Shropshire Council

Date: Thursday, 21 July 2016

Time: 10.00 am

Venue: Council Chamber, Shirehall, Abbey Foregate, Shrewsbury, SY2 6ND

Contact: Karen Nixon, Committee Officer
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COUNCIL

TO FOLLOW REPORT (S)

11 ICT DIGITAL TRANSFORMATION PROGRAMME (Pages 1 - 16)

Report of the Head of Human Resources and Development will follow marked 11.

Contact Michele Leith Tel 01743 254402.

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Officer and Date	Item
Council 21st July 2016 10.00 am	**11** Public

ICT DIGITAL TRANSFORMATION PROGRAMME

Responsible Officer: Clive Wright
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1.0 SUMMARY

1.1 This report is submitted to Council following the Cabinet meetings on 27th April and 11th May 2016.

1.2 The purpose of this report is to seek Council approval for an ICT Digital Transformation Programme that will underpin major transformation projects and enable the Council to transform the delivery of services to a customer focused approach utilising cloud technologies.

1.3 This report outlines and confirms the approach that Shropshire Council will adopt in replacing its current ICT provision (systems, processes, and infrastructure), and how the new solutions will support a council wide review of current processes. This will also inform a best practice approach to a new Council Operating Model and detail the costs and benefits associated with taking the recommended option forward, as previously agreed at Cabinet.

2.0 THE CASE FOR CHANGE

2.1 The case for change is compelling. The Council faces the challenge of providing improved quality services at a time of austerity measures and reduced funding whilst coping with an aging technology infrastructure. Local government is structured in a way that customers find difficult to understand and hard to navigate. Local government is also changing and our technology provision needs to keep pace with this by providing a joined-up solution.

2.2 Delivery of this programme will address all these competing issues through:

- Delivery of financial benefits of £36m over a 5-year period, and considerably more over a 7 to 10 year period, the normal 'life span' of transformation programmes such as this.
- Improving the quality of customer services by making contact between the Council and customers simpler, more digitalised and by providing one view of the customer.
- Removing the dependency on ageing infrastructure by providing cloud-based

solutions that are managed by the technology suppliers.
- Prevent threats to customer information either from ageing technology or cyber-attack.

2.3 The key reasons for change

- The Council needs to reduce the ongoing cost of running services in line with the overall reduction of local authority budgets, through delivery of a programme of transformation that will ensure significant financial benefits are accrued.
- The Council needs to ensure that it is providing value for money for all of its stakeholders. At the same time, it must ensure it is committed to providing quality services to its customers and forming good relationships with suppliers.
- The Council needs to provide the necessary systems and integration to allow for a commissioning and commercial based business model.
- The Council needs to provide a management information reporting tool which will provide the ability to drive greater efficiencies from services and contract delivery by providing high quality, accurate and timely business intelligence.
- A new operating model is urgently needed to:
  - Realise significant financial benefits that will enable the Council to deliver improved public services at a lower cost
  - Replace existing systems that are not currently integrated;
  - Remove systems and processes that enshrines information in duplicate data silos;
  - Deliver high quality management information and business intelligence;
  - Improve the customer experience (anytime, anywhere, any channel access for customers);
  - Improve the current maturity of our IT provision, which has not significantly increased since the inception of the unitary authority in 2009;
  - Remove the significant manual effort which is currently required to deliver services;
  - Provide resilient Disaster Recovery and Business Continuity;
  - Provide reliable data communication to support Council services;
  - Enable agile and flexible working.

2.4 The Council will, through implementing the recommended approach for the ICT Digital Transformation Programme, reduce overall running costs, reduce the number of systems it uses, manage these centrally and improve its online services to customers; The website will become the place of choice when requiring information or services from the Council. Through an integrated systems approach, there will be a principle of collect once and use many. By this we mean, customers, partners and contractors should only have to supply each set of data once, regardless of which service point they use.

2.5 Objectives

- Staff will be able to work anytime, anyplace, anywhere (closer to the customer).
- Services and technology will be structured around the needs of the customer.
- Citizens' details will only be held in one place, and they will only have to contact the Council once to change the details.
- Technology and processes will support, not hinder the success of Shropshire Council.

- The Council will use technology to help keep its citizens more independent, more connected and less reliant on public services.
- Technology and updated processes will enable the Council to respond and adapt quickly to changing Council and citizen needs and commercial opportunities.

2.6 Design Principles

- The preferred method of communicating with customers will be electronic
- Data Protection should not be a barrier to change and partnership working
- Wherever possible the reliance on paper-based processes will be removed.
- Data will be open and transparent whilst observing privacy where appropriate
- The strategy will be flexible enough to cope with challenges to the way services are provided.

3.0 RECOMMENDATIONS

3.1 It is recommended that Council:

3.1.1 Confirm and approve the preferred approach (the Hybrid Option) described within this report i.e. to replace all of the current ICT provision (systems, processes, and infrastructure) with new fully integrated cloud-based solutions.

3.1.2 Approve the financial implications of the preferred approach as set out in this report and approve the use of capital receipts and other funding sources identified to fund the budgetary increase required for the full ICT Digital Transformation Programme.

4.0 RISK ASSESSMENT AND OPPORTUNITIES APPRAISAL

4.1 Risks

4.1.1 There are currently very significant levels of risk resulting from the continued operation of the Council's current ICT operating model. These risks are highlighted in Appendix 1 to illustrate the reasons that make it necessary to invest in our IT provision.

4.2 Human Rights and Equalities

4.2.1 The implementation of this programme utilising the preferred approach does not have any impacts with regard to human rights.

4.2.2 The implementation of this programme utilising the preferred approach does not have any impacts with regard to equalities.

4.3 Recommended Approach

4.3.1 The recommended approach is to build a new ICT solution provided through a hybrid cloud based platform, fully integrated with mature recognised solutions for Social Care provision and back office processing. The intention is to get the remaining ICT applications delivered through this hybrid platform, which will be configured to better

meet every needs of every department within the Council. The true value is then realised through the data that the Council holds corporately, instead of being held in the current siloed approach.

4.3.2 The solution will utilise cloud technology that requires minimal infrastructure and remove a large amount of back end, unseen tasks undertaken by ICT. This means ICT can work more closely with departments to ensure that they are developing solutions and enhancements on the platform to enable greater efficiencies.

4.3.3 The ICT Digital Transformation Programme Team has created an innovative recommendation which is aligned to Council strategy. This will bring new collaborative ways of working and serving our customers, whilst enabling more cost effective services to be delivered.

4.4 Options Considered

4.4.1 The options were evaluated in a two stage process; an initial risk workshop and options appraisal process to identify the most beneficial options followed by detailed investigation of the remaining options.

4.4.2 The options considered were:

- **Minimal Solution** – to ensure essential services are maintained and ensure regulatory compliance.
- **Traditional Approach** primarily focused on the social care and back-office systems.
- **Unified Approach** – centred on a single integrated platform for all systems.
- **Hybrid Approach** – a combination of the traditional and unified approaches.
- **Outsourcing** - for all back-office systems and IT support.
- **Phased Software as a Service (SaaS)** - implementation of a version of the Unified approach but delivered over a longer timescale for affordability reasons.
- **Joint Venture** – entering into a partnership with another Council so that service provision and IT support can be delivered more efficiently.
- **Internal Hosting** – whereby the Council implements new Social Care, ERP, CRM and technology improvements and manages these rather than placing reliance on a supplier.
- **Do nothing** – continue with existing processes and leave the IT support arrangements and the technology landscape in its current form.

4.4.3 All options identified were appraised against a number of weighted criteria. This evaluation led to the preferred option being selected. The criteria, weighting, and scores are set out in Appendix 3.

4.5 Opportunities

4.5.1 The recommended approach (the Hybrid Option)

- Will deliver significant financial benefits and is future proofed to meet the needs of the Council.
- Is a customer focused strategy looking to improve customer satisfaction and enabling services to be accessed from anywhere on any device and promoting the use of online services without the need to remove alternative service methods.

- Supports the ambition to facilitate Council staff to work in an agile and flexible way and enable services to be delivered from anywhere on any device and promoting the use of online tools.
- Will improve data capture and quality features, which will not only provide more accurate operational information, but will also support efforts to predict service demand patterns and trends more accurately.
- Will support staff cost avoidance, achieved through a combination of implementing a new core IT platform and business process improvements.
- Is scalable to ensure that any growth or decrease in demand can be serviced through an appropriate complement of staff.
- Ensures that the Council only pays for the service it consumes.
- Enable existing IT restrictions and inflexibility to be removed to provide opportunities for staff resources to be redirected to undertake other work which could generate greater cost reductions elsewhere within the Council.

4.6 **Quick Wins**

4.6.1 The Digital Transformation Programme will explore the possibilities of implementing 'Quick Wins' which will drive out more immediate benefits that will benefit the programme and help with the funding of later aspects of the implementation.

4.6.2 Functional areas that are likely to benefit from this include:

- Online Forms – the digitalisation of a variety of paper forms used by the Council including:
    - Customer Services
    - Employee leave application

- Digitalisation of the post services
- Digital printing solutions
- Scanning of documents
- Use of multi-functional devices

4.7 **Other Considerations**

4.7.1 Whilst the recommended approach includes supplier contracted data migration and training services, there would still be a requirement for training management and scheduling to be a Council responsibility. We would also need data migration experts to work with internal teams, to ensure the correct data mapping and to collate various disparate data sources.

4.7.2 Initial investigation and analysis indicates that there is are current processes that involve daily time consuming manual workarounds, data re-entry and duplication. This leads to significant time inefficiency, risks around data entry error and inconsistent data held in multiple locations. Further analysis is likely to reveal an opportunity to make additional significant time efficiency savings as a result of combined system and business process rationalisation.

5.0 PROCUREMENT STRATEGY

5.1 In determining the strategy required to procure the Hybrid option using the recommended approach all potential procurement routes will be considered. The

programme will look to adopt the route(s) that provide the most efficient and quickest process and the best access to appropriate markets whilst at all times adhering to the Public Contract Regulations 2015.

6.0 DATA

6.1 Approach

6.1.1 Whilst maximising the efficient use of data for the benefit of the Council and its customers, relevant legislation, external compliance requirements and Council policies will be adhered to, to ensure data is migrated, used and shared appropriately.

6.1.2 As part of a wider stream of work within the programme, a data cleansing exercise will be undertaken. Carrying out this piece of work would ensure that the data held in the various applications within Shropshire Council is both current and relevant to the efficient operating of the organisation.

7.0 FINANCIAL IMPLICATIONS

7.1 On 25 February 2016 Council approved the Financial Strategy and Budget for 2016/17 which did not include the financial implications of the review of ICT across the Council, as this had not been calculated at that point. Included within the report was Recommendation G which stated: "Note the potential for investment and further savings proposals resulting from the review of the Council's ICT requirements which are not reflected in this report.

7.2 The value of the potential investment requires Full Council approval. In addition, Flexible Use of Capital Receipts will be employed for the purposes of funding this or other ICT projects.

7.3 Business Transformation and Technology

7.3.1 To implement the recommended approach for Business Transformation and Technology there is a requirement to fund one off expenditure over a five year period at a total cost of £21.324m. This is forecast to be spread over the period of five years as follows: Year 0 £12.905m, Year 1 £6.3m, Year 2 £1.499m, Year 3 £0.460m and Year 5 £0.160m.

7.3.2 The one off costs include additional staffing resources required within the Council over the life of the implementation project in 2016/17, 2017/18 and 2018/19 and also include software licences for the new solution and implementation costs from the supplier.

7.3.3 Total costs of the project include an element of dual running costs of the existing system and the new solution 2016/17, 2017/18 and potentially in 2018/19 depending on implementation timelines.

	All financial figures are in £000s						
COST & BENEFIT CATEGORIES	**Year 0**	**Year 1**	**Year 2**	**Year 3**	**Year 4**		*Totals*
	2016/17	**2017/18**	**2018/19**	**2019/20**	**2020/2021**		
One off Costs							
Staffing Resources:							£ -
Project Resources plan	3,104	1,919	689	0	0		£ 5,713
New System Costs:							£ -
Hardware	404	70	160	160	160		£ 954
Software	1,894	2,288					£ 4,182
Implementation	5,606	1,824	650	300	-		£ 8,380
Interfaces	250	50	-	-	-		£ 300
Contracts	1,320						£ 1,320
Other Costs:							£ -
Training	125	50	-	-	-		£ 175
Decommissioning	201	99	-	-	-		£ 300
Contingency (10%)							£ -
Total One-off Costs	£ 12,905	£ 6,300	£ 1,499	£ 460	£ 160		£ 21,324

7.3.4 The total on-going costs are £24.455m (over 5 years). The ongoing annual costs are forecast to be between £4.305m and £4.986m, current ongoing annual costs are around £4.974m.

7.3.5 There will be a requirement to continue to run the current systems at an annual cost of £7.162m until the end of current contracts which will cease in stages over the 5 year period.

	All financial figures are in £000s						
COST & BENEFIT CATEGORIES	**Year 0**	**Year 1**	**Year 2**	**Year 3**	**Year 4**		*Totals*
	2016/17	**2017/18**	**2018/19**	**2019/20**	**2020/2021**		
On-going Costs							
New System Costs:							
Software			2,288	2,288	2,290		£ 6,866
Contracts		1,684	1,861	1,681	1,529		£ 6,755
Dual Running of Old System							£ -
Software	2,851	2,851	487	487	487		£ 7,162
Contracts	2,123	1,199	350	-			£ 3,672
Hosting/DR							£ -
Total On-going Costs	£ 4,974	£ 5,734	£ 4,986	£ 4,455	£ 4,305		£ 24,455

7.3.6 There are forecast to be total cashable benefits of £4.161m and total non-cashable benefits of at least £25.357m giving a return on the investment by year 3. Although these benefits are considered at this point to be mainly efficiency savings it is likely that a significant proportion could be made cashable over time.

7.3.7 The cashable Benefits of £4.161m relate to expected staffing efficiencies of £2.986m and savings on the annual running costs of the systems and software of £1.175m over the 5 year period.

	All financial figures are in £000s						
COST & BENEFIT CATEGORIES	**Year 0**	**Year 1**	**Year 2**	**Year 3**	**Year 4**		*Totals*
	2016/17	**2017/18**	**2018/19**	**2019/20**	**2020/2021**		
Cashable Benefits							
Staff	80	441	688	828	950	£	2,986
Business Savings						£	-
System Costs			- 12	519	669	£	1,175
Other						£	-
Total Cashable Benefits	£ 80	£ 441	£ 675	£ 1,346	£ 1,619	£	4,161

7.3.8 The non-cashable benefits of £25.357m include efficiency savings in staffing generated by the introduction of true end to end processes, from process improvements and reduced double input across all services. It is also considered that improved integration and processes between all systems and high quality real time management information and business intelligence will deliver further efficiencies and service improvements. It will enable the workforce to become mobile and flexible supporting the reduction of assets. By supporting channel shift and providing seamless customer interaction this will also drive down back office costs and support the front line services to work more efficiently.

	All financial figures are in £000s						
COST & BENEFIT CATEGORIES	**Year 0**	**Year 1**	**Year 2**	**Year 3**	**Year 4**		*Totals*
	2016/17	**2017/18**	**2018/19**	**2019/20**	**2020/2021**		
Non-cashable Benefits							
Staff efficiency savings	190	862	1,269	1,540	1,605	£	5,465
Wider Business efficiency Savings	163	1,188	1,356	1,951	3,902	£	8,559
Business efficiency Savings		513	770	1,026	1,026	£	3,335
Other	-	1,020	2,326	2,326	2,326	£	7,998
Total Non-cashable Benefits	£ 352	£ 3,583	£ 5,720	£ 6,843	£ 8,859	£	25,357

7.3.9 It should be noted that the Council already holds a base budget for the existing ongoing costs for software / systems / contract and in addition to the cashable benefits noted above, the net position to be funded is £17.923m as detailed below:

	All financial figures are in £000s					
FUNDING POSITION	**Year 0**	**Year 1**	**Year 2**	**Year 3**	**Year 4**	***Totals***
	2016/17	**2017/18**	**2018/19**	**2019/20**	**2020/2021**	
Costs:						
One Off Costs	12,905	6,300	1,499	460	160	21,324
On-going Costs	4,974	5,734	4,986	4,455	4,305	24,455
Total Costs	**17,879**	**12,034**	**6,486**	**4,915**	**4,465**	**45,779**
Base Budget	4,974	4,974	4,974	4,974	4,974	24,869
Cashable Benefits (excl. systems savings as included within base budget)	80	441	688	828	950	2,986
Required Funding	**12,825**	**6,620**	**824**	**-886**	**-1,459**	**17,923**

7.4 Social Care

7.4.1 To implement the recommended option for Social Care there is a requirement to fund one off expenditure over a five year period at a total cost of £4.909m. This is forecast to be spread over a period over the three years as follows: Year 0 £3.318m and Year 1 £1.591m.

7.4.2 The one off costs include additional staffing resources required within the Council over the life of the implementation project in 2016/17, 2017/18 and 2018/19 and also include software licences for the new solution and implementation costs from the supplier.

7.4.3 Total costs of the project include an element of dual running costs of the existing system and the new solution in 2016/17, 2017/18 and 2018/19 depending on implementation timelines.

7.4.4 The total on-going costs are £1.481m (over 5 years). The ongoing annual costs are forecast to be between £0.212m and £0.232m, current ongoing annual costs are around £0.256m.

7.4.5 There will be a requirement to continue to run the current systems at an annual cost of £0.256m until the end of current contracts which will cease in 2017/18 and 2018/19.

	All financial figures are in £000s						
COST & BENEFIT CATEGORIES	**Year 0**	**Year 1**	**Year 2**	**Year 3**	**Year 4**		*Totals*
	2016/17	**2017/18**	**2018/19**	**2019/20**	**2020/2021**		
One off Costs							
Staffing Resources:							
Project Resources plan	1,084	1,446					£ 2,530
New System Costs:							
Software	691						£ 691
Contracts	1,434						£ 1,434
Other Costs:							£ -
Training							£ -
Decommissioning							£ -
Contingency (10% or Resources only)	108	145	-	-	-		£ 253
Total One-off Costs	£ 3,318	£ 1,591	£ -	£ -	£ -		£ 4,909
On-going Costs							
New System Costs:							
Software							£ -
Contracts		212	219	225	232		£ 888
Dual Running of Old System							£ -
Software	174	174					£ 348
Other Licences, Support & Maintenance	6	6	6				£ 17
Hosting/DR	76	76	76				£ 229
Total On-going Costs	£ 256	£ 468	£ 301	£ 225	£ 232		£ 1,481
Total Costs	£ 3,574	£ 2,059	£ 301	£ 225	£ 232		£ 6,390

7.4.6 There are forecast to be total cashable benefits of £0.115m and total non-cashable benefits of at least £6.448m giving a return on the investment by year 2, Although these benefits are considered at this point to be mainly time or efficiency savings, they could be utilised to deliver other benefits - for example, the avoidance of a forecast growth to meet an increased demand in service.

7.4.7 Cashable benefits of £0.061m relate to the total annual printing and confidential paper disposal costs for Children's Services at Mt McKinley currently run at £0.339m of which 60% could be removed through new system efficiencies and improved business process activities.

7.4.8 There are additional cashable benefits of £0.054m in relation to reduced running costs once the new system is in place. There is a requirement to continue to run the current system until the end of the contracts; once the dual running period has ceased then the reduction in running costs will be realised.

7.4.9 The non-cashable benefits of £6.448m include efficiency savings in staffing generated from process improvements and reduced double input across the service. It is also considered that improved integration and processes between the Social Care system and the Finance system could improve the management and recovery of the service's debtor invoices. This income is credited to the service in full at the point that the debtor invoice is raised and therefore the avoidance of aged debt and potential write off is not considered a cashable benefit.

7.4.10 The cashable and non-cashable benefits profile is not focussed on reducing the numbers of front line social workers. The benefits afforded by the project are designed to enable frontline social workers to be more productive, by making efficiencies across back office functions.

COST & BENEFIT CATEGORIES	**Year 0**	**Year 1**	**Year 2**	**Year 3**	**Year 4**		*Totals*
	2016/17	**2017/18**	**2018/19**	**2019/20**	**2020/2021**		
Non-cashable Benefits							
Staff efficiency savings			1,903	1,903	1,903		£ 5,708
Aged Debt Avoidance			247	247	247		£ 740
Environmental							£ -
Other							£ -
Total Non-cashable Benefits	£	£	£ 2,149	£ 2,149	£ 2,149		£ 6,448
Total Benefits	£	£	£ 2,170	£ 2,200	£ 2,193		£ 6,563

7.4.11 It should be noted that the Council already holds a base budget for the existing software and maintenance costs of CareFirst and in addition to the cashable benefits noted above, the net position to be funded is £5.115m as detailed below:

	All financial figures are in £000s						
FUNDING POSITION	**Year 0**	**Year 1**	**Year 2**	**Year 3**	**Year 4**		***Totals***
	2016/17	**2017/18**	**2018/19**	**2019/20**	**2020/2021**		
Costs:							
One off Costs	3,318	1,591					£ 4,909
On-going Costs	256	468	301	225	232		£ 1,481
Total Costs	3,574	2,059	301	225	232		£ 6,390
Base Budget	243	243	243	243	243		£ 1,215
Cashable Benefits (excl. system savings as included in base budget)			20	20	20		£ 60
Required Funding	£ 3,331	£ 1,816	£ 38	-£ 38	-£ 31		£ 5,115

7.5 Funding

7.5.1 The primary source of funding for this project will be provided by making use of the additional powers made available to Local Authorities as part of the Final Local Government Settlement for the flexible use of capital receipts. Council have been asked to approve the policy change to enable the use of this flexibility as part of the Financial Strategy considered on this Council's agenda.

7.5.2 Should the level of capital receipts not be generated to the level required for the programme, alternative funding sources have been identified to close any funding gap.

- Residual capital grant funding not committed to alternative projects.
- Review of appropriate earmarked reserves (e.g. Resources Efficiency Reserve, Transformation/Invest to Save Reserve).
- Internal borrowing against the Council's current cash balances.

7.5.3 If there is a balance to be funded from internal borrowing, the funding of the eligible cost will then be spread over a number of years, with annual or ad hoc contributions required to repay the funds allocated plus any internal interest charged. Any internal borrowing costs will be funded from cashable savings realised and therefore will delay the impact of savings realisation within the Financial Strategy until the costs are fully repaid.

7.5.4 The Programme team is currently at the stage of having outline business case level information and will need to engage some additional project resources to carry out the next round of work i.e. to produce a full business case for the proposed option.

7.5.5. The costs and benefits have been calculated based upon current funding levels and the position and direction of the Council. If these change significantly they may impact the costs and benefits.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)
Cabinet Member (Portfolio Holder): Councillor Michael Wood
Local Member:
Appendices: 1 – Risks to ICT operations 2 – The Programme Plan 3 – Options Appraisal

Appendix 1 – Risks to ICT Operations

The current ICT Operations provision has been subject to a previous lack of investment over a sustained period, leading to:

- Unplanned spend on ageing equipment;
- As previously reported the negative impact and operational risks created by the lack of investment in ICT core capacity;
- Ongoing Audit qualification of ICT relating to Governance and, Disaster Recovery & Business Continuity;
- Poor connectivity, including Internet and Wi-Fi access.

The Council is required to test the market to ensure that it continue to get the best value for money. This requirement mandates that it goes out to tender for its key systems. The current ICT procurement process does not necessarily deliver the best outcomes for the Council as a whole.

The Council operates a large number of complex systems. These systems contain significant overlap of functionality and are expensive to maintain and operate;

The existing applications do not automatically share data with each other, which causes the following problems:

- Inability to enforce data governance leading to varying standards and accountability;
- Varying standards of data quality (accuracy and currency of data);
- Information stored in data silos;
- Poor visibility of data, e.g. difficulty in responding to FOI requests;
- Duplication of effort in rekeying in data;
- Difficulty in delivering a 'Tell us Once' approach across all Council applications;
- Multiple instances of the same information;
- Requirement to duplicate effort to enter data where more than one ICT application is required to complete an end to end process;
- Disjointed business functionality that prevents the opportunity to introduce efficiencies;
- A barrier to having a 'single view of the truth';
- A barrier to having a single view of the customer and, a single view of the Council;
- A barrier to having a single front door to access Council services.

The short comings of the current operating model could expose the Council to a situation in which the existing duty of care to citizens may fail.

The current operating model does not include robust ICT solutions with inherent resilience which are flexible enough to enable the Council to adapt to strategic changes in the direction of travel. This results in significant impact on access to, and management of, material systems and ultimately service delivery.

APPENDIX 2 - The Programme Plan

Pre-programme Phase:

The pre-programme phase is drawing to a close with estimates of costs and potential benefits forecast being incorporated into the business case.

Design Phase:

In line with best practice a more accurate analysis of actual costs and deliverable benefits will be undertaken during the programme design phase.

As part of the design process a detailed analysis of IT system and operational processes will facilitate a revised cost and benefits forecast that will be used to update the business case.

As part of the design process a review of the current business processes will be undertaken. The design should seek to establish robust governance and protocols that reflect current best practice within the Council. Where procedures, policy and protocols do not reflect government guidelines of best practice, there is an opportunity to establish best practice in line with government guidelines. As part of the design phase stakeholders will be able to make informed decisions and agree to budget reductions and cashable benefits.

This approach should be adopted at all phases of the programme from the design solution to delivery of the programme. All phases of the design including robust business processes, will reflect a more efficient way of working, this will support the delivery of benefits and cost savings expected from the programme. System configuration will be less expensive if established during the design phase of the programme. This approach which will form part of the cost effective future proofing of the council's applications.

Implementation Phase:

Once the design phase has been completed The Programme Board can then approve the programme which can then progress to the implementation phase.

Contracts will be signed, and the build of the new system can commence.

During this phase of the programme the business case will be regularly reviewed, and necessary refining of the operational processes will ensure that the potential benefits are delivered according to the programme mandate.

Upon completion of the implementation phase and following rigorous testing to ensure the system is fit for purpose, the organisation will 'go live' and delivery of the operational time saving benefits will be delivered.

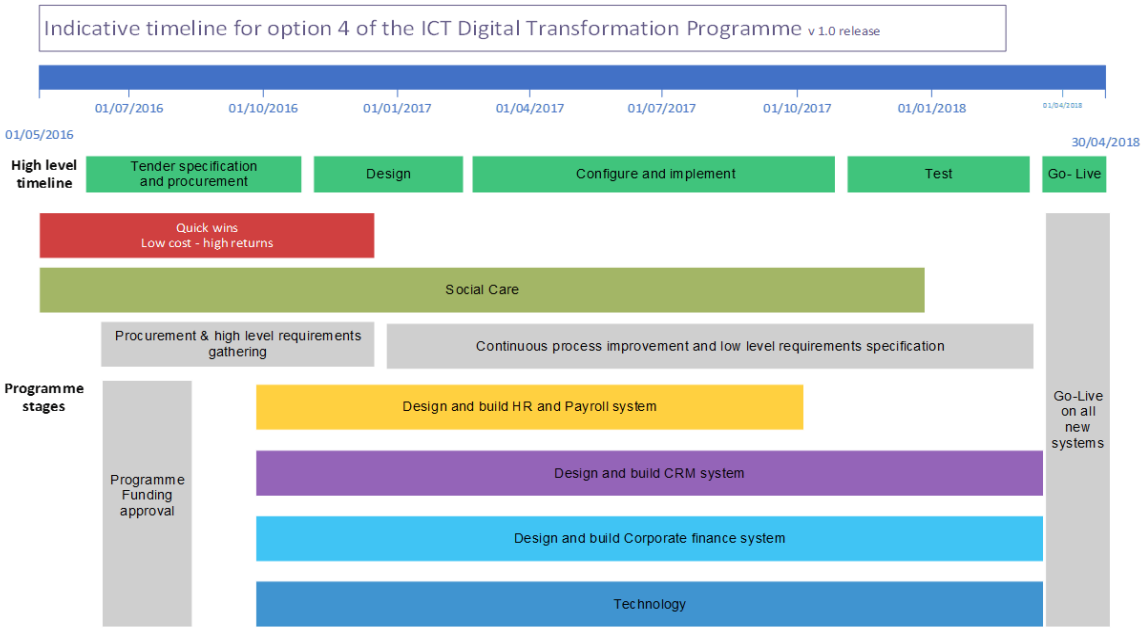
Post- Programme Phase:

As part of the post 'go live' review, specific decisions will be made on how to realise the benefits.

Budget holders will be able to make fully informed decisions and agreement to budget reductions and benefits realisation.

The Programme Plan:

The diagram below sets out the high-level timescales for delivering Option 4 - the Hybrid Option which is the basis of the recommended approach



The plan will seek to establish robust governance and protocols that reflect current best practice within the Council. Where procedures, policy and protocols do not reflect government guidelines of best practice, there will be an opportunity to establish this.

This approach will be adopted during all phases of the programme from the design solution through delivery of the programme. All phases of the design including robust business processes, will reflect a more efficient way of working; this will support the delivery of benefits and cost savings expected from the programme.

Testing will also reflect this more efficient way of working and will ensure that the various applications are delivering system solutions that are fit for purpose as part of the digital by default mandate laid out by government.

APPENDIX 3 – Options Appraisal

The options were evaluated in a two stage process; an initial risk workshop and options appraisal process to identify the most beneficial options followed by detailed investigation of the highest scoring options.

The options appraisal demonstrated that the Hybrid Option (the recommended approach) provide the best value solution for Shropshire Council

PROGRAMME OPTIONS APPRAISAL

Scores

Option	Description	Strategic Alignment	Cost	Benefits	Affordability	Business Disruption	Timescales	Longevity	Scaleability	Implementation Risk	Potential Revenue	Achievability
1	Minimal solution	3	5	2	5	4	4	1	1	4	2	4
2	Traditional implementation	4	2	4	3	3	3	4	4	4	3	4
3	Unified solution	5	2	4	3	3	3	5	5	3	3	3
4	Hybrid Approach	4	3	4	3	2	3	5	5	4	3	4
5	Outsourcing	2	3	2	4	1	4	1	1	2	1	2
6	Phased SaaS implementation	4	2	3	3	2	3	4	3	2	3	4
7	Joint Venture (with other Council)	4	2	3	4	2	3	5	3	1	2	2
8	Internal hosted solutions	1	4	2	5	2	5	1	3	3	3	3
9	Do Nothing	1	3	1	5	5	5	1	2	1	2	5
Weightings %		10	12	13	8	8	8	8	7	10	5	11	100

Weighted Scores

Option	Description	Strategic Alignment	Cost	Benefits	Affordability	Business Disruption	Timescales	Longevity	Scaleability	Risk	Potential Revenue	Achievability	Total	Rank
1	Minimal solution	30	60	26	40	32	32	8	7	40	10	44	329	4
2	Traditional implementation	40	24	52	24	24	24	32	28	40	15	44	347	3
3	Unified solution	50	24	52	24	24	24	40	35	30	15	33	351	2
4	Hybrid Approach	40	36	52	24	16	24	40	35	40	15	44	366	1
5	Outsourcing	20	36	26	32	8	32	8	7	20	5	22	216	9
6	Phased SaaS implementation	40	24	39	24	16	24	32	21	20	15	44	299	5
7	Joint Venture (with other Council)	40	24	39	32	16	24	40	21	10	10	22	278	7
8	Internal hosted solutions	10	48	26	40	16	40	8	21	30	15	33	287	6
9	Do Nothing	10	36	13	40	40	40	8	14	10	10	55	276	8

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