on priority improvements.

2.8. Although ultimately the benefits of the new finance system will take time to be fully realised once the Hypercare period is over, a new purchasing scheme of delegation and refreshed general ledger reporting structure has been implemented and a new budget forecasting tool, Collaborative Planning, has been configured and rolled out to finance staff to increase their familiarity.

2.9. Looking forward, a planned roll out of Collaborative Planning to budget holders will take place in the coming months which will enable direct budget holder access to financial information and improve how finances are managed.

2.10. A roadmap of potential post go-live improvements to the e5 solution has been prepared and will be subject to further review and update in the post go-live period including cost benefit analysis. The initial focus will be on supporting users and bedding-in the support arrangements as well as the development of additional reporting capabilities.

3. Contribution to Strategic Aims

3.1 The e5 system will support the Council's vision for financial management and governance, enabling the adoption of best practice and empowering finance staff and budget managers to improve performance and outcomes.

3.2 The key changes in ways of working and improvements in functionality that the e5 system will provide include:

- budget holder self-service with budget holders having direct access to the financial information they need whenever they need it.
- simplified chart of accounts to aid financial reporting.
- a portal for raising purchase orders.
- improved information on our purchases
- a simple way to receipt the delivery of goods and services.
- a new process for creating suppliers and customers.
- improvements to our debt management process.

4. Environmental and Climate Implications

4.1. None arising.

5. Community Engagement

5.1.	Not applicable.

## 6.	Equality Implications

6.1.	Not applicable.

## 7.	Other Relevant Considerations

7.1.	There are none.

## 8.	Legal Implications

8.1.	There are none.

## 9.	Financial Implications

9.1.	Implementation costs have be met from a combination of the approved capital budget of £600,000 and associated revenue budgets.

## 10.	Timetable for Implementation

10.1.	As set out in the body of the report.

## 11.	Background Papers

11.1.	There are none.