
**REPORT OF THE HEAD OF DEMOCRATIC SERVICES (INTERIM)
AGENDA ITEM: 4**

ICT PROVISION FOR MEMBERS: BUSINESS CASE

Reason for this Report

Background

1. A previous meeting of the Democratic Services Committee (6 December 2012) had considered feedback from the Task and Finish group on Member's ICT which had suggested that an improved ICT provision could be made to members with a cost saving on existing provision over 5 years.
2. The 6 December 2012 tasked officers with producing a costed business case for the provision. This business case is given as Appendix A

Issues

3. Members of the Task and Finish group were shown a variety of tablet devices, and shortlisted to a Windows Tablet device and the Apple iPad.
4. Members of the Task and Finish group agreed that further cost savings should be examined by removal of Smartphone provision and replacement with the final tablet device for email and a low-cost mobile phone device.
5. A selection of members piloted the solution at the December council and feedback from those members has been taken into account.
6. The project does not include costs for improvement of wireless facilities in council chambers, leisure centres, libraries and community centres as these are included in other projects (specifically, Urban Broadband Fund and ICT Refresh).
7. The project also does not include costs for the planned infrastructure to store documents as this again is included in other projects (specifically, Document Management Project).

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Reasons for Recommendations

8. Following the member trials, members agreed that the iPad with Good Messaging and Dynamics software was their preferred option. The business case has been constructed around this hardware/software choice.
9. The alternative delivery had similar pricing, and no significant additional savings would have resulted had this been the choice.
10. The expected saving over five years is £108,799 (net present value £97,469) with a best-case scenario of a saving of £116,334 (net present value £103,457).

Legal Implications

The Committee's terms of reference include keeping under review the provision of resources made available to the Head of Democratic Services in order to ensure that it is adequate for the responsibilities of his post. The Council has a duty to ensure value for money when procuring goods and services.

Financial Implications

The draft business case identifies potential cost savings of £108,799 over a five year period. This is based on a number of assumptions, the actual figure being dependent on these. Any initial costs will be funded from within existing resources.

Recommendations

That the Committee:

1. note the report;
2. agree the preferred option outlined in the Business Case (Appendix 1)

Andrew Kerr
Head of Democratic Services (Interim)
15 January 2013

The following Appendix is attached:
Draft Project Business Case

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Project Title	Paperless Council	Project ID	TBA
Programme Name	N/A		
Project Manager	Sheila Denner		
Project Executive	Steve Durbin		
BC Lifecycle	OBC <input type="checkbox"/>	FBC	<input checked="" type="checkbox"/>

Confidentiality		
Strictly Private & Confidential <input type="checkbox"/>	Internal Use Only <input type="checkbox"/>	Public Document <input checked="" type="checkbox"/>

Project Business Case

Section 1

Executive Summary

1.1 A brief Synopsis Highlighting Key Points – “The Story”

ICT provision differs for members in accordance with their roles on the Council. Those Members with Cabinet responsibilities, Chairs of Committees and party group Whips receive a different provision to other members. This arrangement was previously agreed by the Group Whips. The current ICT provision does not enable Members to access and annotate documents electronically from different locations and so hard copies of papers are still required. If Members could view, annotate and store documents electronically this would remove the need for paper copies and deliver a financial saving..

The proposal outlined in this business case is to provide members with suitable ICT to carry out their roles in a paperless manner, thus saving money and improving efficiency. Members will be able to access documents and systems live from anywhere with a wireless or mobile signal, and cache documents locally for offline access if needed. Additionally, members will be able to access the key council and committee papers at any time from any internet-connected device, as well as the provided ICT.

Members have expressed a wish to retain low-volume printing at home for providing constituents with letters, printed copies of advice etc. The cost model allows for 2,000 pages per member per year printed in this way funded centrally.

It is unlikely that all members will feel able to use the new technology, even with the in-depth training planned. Additionally, a number of members require reasonable adjustments by virtue of differing abilities, and some of these cannot easily be translated into a full electronic delivery. The cost model therefore contains the assumption that up to 20% of members will not wish to adopt the technology, and has a sensitivity analysis accordingly.

The backoffice solutions and infrastructure to deliver are being put in place as part of the ICT Technology Framework and so are not included in the costs of this project.

Cashable savings of approximately £20,000 per year will be achieved, based on a 5 year device life. Additionally, approximately £13,000 per year will be freed up in terms of staff time. This will not be cashable and hence is excluded from the finance summary, but will be used to further improve service to members.

Non-financial benefits include:

- Quicker council processes due to faster communications, the ability to deliver documents to members the instant they are completed improves on the current paper deliveries which are measured in hours to days.
- Better participation of back-bench members due to improved access to information
- Better interaction with citizens due to availability of service at all locations.

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Project Business Case

1.2 Financial Summary (worst case)

	Yr 1 £	Yr2 £	Yr3 £	Yr4 £	Yr5 £	Total £
Total Costs	111,710	47,218	47,218	47,218	47,218	111,710
Cashable Benefits	81,876	81,876	81,876	81,876	81,876	81,876
Net Cost (-)/Benefit (+)	-29,834	+34,658	+34,658	+34,658	+34,658	+108,799
Cumulative Net	-29,834	+4,824	+39,482	+74,141	+108,799	
Payback Year						2
Net Present Value						+97,469

The worst case above assumes 20% of members do not take up the provision.

1.3 Summary of Recommendations

<p>The project will provide:</p> <ul style="list-style-type: none"> • Replacement kit for all members. This will consist of: <ul style="list-style-type: none"> ○ Apple iPad 16Gb with 4G/Wifi or equivalent ○ Case for above ○ Generic Bluetooth keyboard and mouse for above to aid fixed working ○ Nokia 100 entry level telephone ○ Samsung CLP-365W wireless colour laser printer with direct print ability • Removal of all existing equipment, including broadband provision (telephone numbers may be kept) • Training for all members on the above. <p>Other infrastructure projects will provide:</p> <ul style="list-style-type: none"> • SharePoint portal for member meeting access • Wireless provision upgrade to council chamber <p>An overall cost saving will be made by the adoption of this project.</p>

Project Business Case

Section 2

Project Justification

2.1 Change Description

Overview of Current Service
Current provision is paper based, with some ICT provision for members holding particular offices. Proposal gives all members same level of ICT and removes/reduces the paper-based provision.
Project Scope
Replacement of all member's ICT Provision of training on above
Out of Scope
Provision of SharePoint collaboration site infrastructure – in Technology Framework Upgrade of council chamber wireless – in Technology Framework

2.2 Benchmarking & Comparison

Benchmarks and comparisons are difficult because other councils do things in very different ways. However, the proposed method is being actively considered and/or undertaken by a number of councils – for example Edinburgh (May 2012), Hyndburn (examining), Northampton (in trial). Edinburgh is estimating much higher savings than us as £200,000 p.a., however our savings figures are based on our current very low cost printing provision and very conservative estimates.
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Project Business Case

2.3 Benefits

Financial Benefits - Cashable

Value £	Description	When will it be realised?	How will it be measured?	Ongoing benefit?	Any Dependencies	Benefit Owner
TBD						

Non-Financial Benefits – incl. Service/Customer Improvement Benefits

Description	When will it be realised?	How will it be measured?	Ongoing benefit?	Any Dependencies	Benefit Owner
TBD					

Project Business Case

Section 3

Options Appraisal

3.1 Options Appraisal

Option	A	Do Nothing	
Existing costs carry on as-is			
Project Costs	£0		
Other Costs	£492,061		
TOTAL COSTS	£492,061		
Cashable Benefits	£0		
NET COST(-)/BENEFIT (+)	£-492,061		
PAYBACK YEAR	N/A	NET PRESENT VALUE	£-459,887
Non-Financial Benefits			
<ul style="list-style-type: none"> None 			
Specific Option Risk	Mitigation		Risk Rating
Technology Requirements			
None			
Assumptions			
None			
Decision			
Not viable when savings are available.			

Option	B	Full provision with 100% member take up and no home printing	
All members must use system, and no home printing provided			
Project Costs	£285,726		
Other Costs	£0		
TOTAL COSTS	£285,726		
Cashable Benefits	£492,060		
NET COST(-)/BENEFIT (+)	£+206,334		
PAYBACK YEAR	2	NET PRESENT VALUE	£+188,553
Non-Financial Benefits			
<ul style="list-style-type: none"> • Freeing up of staff time • Quicker council processes due to faster communications, the ability to deliver documents to members the instant they are completed improves on the current paper deliveries which are measured in hours to days. • Better participation of back-bench members due to improved access to information • Better interaction with citizens due to availability of service at all locations. 			
Specific Option Risk	Mitigation	Risk Rating	
Possibility that members will not all take up	Option C refers	M	
Need for home printing not accounted for	Option D refers	M	
Both of above	Option E refers	M	
Technology Requirements			
Replacement equipment			
Assumptions			
100% take-up No home printing requirement All Blackberry users removed			
Decision			
Risk is unacceptable that members will adopt 100% and can accept no home printing.			

Option	C	Full provision with 80% member take up and no home printing	
Up to 20% of members opt-out, and no home printing provided.			
Project Costs	£228,581		
Other Costs	£0		
TOTAL COSTS	£228,581		
Cashable Benefits	£409,380		
NET COST(-)/BENEFIT (+)	£+180,799		
PAYBACK YEAR	2	NET PRESENT VALUE	£+165,546
Non-Financial Benefits			
<ul style="list-style-type: none"> • Freeing up of staff time • Quicker council processes due to faster communications, the ability to deliver documents to members the instant they are completed improves on the current paper deliveries which are measured in hours to days. • Better participation of back-bench members due to improved access to information • Better interaction with citizens due to availability of service at all locations. 			
Specific Option Risk	Mitigation		Risk Rating
Need for home printing not accounted for	Option E refers		M
Technology Requirements			
Replacement equipment			
Assumptions			
80% take-up No home printing requirement All Blackberry users removed			
Decision			
Members have expressed a preference for home printing and this must be taken into account			

Option	D	Full provision with 100% member take up and home printing	
All members adopt and home printing is provided			
Project Costs	£375,726		
Other Costs	£0		
TOTAL COSTS	£375,726		
Cashable Benefits	£492,060		
NET COST(-)/BENEFIT (+)	£+116,334		
PAYBACK YEAR	3	NET PRESENT VALUE	£+103,457
Non-Financial Benefits			
<ul style="list-style-type: none"> • Freeing up of staff time • Quicker council processes due to faster communications, the ability to deliver documents to members the instant they are completed improves on the current paper deliveries which are measured in hours to days. • Better participation of back-bench members due to improved access to information • Better interaction with citizens due to availability of service at all locations. 			
Specific Option Risk	Mitigation		Risk Rating
Possibility that all members will not take up	Option E refers		M
Technology Requirements			
Replacement equipment			
Assumptions			
100% take-up All Blackberry users removed			
Decision			
100% take-up is unlikely.			

Option	E	Full provision with 80% member take up and home printing	
Up to 20% of members opt-out, home printing provided.			
Project Costs	£300,581		
Other Costs	£0		
TOTAL COSTS	£300,581		
Cashable Benefits	£409,380		
NET COST(-)/BENEFIT (+)	£+108,799		
PAYBACK YEAR	2	NET PRESENT VALUE	£+97,469
Non-Financial Benefits			
<ul style="list-style-type: none"> • Freeing up of staff time • Quicker council processes due to faster communications, the ability to deliver documents to members the instant they are completed improves on the current paper deliveries which are measured in hours to days. • Better participation of back-bench members due to improved access to information • Better interaction with citizens due to availability of service at all locations. 			
Specific Option Risk	Mitigation	Risk Rating	
Technology Requirements			
Replacement equipment			
Assumptions			
80% take-up All Blackberries removed			
Decision			
Most acceptable option. Balance between D and E will be decided by member take-up, but both options offer savings.			

3.2 Preferred Option Summary

Preferred Option	D or E	Full provision with home printing at 80-100% takeup
<p>Provide members equipment as follows:</p> <ul style="list-style-type: none"> • Replacement kit for all members. This will consist of: <ul style="list-style-type: none"> ○ Apple iPad 16Gb with 4G/Wifi or equivalent ○ Case for above ○ Generic Bluetooth keyboard and mouse for above to aid fixed working ○ Nokia 100 entry level telephone ○ Samsung CLP-365W wireless colour laser printer with direct print ability • Removal of all existing equipment, including broadband provision (telephone numbers may be kept) • Training for all members on the above <p>The % of members taking up will result in the overall benefits falling somewhere between these two potential options.</p>		

Indicative Implementation Plan		
No	Expected Milestone	Date
1		
2		
3		

Rationale for Preferred Option
Options D and E are identical except in the level of takeup. All members will be offered the service, but will be required to accept going paperless if they accept the equipment. Discussion is needed around how this will be enforced.

3.3 Preferred Option Sensitivity & Scenario Analysis

Best Case Scenario	NPV	Payback Period
100% take-up	£103,457	3 years
(note: the 100% takeup has a slightly longer payback due to the front-loading of the cost)		

Likely Case Scenario	NPV	Payback Period
90% takeup	£100,463	2 years

Worst Case Scenario	NPV	Payback Period
80% takeup	£97,469	2 years

Section 4

Cashflow, Payback & Funding

4.1 Cash Flow

	Total £	Yr 1 £	Yr 2 £	Yr 3 £	Yr 4 £	Yr 5 £
Capital Costs	59,054	59,054				
Revenue Costs	279,100	66,620	53,120	53,120	53,120	53,120
Lifecycle Costs						
Related Change Costs						
TOTAL COSTS	338,154	125,674	53,120	53,120	53,120	53,120
Cash Releasing Benefits	450,720	90,144	90,144	90,144	90,144	90,144
Capital Funding	59,054	59,054				
Revenue Funding	278,500	66,020	53,120	53,120	53,120	53,120
TOTAL FINANCIAL RESOURCES	788,274	215,218	143,264	143,264	143,264	143,264
NET CASH FLOW	450,120	89,544	90,144	90,144	90,144	90,144
CUMULATIVE CASH FLOW		89,544	179,688	269,832	359,976	450,121
FUNDING REQUIREMENT						

4.2 Projected Human Resource Requirements

Specific resources will be required to implement the roll out of the project and to work directly with Members on the changes. It is anticipated that these will be provided from existing resources in ICT and Member Services

Required to Implement Change			
Resource Description	FTEs	Timescale	Approx. Grade
TBD			

Required to Maintain Change & Realise Benefits			
Resource Description	FTEs	Timescale	Approx. Grade

4.3 Benefit Delivery – Budget Adjustment

Year	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Base Budget Deduction	89,544	600	0	0	0
Cumulative Deduction	89,544	90,144	90,144	90,144	90,144

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Section 5 Risks, Dependencies & Assessments

5.1 Risks

Risk Log Ref	Description	Likelihood & Consequence	Mitigating Controls	Risk Rating
TBD				

5.2 Dependencies

Dependency Description	Relationship	Ongoing Project or Programme?
SharePoint Project	Needed for this delivery	Yes

5.3 Assessments

Have the following Assessments been completed?	Y/N
Equalities Impact Assessment	N
Sustainability Appraisal Matrix	N

Section 6 Approval

Document History			
Date	Version	Author	Amendments
4/1/2012	V0.1	Steve Durbin	
15/1/2013	V0.2	Nicki Poole	Amendments to sections 1.1 and 4.2

Project/Programme Manager		Date	
Comments			

Project Executive		Date	
Comments			

Portfolio Management Board		Date	
Recommendation	Request Amendment <input type="checkbox"/>	Request FBC <input type="checkbox"/>	
	Proceed to Project Delivery <input type="checkbox"/>	Reject & Cancel <input type="checkbox"/>	
Comments			