

HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
11 June 2013

Subject: ICT SERVICE SEPARATION AND 2013/14 CAPITAL PROGRAMME

All Wards
Portfolio Holder for Support Services and
Economic Development: Councillor P R Wilkinson

1.0 PURPOSE AND BACKGROUND:

1.1 The purpose of this report is to update Cabinet on the separation of the ICT Shared Service arrangement with Richmondshire District Council and to seek approval for the detailed 2013/14 ICT Capital Programme.

2.0 SEPARATION OF ICT SERVICES:

2.1 In November 2012 as part of the review of shared service arrangements with Richmondshire District Council the decision was made to separate ICT Services and not deliver the Service via a Service Level Agreement. The reasons for this decision were two-fold; firstly a separate ICT Service will enable the Council to invest in ICT services at its own desired rate to meet the business priorities of the organisation. Secondly, a separate ICT Service will allow the Council to have its own identity rather than a shared or mixed identity.

2.2 Following negotiations between both organisations, agreement was reached to separate most applications and infrastructure. The only applications and infrastructure that will remain shared are those which belong to services that are operating under a Service Level Agreement and access to the same system is required by both organisations; an example of this would be the Revenues and Benefits System.

2.3 The project is being managed using the Council's Project Management Methodology. A project board was established at the outset, membership of the project board is detailed below:

ICT Separation Board

<u>Chair:</u>	Justin Ives, Director of Resources	- HDC
	Sian Moore, Director of Resources	- RDC
	Jane Alder, Project Manager	- HDC
	Helen Kemp, ICT Manager	- HDC
	Andrew Whittaker, Interim ICT Manager	- RDC
	Andrew Metcalfe, Internal Auditor	- Veritau NY Ltd

2.4 The project board meets monthly to ensure that the project is on target to meet its objectives within the agreed timeframe. The board will also ensure the project is on budget once a budget is formally approved.

- 2.5 The project has been steadily progressing and is now at the end of its design phase. The ICT capital programme for 2013/14, presented at paragraph 3.0, is the culmination of this phase of the project. The proposed solution involves a number of elements, both hardware and software, which underpin the Council's work in every area. The changes will ensure that the Council's information is accessible to those that need it whilst being secure and protected, bringing the network and servers back under Hambleton's control. It will also ensure that there is a full disaster recovery solution in place that will allow seamless recovery in the event of system failure.
- 2.6 Initially it was envisaged that the project would take approximately 18 months to deliver from December 2012. The project timetable sets out a 12 month schedule that will be finalised by December 2013.

3.0 ICT CAPITAL PROGRAMME 2013/14:

- 3.1 In March 2013 Cabinet approved the Capital Programme for 2013/14; in this an indicative figure for ICT of £694,000 was included. However, because of the ICT Separation Project Cabinet agreed to defer setting the ICT Capital Programme 2013/14 until the full implications and costs were confirmed.
- 3.2 The proposed ICT Capital Programme for 2013/14 consists of several projects which are scheduled in Annex A. The total value of this is £604,165, £89,835 below the indicative figure presented to Cabinet in March 2013. Annex A1 to Annex A5 details the following information in respect of each project.
- the title of the project
 - a description of the project
 - how the project will benefit the Council
 - the capital cost of the project
 - ongoing revenue costs or savings associated with the project
 - a risk assessment
 - an estimated start and completion date
- 3.3 This information allows a considered and informed judgement to be made in respect of the Value for Money of each project. It is believed that each project does represent Value for Money. The reasons for this judgement are detailed below.
- Each project contributes towards the attainment of a particular business objective.
 - Although the cost of each project is indicative, prior to implementation each project will follow the Council's procurement process to ensure best value is achieved.
 - Each project has a clear completion date.

4.0 LINK TO COUNCIL PRIORITIES:

- 4.1 This report links to the efficient use of Council resources and demonstrates value for money in the implementation of individual schemes.

5.0 RISK ASSESSMENT:

- 5.1 There are no significant risks associated with this report. However, Annexes A1 – A5 contain a risk assessment for each individual capital scheme.

6.0 FINANCIAL IMPLICATIONS:

6.1 A summary of the financial implications associated with this report are set out below:

	£
Total 2013/14 Capital Cost approved in March	961,500
Total ICT Capital Programme	604,165
Total Capital Programme 2013/14	1,565,665
Estimated Capital Resources available at 01/04/2013	7,096,066

6.2 These projects are affordable within the current capital resources held by the Council.

6.3 The 2013/14 ICT Capital Programme will generate an additional £37,455 of revenue costs per annum in future years; these costs have been budgeted for and are contained within existing resources.

7.0 RECOMMENDATIONS:

7.1 It is recommended that:-

- (1) the progress of the ICT Separation Project with Richmondshire District Council is noted;
- (2) the ICT capital schemes for 2013/14 detailed in Annex A be approved for implementation.

JUSTIN IVES

Background papers: Financial Strategy 2013/14 to 2022/23
Capital Programme Schemes 2013/14

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Director of Resources
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Scheme	Scheme identified in current 10 year Capital Programme	2013/14		2014/15	Ongoing Revenue (Savings)/ Costs per year £	Responsible Officer / Cabinet Member	Estimated completion date
		Indicative Value £	Third Party Contribution £				
Resources Services							
Committee Admin		17,900		17,900	7,670	Justin Ives/Cllr Peter Wilkinson	November
Telephony improvements		11,265		11,265	785	Justin Ives/Cllr Peter Wilkinson	July
Separation from Shared Services		500,000		500,000	24,000	Justin Ives/Cllr Peter Wilkinson	October
ICT improvements		50,000		50,000	5,000	Justin Ives/Cllr Peter Wilkinson	September
Desktop Replacement		25,000		25,000	0	Justin Ives/Cllr Peter Wilkinson	September
Total Scheme Value Resources Services		604,165	0	604,165	37,455		
Total Capital Approvals 2013/14		604,165	0	604,165	37,455		

Note All revenue implications of the 2013/14 Capital Programme have been budgeted for within existing resources.

CAPITAL SCHEME PROPOSAL

Scheme:

ICT Improvements

Description: The project will expand and strengthen the core network in the Civic Centre by recabling parts of the network and updating the equipment.

1. How does the scheme contribute to the Councils business plan targets?

The project will enable efficient service to all customers by improving the network speed and allowing the Council's investment into Geographic Information Systems to be fully used by services such as Planning and Environmental Health.

2. How does the scheme address customer needs?

The project will improve not only network speed and efficiency but also improve resilience and minimise service delays and failures.

3. Does the scheme generate any on-going revenue savings? If so provide a description of these savings...

None

	Year 1 £
Capital Resources:	
Cost	50,000
Grant contribution	
Other contribution	
Amount required from capital receipts	50,000

Revenue costs:

Cost	5,000	Ongoing maintenance costs
Financial year costs commence:	2013-14	
Ongoing costs	5,000	Ongoing maintenance costs

Risk Assessment:-

Risk	Implication	P	I	T	Preventative Action
The existing network problems become more widespread	Network slows and becomes unusable - no longer able to deliver services	5	3	15	Replace network points now
Implementation causes service downtime	Services unable to access their applications during implementation	3	5	15	Plan the work for out of hours
<i>P = Probability (1-5) I = Impact (1-5) T = Total Risk Score (P x I)</i>					

Notes:

Theme Board:	Resources
Sponsor:	Justin Ives
Author/s:	Jane Allder
Version:	1

Potential Programme:- **C** = completed

2013-2014	A	M	J	J	A	S	O	N	D	J	F	M
Report												
Order												
Implementation					C							

CAPITAL SCHEME PROPOSAL

Scheme:

Desktop Replacement

Description: The project will contribute towards a rolling replacement programme for PCs and other desktop devices.

1. How does the scheme contribute to the Councils business plan targets?

The project will enable efficient service to all customers by ensuring that every desktop is modern and capable of running the latest systems such as Office 2012

2. How does the scheme address customer needs?

The scheme will ensure that all officers have access to reliable and modern desktops thus reducing the risk of service interruption.

3. Does the scheme generate any on-going revenue savings? If so provide a description of these savings...

None

Year 1
£

Capital Resources:

Cost 25,000

Grant contribution

Other contribution

Amount required from capital receipts 25,000

Revenue costs:

Cost None

Financial year costs commence: 2013-14

Ongoing costs None

Risk Assessment:-

Risk	Implication	P	I	T	Preventative Action
Desktop purchases interrupt business as usual or are unduly delayed.	Staff will not be able to work effectively	2	4	8	Planning of roll out under technical guidance
P = Probability (1-5) I = Impact (1-5) T = Total Risk Score (P x I)					

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2013-2014	A	M	J	J	A	S	O	N	D	J	F	M
Report												
Order												
Implementation						C						