

Civica drives £50,000 savings for Newcastle-under-Lyme Borough Council

Greater functionality and improved workflow at a lower cost with Civica Financials



When Newcastle-under-Lyme Borough Council discovered that the accounting and administration software it had used for 10 years would no longer be developed or supported by the original vendor, the search began for an alternative solution. The existing system had performed adequately, but the council wanted to find a replacement that combined improved functionality with lower cost, both in terms of annual outlay and demands on staff time.

So while the switch was forced on the council, it was also a welcome opportunity to upgrade, to review working practices and hopefully to make meaningful financial savings.

Change of software system was an opportunity to reboot and upgrade

The existing system was very resource intensive. In a time of shrinking budgets, there was particular pressure to find a cost-effective alternative since the administration and accounting system was one of the largest items of software expenditure.

And because the previous system had been in place for a long time, workflow had become inefficient, with excessive reliance on paper processes. Reporting was also problematic. Kelvin Turner, Executive Director (Resources and Support Services), Newcastle-under-Lyme Borough Council, estimates that around 140 reports were being produced regularly, but very few of them were actually being used. It was also difficult for senior managers to drill down into the spreadsheet numbers if they had queries on specific items.

“The annual saving with Civica Financials compared to what we were paying our previous supplier is in the region of £50,000. There have also been savings elsewhere as it’s a much more efficient system and we have cut costs, for example, by eliminating many paper processes.”

**Kelvin Turner, Executive Director
(Resources and Support Services)**
Newcastle-under-Lyme
Borough Council

A superior system with significant financial and resource savings

So the council initiated a tender process that considered both quality and cost. They chose to go with Civica Financials, an integrated software suite for core accounting and administration processes designed specifically for the public sector. The system went live initially with the General Ledger, Purchasing, Creditor and Reporting modules.

As Kelvin says: **“From a quality perspective Civica was better, but at the end of the day it was the cost that swung it in their direction.”** And the financial benefit was significant. Kelvin estimates that the annual savings on software and customer support & maintenance, are about £50,000.

The adoption of Civica Financials also helped with a business process re-engineering (BPR) exercise that has generated significant additional savings. Kelvin says: **“The introduction of the system has helped us in terms of staffing levels. A freeze on vacant posts and promoting flexible early retirement**

Ongoing cost savings help the council to operate within a tighter budget

- ▶ £50,000 in annual software cost savings
- ▶ Increased efficiency contributed to reduced staffing requirements
- ▶ Improved workflow with a significant reduction in paper-based processes
- ▶ Greater self-service element allows managers to drill down into the numbers
- ▶ Improved the quality of information available to senior directors

mean that we have taken 20% of the resources out of the finance team alone. The Civica system has certainly helped in allowing the same functions to be carried out by fewer employees."

Functionality has also improved. From a workflow perspective, the combination of Civica Financials and the BPR has made everything much slicker. As Kelvin puts it: **"Previously there were too many bits of paper flying around. At first, some workers couldn't get to grips with not using paper but in no time at all that issue went away."**

The reporting capability is also much improved. While the previous system offered limited access to additional information, Civica Financials allows senior managers to drill down into the minutiae of the transactions that make up the summary numbers, removing the need to chase up staff members for additional information. As Kelvin says: **"I can just click on a number and find the answer in no time at all. It has made life a lot easier."** Indeed, when he received the first copy of the new reports, the council Chief Executive remarked on what a huge improvement it was over the previous system.

In terms of implementation, Kelvin says that it was generally smooth. **"After the usual teething issues it all settled down really quickly – unbelievable really."** There was some inevitable grumbling from employees who had grown used to the old ways of doing things, **"but within two or three months you'd never know that we had only just introduced a new system. It was fantastic."**

The proof of the pudding came at the first financial year end. Kelvin comments: **"It went far better than anyone had expected. It was really nice when the external auditors said it was seamless with no issues. Since then we've never had any year-end problems."**

"The working relationship with Civica has been very good. A Civica representative was on board from day one and it was an open and honest relationship - he just felt like one of us. We're one of Civica's smaller clients but they are always asking for our opinions. You don't get that with every supplier."

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