

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Deputy Leader
2.	Date:	17th March 2014
3.	Title:	Renewal of CIPFA Assetmanager.NET Licence and System Maintenance and Support Agreement – Application for exemption from standing orders
4.	Directorate:	Resources

5. Summary

The purpose of this report is to seek Member approval to invoke Standing Order 38, which permits exemption from normal contract standing orders. This is to allow CIPFA Business Ltd. to provide a three year licence plus annual support and maintenance for the CIPFA Assetmanager.NET system.

6. Recommendations

It is recommended that:

- (i) **The licence and contract for the annual support and maintenance of the CIPFA Assetmanager.NET be exempt from the provisions of standing order 47.6.3, the requirement to invite at least 3 written quotations for contracts with a value of £20,000 but less than £50,000**

7. Proposals and Details

- The CIPFA Assetmanager.NET system holds details of the Council's assets, including all land and property assets. The system is used to produce detailed financial information, including year-end accounting entries. It also acts as the authority's core property database, storing essential health and safety information, such as asbestos, building condition and maintenance records, as well as providing a link to floor plans, insurance valuations, maps, surveys and lease details.
- The current licence agreement has now come to an end and a new 3 year licence has been offered by CIPFA Business Ltd, at a cost of £10,600 per annum, together with a software support and maintenance agreement, at a cost of £2,650 per annum.
- CIPFA Assetmanager.NET system has been used by the Council since 2008 to control all financial aspects of the Council's assets and capital spend. It is certified by CIPFA Business Ltd as being compliant with International Financial Reporting Standards and with the CIPFA Code of Practice on Local Authority Accounting. As such it is used to produce year-end capital accounting entries and is an essential tool for the production of the Council's annual Statement of Accounts. As the system is designed and maintained by CIPFA we can operate it with a degree of confidence in its output that we couldn't have with other, generally available, asset registers.
- Following the initial introduction by Finance the system has also been adopted by Asset Management as the authority's core Corporate Asset Management System, giving an efficient, central point of access for officers to numerous items of important property information. This element of the system is used throughout the authority by a wide range of teams, with almost 200 users across the directorates. It has now also been rolled out to the authority's schools, with great success.
- CIPFA's Assetmanager.NET system is used by 85 local authorities including Wakefield District Council and Hull City Council and enables the production of reports for financial and asset management purposes.
- The contractor concerned is the only supplier able to provide quotes, due to the long lead in time that would be required to move to an alternative supplier, which would take the Council beyond the statutory deadline for the closure of accounts, and due to the fact that only the system supplier can provide annual support and maintenance for their system.

8. Risks and Uncertainties

Failure to renew licence and annual support and maintenance contract will result in access to the CIPFA Assetmanager.NET system being withdrawn by the supplier leaving us unable to close down the Authorities accounts and produce the necessary information for the production of the Statement of Accounts. This will have financial and performance management implications leading to financial and reputational risk. Also, without access to

the Council would run the risk of non-compliance with health and safety legislation relating to buildings.

9. Policy and Performance Agenda Implications

Policy and performance issues are discussed in section 7 of this report.

10. Background Papers and Consultation

Consultation has taken place with colleagues in Legal, Finance and Asset Management, and all have confirmed agreement with the proposals.

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