



PART A:	MATTERS DEALT WITH UNDER DELEGATED POWERS
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	3 DECEMBER 2009
REPORT OF THE:	CORPORATE DIRECTOR (s151) PAUL CRESSWELL
TITLE OF REPORT:	ICT PROGRAMME APPROVALS
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 To seek Member approval of the recommendations from the ICT Programme Board for projects outside the scheme of officer delegation.

2.0 RECOMMENDATION

- 2.1 It is recommended that the Northgate Revenues and Benefits IT system is procured through the Catalist framework contract.

3.0 REASON FOR RECOMMENDATION

- 3.1 The ICT Programme Board has examined the attached business case and considered it as part of the progression of the Council's ICT Strategy.

4.0 SIGNIFICANT RISKS

- 4.1 Failure to implement an alternative Revenues and Benefits system could risk the existing provider, who has a shrinking client base, terminating their product with a limited timeframe to procure a new supplier and the potential for the council to see service deteriorate as a result.
- 4.2 Failure to implement an alternative Revenues and Benefits system would inhibit significant improvements in performance.
- 4.3 Failure to implement an alternative Revenues and Benefits system would inhibit the achievement of efficiency savings in the services.
- 4.4 Failure to implement the suggested Revenues and Benefits system would restrict future joint working opportunities and benchmarking service delivery against other Authorities.

4.5 The risk matrix is attached at Annex A.

REPORT

5.0 BACKGROUND AND INTRODUCTION

5.1 The Council's ICT Programme Board reviewed the Council's ICT applications in the light of the ICT Strategy drawn up by Socitm consultant in September 2008 and developed an ICT programme Plan.

5.2 The Council agreed a provisional expenditure in the capital programme 2009/2012 to upgrade key infrastructure and systems to provide longer-term efficiency savings of £1m. A target of £250k of annual revenue savings was set to be achieved through this spend.

5.3 The ICT Programme Plan has been further developed into a workstream schedule, drawing upon Council priorities and from this a number of projects have been identified as requiring approval by Members, being of a value greater than delegated limits, and as such are presented for Member approval.

5.4 Members will recall at the last meeting of this Committee the following projects were approved:

- Virtualization of the corporate IT server estate
- Centralised Data Backup
- Microsoft Enterprise Agreement
- Connecting to the NYnet broadband network

5.5 The Council's Resources Working Party at its meeting on the 18 November 2009 also considered the Business Case for this proposal.

6.0 POLICY CONTEXT

6.1 The ICT Programme Plan is an essential foundation for the delivery of the Corporate Efficiency Programme within the Council Plan; being needed to facilitate services and partners in the delivery.

7.0 CONSULTATION

7.1 No formal consultation has taken place. Further meetings with the staff affected will be held following this decision.

8.0 REPORT DETAILS

8.1 The collection of Council Tax and NNDR, Benefits processing and Benefit overpayment is currently administered by Revenues, Customer Services and Benefits. The services use the same software package "Civica". This has been in place since 1996 with various upgrades over the years.

8.2 All other North Yorkshire Revenues and Benefits teams use the same system provided by Northgate as do the East Riding of Yorkshire Council.

8.3 The significant risk with the current system is that Civica have seen over recent months a decline in their client base and there is concern that at any time they can

terminate their product with short notice. Such a scenario would, in all likelihood, necessitate a rushed conversion to another supplier with a risk of reduced performance during the changeover.

- 8.4 The Council can procure a new system through pre-tendered national framework agreement with Northgate (Catalist which is let through the Office of Government Commerce). This achieves competitive pre-tendered prices without necessitating a full EU procurement exercise which could take up to a year to complete.
- 8.5 The business case is attached as Annex B to this report. This shows that a significant financial investment is required for a new system including all implementation costs and training. The trade-off for the investment is the ongoing annual revenue efficiency savings which can be achieved. Whilst performance levels within the two services are high, both operate at above benchmark cost. The Investment in IT enables the service to reduce costs and staff numbers through alternate working methods. Other authorities have made this change successfully.
- 8.6 The Business Case highlights that it is likely that East riding of Yorkshire Council will host the system and various discussions are ongoing in this respect. They currently provide the same service to Selby District Council through a service level agreement.

9.0 IMPLICATIONS

9.1 The following implications have been identified:

- a) Financial
The cost of the project will be met from the Council's capital programme 2009/12.
- b) Legal
The procurement for the project will take place within the Council Standing Orders.
- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)
Any procurement will observe and comply with corporate policies. The bulk of the savings will be achieved through staffing reductions in the services. These will follow Council procedures.

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Background Papers:
Ryedale District Council's ICT Strategy September 2008

Background Papers are available for inspection at:
Members Room