

**The Vale of Glamorgan**



**OneVale Programme**

**Business Case**

**Status: FINAL**

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Version 1

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# 1. Management Summary

## 1.1 Introduction

This document details the business case for the OneVale Programme over the coming 10 years. The focus of the analysis is on the financial impact and affordability of the Programme. However, the broader business justification for the Programme is presented at a summary level, drawing on existing recommendations for change that have already been agreed.

This document should provide both the Corporate Resources Scrutiny Committee and Cabinet with all the appropriate information to make the decision for the Programme to progress and for the investment decisions to be implemented.

## 1.2 OneVale Vision

At the heart of the Council's "OneVale Programme" is the goal of business transformation: implementing innovative technologies and processes, creating a culture of collaboration and a focus on customer service, improving the accessibility of services, and reducing its core revenue expenditure.

### 1.2.1 Why change?

The reasons for transformation are firmly based on a number of core strategic imperatives:

- To be seen by our stakeholders as one of the leading Council's in Wales, we cannot stand still.
- The structure of Government within Wales and the demand of our customers demand a culture of innovation, change and collaboration. To deliver this the Council needs:
  - Better quality information;
  - Staff must be more empowered to act on information; and
  - The Council's structures need to be focussed on delivering joined-up customer service.
- The budgetary pressures arising from both Gershon and the Council's revised settlement require a greater focus on cost management, particularly regarding procurement, and the performance management of trading activities.
- The Council's current systems and processes and the behaviours they create, will compromise these growth aspirations.

### 1.2.2 What is the vision for the Programme?

OneVale will be one of the largest change programmes the Council has ever undertaken. It will have a key role in the transformation of the Council, to enable it to become more joined-up and more customer-centric. The diagram below aims to capture the key components of the OneVale vision:

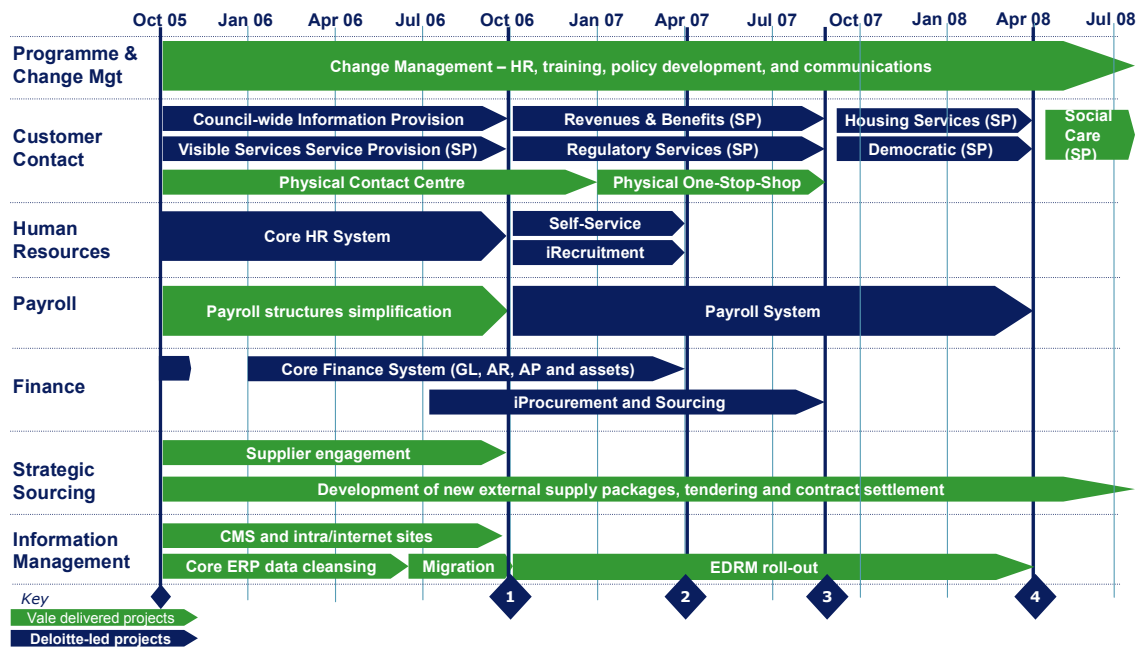


### 1.3 What is the OneVale Plan?

Beyond the above financial analysis, some key planning assumptions have been made in the business case regarding the:

- Scope of change;
- Tasks required to enable change;
- Timing of projects; and
- Responsibility for the delivery of OneVale projects.

The diagram below briefly summarises the main components of the OneVale Programme, in the medium term, from October 2005 to April 2008. During this period, the Council will be supported by Deloitte to deliver a significant proportion of the software implementation and business process change activity. The success of the Programme will be highly dependent upon both organisations working in partnership, taking responsibility for and delivering key OneVale projects.



After this first period, to April 2008, the Programme Plan has not yet been firmly agreed. However, four key areas of the Programme will continue until October 2009, led the Council, as follows:

- Customer Contact – possibly to include Social Care Services (for both adults and children), and Learning and Development.
- Finance – possibly implementing Project Management, Job Costing and Asset Management, enabling some existing systems to be replaced (such as Consol).
- Strategic Sourcing – continuing to, rationalise and embed corporate contracts.

Within Appendix 1, we have provided greater clarity regarding work-in-progress throughout the first five years and the expected Programme outcomes; i.e., what the Council gain. This analysis details progress on a quarterly basis, and is supported by a detailed Programme Gantt chart (managed by the Programme Management Office).



### 1.4.1 Summary analysis

The spreadsheet summary above illustrates the following main issues:

#### **Capital spend (one-off Programme investment)**

- Total capital (i.e., project) investment has been calculated as £14.8m, incurred over the first 5 years of the Programme.

#### **Cashflow**

- The net revenue cash impact of the Programme is a reduction in expenditure of £17.3m over 10 years.
- The cashflow position of the Programme shows a positive inflow of £2.5m, and represents 9 year payback period (without using NPV).

#### **Net Present Value**

- The Net Present Value of the Programme is an adverse £1m after 10 years.
- The Programme should payback in year 11, based on NPV calculations.
- Regarding the financial impact of each project component, the following NPV analysis is available, at year 10:

<b>Project NPV summary</b>	<b>Net cost or saving(-)</b>
Customer Contact	£5,822,523
HR, Payroll, Finance and Sourcing	-£3,822,297
Information Management (inc. EDRM)	-£994,131
<b>NPV after 10 years</b>	<b>£1,006,095</b>

#### **Internal Rate of Return and Accounting Rate of Return**

The project has the following IRR and ARR outcomes:

- IRR = 3% - this is the discount rate that would be required for the Programme to break even over its 10 year life. The higher the figure, the more sound the financial case. This IRR demonstrates a high level of sensitivity to cashflow changes; and
- ARR = 17.07% - this demonstrates the percentage of total surplus (revenue savings) over total investment (capital spend). A higher the figure demonstrates a better return on investment.

### 1.4.2 Key assumptions

The financial analysis has been based upon several key assumptions that are explained later in this document. However, in summary, the headline issues are as follows:

- Not all property development costs have been attributed to the Programme, as follows:
  - Total property capital costs have been estimated as £1.91m, only £1.2m have been allocated to the Programme, and these relate to the Customer Contact Project;
  - Additional property revenue costs have been estimated as £400k per annum. However, only £185k have been allocated to the Programme based on the increased space required to implement the One-Stop-Shop and Contact Centre and the space lost by existing services located within the Civic Offices.
- Software, hardware and implementation costs have been based on three key components and associated costings have been sought through the market and consultation within the Council:
  - Enterprise Resourcing Planning (ERP) – the software that will deliver the majority of the Programme's systems infrastructure, including for example, HR/Payroll, Finance, Procurement, and CRM. It has been assumed that Deloitte will be primarily responsible for the ERP implementation.

- Content Management System (CMS) – the software that will control and support the Council’s internet, intranet and extranet sites, and will also deliver the knowledge base that will be used by Customer Service Representatives. It is assumed that the Council will implement the CMS using existing internal ICT resources, with support from the software vendor.
- Contact centre voice recording software (for monitoring the quality of calls) and workforce management software (to plan and manage contact centre staffing levels).
- Electronic Document and Records Management (EDRM) – the software that will be introduced to deliver the Council’s Information Management Strategy. It has been assumed that the Council will implement EDRM using existing internal ICT resources.
- Internal resource costs have been calculated through consultation with Project Managers and, where possible, with service areas. These staffing costs have been calculated only where additional salary costs will be incurred: for example, through back-filling existing operational roles, paying overtime, and recruiting new staff for the Programme. On-costs have been calculated at 36%, and an annual uplift of 2.5% has been applied to all salary figures.
- A discount factor of 3.5% has been applied for the net present value calculations, in line with the Treasury Green Book (the rationale for this rate is detailed in appendix 4).
- Consultancy costs are based on the scope defined within appendix 1, using SCAT terms and conditions between Deloitte and the Council.
- The timing of costs and savings are based on the Programme Plan, which assumes that the Programme will formally begin in October 2005. Costs have been calculated on a financial year basis, and include those costs already incurred from April 2005.
- The savings included within the financial model are summarised below:

Process area	Efficiency quantified	Efficient target date
Sourcing	£13.1m	Over 10 years
Current system decommissioning	£0.63m	Over 10 years
Net process efficiencies	97.5 FTEs	Stepped to 2011-12

- A combination of cost apportionment and allocation has been used to calculate the financial implications of each project within OneVale. The rationale for apportionment has been to split costs evenly.

## 2. Introduction

### 2.1 Background

The Vale of Glamorgan Council (“the Council”) has undertaken a programme of change over the last two years to improve its ways of working and to raise its profile and reputation. To continue moving forward, the Council has begun to prepare for the implementation of e-Government and, as the first stage of this work, has completed an IT strategy and action plan for implementing new systems. However, the Council recognises that improvement of IT systems is only part of the change necessary to achieving a fully modernised public service and, in light of the IT strategy recommendations, wished to appoint a partner to assist with the further development of the Council’s thinking. Deloitte has been selected as Council’s approved partner to support the development and implementation of the Council’s e-Government Programme.

As part of this work, the Council also is keen to explore innovative ways of achieving its Modernising Government goals and wishes to develop and improve its approach to procurement. The Council’s decision to embark on this major transformation project requires major effort to be placed in defining an effective approach to procurement which is necessary to provide improvements in services and realise tangible financial savings.

### 2.2 Purpose of this Document

This document details the business case for the OneVale Programme over the coming 10 years. The focus of the analysis is on the financial impact and affordability of the Programme. However, the broader business justification for the Programme is presented at a summary level, drawing on existing recommendations for change that have already been agreed.

### 2.3 Basis of analysis

This business case is based on a combination of documents, meetings, workshops and analysis that have been undertaken over the past 2 years, including: OneVale Programme Blueprint; Information Management Strategy and Procurement Strategy.

Beyond the above, the business case analysis has been prepared with support from the Corporate Management Team, the OneVale Project Managers and Sponsors, and some high level consultation with Directorates.

### 2.4 Acknowledgements

We would like to thank the Council staff and managers that have assisted with our analysis, by both providing us with time for meetings and documentation, and also for their support of the vision for improving corporate procurement.

### 2.5 Structure of this Document

This business case document has the following structure:

- **Section 3** – Provide a summary of the Programme vision and its objectives.
- **Section 4** – Provides an analysis of the core assumptions relating to the capital and revenue costs of the Programme, by subjective category.
- **Section 5** – Explains the key assumptions underpinning the process and sourcing assumptions detailed within the analysis.

# 3. OneVale Programme Vision

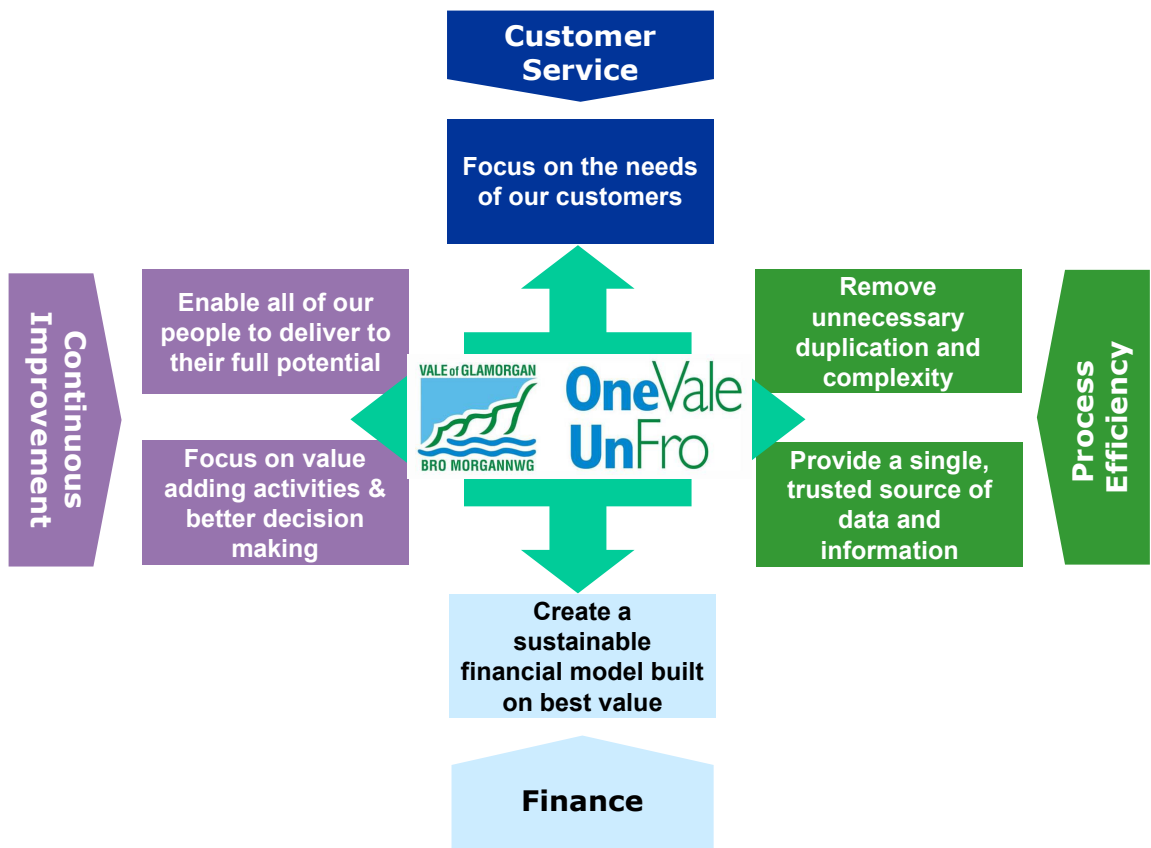
## 3.1 Context

Local Government in Wales is facing a number of key challenges, covering a broad spectrum of significant corporate issues, the Vale is no exception. 'Making the Connections' requires a more joined up approach to public services, enabled through effective information sharing, joint working and collaborative decision making. Implicit within this agenda is the need to be able to operate as one Council, sharing common information and processes, to create the environment to work with others. The Efficiency Strategy, launched through the Gershon Report, defines the need for all public services to deliver better quality services at a reduced net cost. To avoid making damaging cuts within services, the Council must manage its resources more effectively and ensure that it truly delivers best value, focusing its resources on activities that add value to its customers. In this instance, the Council must be more effective at negotiating its supplier contracts, track and manage its resources carefully, and have a transparent view of how resources are being deployed.

To achieve this policy context, the Council must transform its current business processes, working practices, and behaviours. The Council has created the OneVale Programme to address this challenge, through the implementation of integrated information systems, new approaches to customer access and support, and output-based business processes.

## 3.2 The drivers for change

Core to the Programme is a vision which will transform the Council's services and capabilities to meet the needs of its customers and communities, and to deliver services more efficiently through new working practices and integrated information systems. Broadly speaking, the OneVale vision is based on four key, complimentary themes: customers, process efficiency, continuous improvement and finance, as follows:



Based on the above four areas the Council has identified the following business drivers for the Programme as critical to demonstrate its success. These business drivers have been matched with performance measures that will monitor the delivery of the Programme benefits. In some areas, particularly those relating to customer service, the baseline position is not known, due to the absence of effective, current performance information. However, through the early stages of the Programme's implementation, baseline data will be collected to define clear, measurable targets. Performance targets for the financial and process efficiency drivers have been established, and are in section 6 of this document:

Customer Service	Process Efficiency
<ul style="list-style-type: none"> <li>● To improve the customer's experience of contacting and transacting with the Council.</li> <li>● To clearly track and report the Council's responsiveness to customer requests for all access channels.</li> <li>● To improve the level of customer satisfaction with the Council's services.</li> <li>● To provide greater flexibility to customers, regarding both access channels and hours of availability.</li> </ul>	<ul style="list-style-type: none"> <li>● To reduce duplication of effort through increased sharing of core corporate information: staff; customers; suppliers; and property.</li> <li>● To increase the speed and efficiency of processes through reducing manual transactions, using automation, and challenging current process design.</li> <li>● Encourage staff and customers to use web-based self-service to enact transactions.</li> </ul>
Finance	Continuous Improvement
<ul style="list-style-type: none"> <li>● To reduce the revenue cost of the Council by over £2m per annum from 2010.</li> <li>● To use the front office to improve fraud detection and increase revenue collection.</li> <li>● To reduce the cost of goods and services bought through more effective corporate procurement processes and behaviours.</li> </ul>	<ul style="list-style-type: none"> <li>● To work as one Council, sharing information and knowledge for the benefit of our customers.</li> <li>● To improve service delivery through a better understanding of demand.</li> <li>● To improve the opportunities and support for staff to develop their capabilities and careers.</li> </ul>

### 3.3 OneVale outcomes

For the Programme to meet its business targets, a number of outcomes have been established. These outcomes relate to how the Programme will provide the Council with new tools, processes, structures and will effect cultural change, to create a transformed Council. Fundamentally, as its name suggests, OneVale is driven by the goal of creating a joined-up Council, whose service professionals collaborate and work together, to deliver one vision of meeting the needs of its customers, communities and staff.

Below is a summary of the outcomes expected of OneVale, many of which relate to the expectations established in the Council's Corporate Plan:

Focus area	The Programme will deliver transformation by...	And through ensuring that the Council has...
<b>Customer Service</b>	Focusing on the needs of our customers and communities	<ul style="list-style-type: none"> <li>● services that are easily accessible by customers</li> <li>● a culture &amp; structure that promotes excellent customer service</li> <li>● technologies that provide customers with flexibility to access and monitor service delivery</li> </ul>
<b>Process efficiency</b>	Removing unnecessary duplication & complexity from	<ul style="list-style-type: none"> <li>● a dramatically reduced number of systems</li> </ul>

Focus area	The Programme will deliver transformation by...	And through ensuring that the Council has...
	our business	<ul style="list-style-type: none"> <li>● real clarity of roles and responsibility</li> <li>● collaboration between people and departments</li> <li>● stopped doing things that don't add value</li> </ul>
	Providing a single, trusted source of data and information	<ul style="list-style-type: none"> <li>● truly integrated systems</li> <li>● data that is only entered once</li> <li>● an agreed single version of the truth</li> <li>● access to information when and where it is required</li> </ul>
<b>Continuous Improvement</b>	Focusing on value adding activities & better decision making	<ul style="list-style-type: none"> <li>● action oriented decision making</li> <li>● the information to challenge service delivery</li> <li>● parameters within which staff are empowered to act</li> <li>● a culture that is outward looking</li> </ul>
	Enabling all of our people to deliver to their full potential	<ul style="list-style-type: none"> <li>● the right tools for the job for everyone</li> <li>● meaningful measures and recognised achievement</li> <li>● commitment to build individual capability</li> <li>● learning and development tools and processes that encourage development</li> </ul>
<b>Finance</b>	Creating a sustainable financial model built on best value	<ul style="list-style-type: none"> <li>● measures aligned to overall strategy</li> <li>● a common culture of accountability</li> <li>● processes and systems that manage risk efficiently</li> <li>● tools and the skills to embrace innovative approaches to procurement</li> </ul>

### 3.4 What are the components of OneVale?

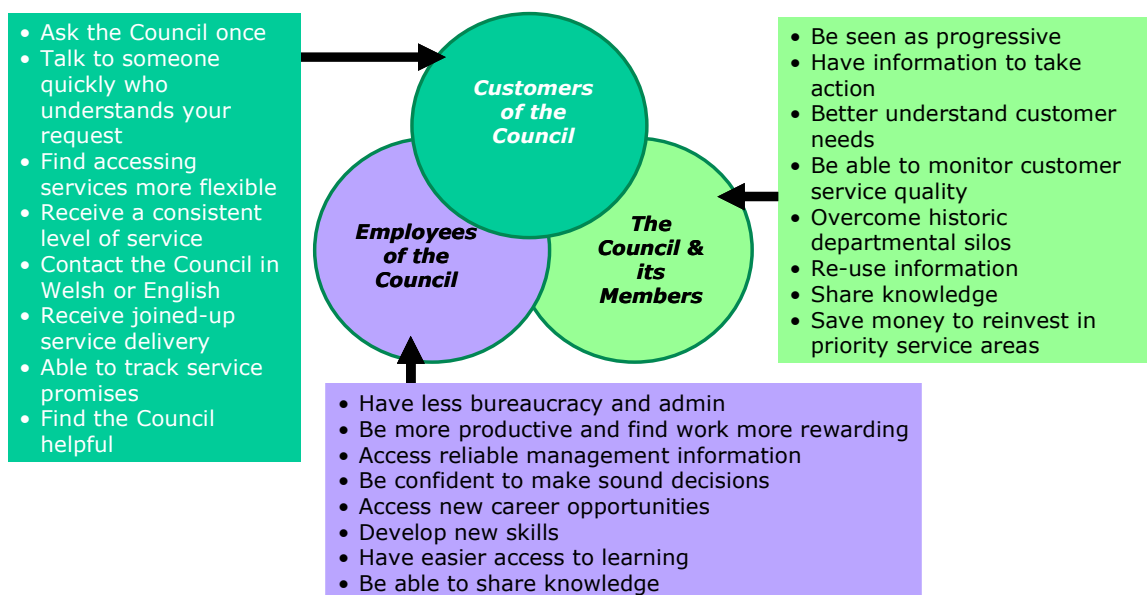
The OneVale Programme aims to change most aspects of the Council's business, from its processes and systems to its culture. In practical terms, the Council has developed a number of core process streams (Projects) that shape the structure of the Programme, as follows:

- **Customer Contact** – which is focused on the implementation of a: contact centre; one-stop-shop (within the Civic Offices in Barry); revised website; customer relationship management system; and streamlined business processes. Key outcomes from this project will be:
  - The ability to have a single view of a customer;
  - Information to analyse customer service requests, queries and delivery performance, by type and ward;
  - Efficient and fast processes to fulfil customer service requests; and

- Flexible communication methods that make the Council's services more accessible (i.e., phone, letter, internet, e-mail and face to face).
- **Human Resources and Payroll** – this is focused on the implementation of an integrated HR and payroll system to streamline employee administration and remuneration processes. In addition, the HR processes will be more geared to employees being able to access and amend their own records – e.g., personal records, CV, training courses, etc – and managers will:
  - Be able to initiate and track recruitment processes on-line;
  - Have better access to information regarding staff activity, sickness/absence, etc;
  - Be better able to manage and support staff competency development.
- **Finance and Procurement** – this Project focuses on the implementation of new financial management processes and systems across the Council, supported by revised Financial Regulations, Standing Orders and Policies. The following are critical success factors for this element of the Programme:
  - Resource allocation processes are integrated with customer service processes, where appropriate, to avoid duplicate data processing or incomplete information;
  - The unit cost of processing purchasing orders and other financial transactions are reduced, through process automation and a clear move away from paper-records;
  - Improve the control and management of procurement to decrease the cost of goods and services, while also reducing the administrative burden of raising orders within service areas;
  - Deliver more contextual, usable and timely financial data to cost centre managers.
- **Information Management** – this is a fundamental component of OneVale, as it is the stream that will provide the glue between existing systems and the new ERP system, it is also geared to transforming current practices regarding the ownership and control of data. It has a key role in ensuring that there is one trusted source of the truth.

### 3.5 How will our stakeholders benefit?

The most important aspect of the OneVale Programme is what it will deliver to the individuals that represent key stakeholder groups: customers; employees; and the Council's political leaders and executive management team. The diagram below illustrates at a high level the key gains that will result from the Programme:



## 4. Investment analysis

### 4.1 Overview

The main areas of Programme expenditure, on both a capital and revenue basis are:

- Consultancy costs:
  - Programme & change management consultancy costs (P&CM)
  - Implementation consultancy costs (ICC)
- Internal programme and project staff resources:
  - Programme internal resources (PIR)
  - Implementation internal resources (IIR)
- Technology infrastructure (TI)
- Software costs (SW)
- Property costs (P)
- Operational staff costs (S)

### 4.2 Consultancy costs

Consultancy costs relate to the services provided by the Council's Strategic Partner for the OneVale Programme, Deloitte. These costs have been planned for the period from April 2005 to March 2009, assuming a Programme start date of October 2005.

#### 4.2.1 Programme and Change Management

The costs for this area are summarised below:

	1	2	3	4
	2005-6	2006-7	2007-8	2008-9
<b>Capital Costs</b>				
1 April to 30 June 2005 (core team)	£241,236	£0	£0	£0
Programme Management	£295,673	£369,686	£243,908	£30,164
Programme Management Office	£98,075	£143,682	£0	£0
Change Management	£185,031	£211,807	£106,965	£0
Project Management	£330,797	£512,059	£339,580	£12,525
	<b>£1,150,812</b>	<b>£1,237,234</b>	<b>£690,453</b>	<b>£42,689</b>

These costs relate to the core Deloitte consulting Programme and Project Management team, and include the fees incurred from 1 April 2005. When the full implementation begins, this team will include:

- Engagement Partner;
- Programme Manager;
- Functional (Business Process, BPR) Project Manager;
- Technical (Systems Implementation, ERP) Project Manager;
- Change Advisor;
- Programme Management Office (PMO) analyst.

## 4.2.2 Project Implementation

The Deloitte implementation resources will be provided by a blend of Deloitte UK consultants, (UK) and the Deloitte European Development Centre (EDC) for configuration services. The associated costs are summarised below:

	2005-6	2006-7	2007-8	2008-9
<b>Capital Costs</b>				
Customer Contact (from April 2005)	£637,065	£631,495	£428,696	£6,710
Financials, HR and Payroll	£252,539	£1,057,463	£549,135	£38,799
Technical and integration	£158,986	£496,741	£419,330	£5,368
	<b>£1,048,589</b>	<b>£2,185,699</b>	<b>£1,397,162</b>	<b>£50,876</b>

With a view to reducing the overall costs associated with implementation, Deloitte will draw on its EDC. This approach combines key UK based and resourced roles with a team based and resourced from the EDC allowing the costs associated with application configuration to be substantially reduced. This has become a common approach to application implementation projects and Deloitte has experience of it with both public sector and private sector clients.

The above model delivers a blended rate for Project Implementation and Programme Management consultancy resources of £889 per day, including expenses, at 2005 rates. Taking this approach provides an appropriate balance in the deployment of specialist resources on site at the Vale to lead key work streams, whilst reducing the overall cost of implementation.

## 4.3 Internal Resources

These resource costs relate to the additional (marginal) costs of delivering the OneVale Programme – i.e., new posts or the costs of back-filling existing posts that are seconded onto the Programme. Many of the roles to support the Programme, such as ICT, HR advisor and Communications officer, do not incur additional costs as these functions will be accommodated through the reprioritisation of existing workloads. In the case of ICT, OneVale delivers the Council's eGovernment Strategy and therefore, appropriate ICT resources are already in place.

### 4.3.1 Programme and Change Management

	1	2	3	4	5
	2005-6	2006-7	2007-8	2008-9	2009-10
<b>Capital Costs</b>					
Programme Management	£54,205	£84,175	£86,280	£88,437	£90,648
Change Management Team	£28,080	£53,955	£55,303	£39,019	£31,199
	<b>£82,285</b>	<b>£138,130</b>	<b>£141,583</b>	<b>£127,456</b>	<b>£121,846</b>

The above includes the following additional costs:

- Programme Co-ordinator;
- Two Programme Support Officers;
- Two training Officers; and
- HR Support (back-filling due to secondment).

### 4.3.2 Project Implementation Teams

The majority of Council staff working on OneVale will be deployed to deliver one or more of the projects within the Programme. In some instances, Council officer time on the Programme will be both short term and part-time, being limited to user group or Project Board involvement, and should not lead to additional costs. However, in many instances, full time resources will need to be employed and the costs of these roles have been incorporated within the business case.

To differentiate between ‘cost’ and ‘no-cost’ project roles, we undertook the following steps:

- Undertook an assessment of the different project roles required by OneVale, including:
  - Project Manager (full time);
  - Project Sponsor;
  - Project Board member;
  - User group member;
  - Data co-ordinator;
  - Web working group member;
  - BPR team member (full time);
  - ICT technical team member (full time).
- Developed evaluation criteria with the Corporate Management Team (CMT) to classify the roles into specific categories and define whether a role should be Programme funded or otherwise, as follows:

	<b>Secondment and backfill</b>	<b>New staff resources</b>	<b>Overtime &amp; job sharing</b>	<b>Secondment and absorb</b>	<b>Absorb within existing roles</b>	<b>Part of Core function</b>
	Full time secondments of existing employees and budget provided to back fill their role or subordinate roles.	Recruit staff into programme roles either internally or externally	Fulfil the role through the provision of multiple staff who maintain their existing role, paying some amount to compensate for extra workload	Full time secondments of existing employees and no budget provided to back fill their role.	Staff are required to provide input to the programme on an ad hoc basis through meetings and workshops	Work required on the programme is considered to be part of individual's core function as part of normal business
<b>Criteria</b>	<ul style="list-style-type: none"> <li>• Full or part time roles</li> <li>• No available capacity</li> <li>• Long term role</li> <li>• Resource required from a small service team</li> <li>• Knowledge of the Council/Service is vital</li> </ul>	<ul style="list-style-type: none"> <li>• Full time roles</li> <li>• Need new competencies not within the organisation structure</li> <li>• Long term role</li> <li>• Aim to bring new ideas</li> <li>• Can recruit using fixed term contract</li> </ul>	<ul style="list-style-type: none"> <li>• Part time roles</li> <li>• Sharing the role is manageable</li> <li>• Able to accommodate project work as overtime</li> <li>• Short term role</li> <li>• Knowledge of the Council is vital</li> </ul>	<ul style="list-style-type: none"> <li>• Full or part time roles</li> <li>• Capacity available</li> <li>• Responsibility sharing possible</li> <li>• Long term role</li> <li>• Resource required from a large service</li> <li>• Knowledge of Council/Service is vital</li> </ul>	<ul style="list-style-type: none"> <li>• Part time roles</li> <li>• Capacity available</li> <li>• Ability to reprioritise focus</li> <li>• Long and short term roles</li> <li>• Knowledge of Council/Service is vital</li> </ul>	<ul style="list-style-type: none"> <li>• Full or part time roles</li> <li>• Where existing operational role would include OneVale work such as ICT, Training, Performance Management, etc.</li> <li>• Long and short term roles</li> </ul>
	<b>COST APPLIED TO THE PROGRAMME</b> - backfilling cost	<b>COST APPLIED TO THE PROGRAMME</b> - new post (salary and on-costs)	<b>COST APPLIED TO THE PROGRAMME</b> - overtime cost	<b>NO COST APPLIED TO THE PROGRAMME</b>	<b>NO COST APPLIED TO THE PROGRAMME</b>	<b>NO COST APPLIED TO THE PROGRAMME</b>

- Applied the agreed criteria to the different roles, to identify the following numbers of roles provided by each Directorate during the 5 years of Programme effort (the following roles do not include Programme Management, Change Management, Contact Centre staffing or Procurement team staffing).

The outcome of this process was a confirmed cost for the project effort that would be funded by the Programme business case. These costs are summarised below:

	1	2	3	4	5
	2005-6	2006-7	2007-8	2008-9	2009-10
<b>Capital Costs</b>					
Customer Contact Project	£77,930	£22,504	£144,993	£148,617	£152,333
Property Project	£22,353	£26,594	£0	£0	£0
Financials, HR & Payroll Project	£84,124	£274,731	£268,945	£76,599	£75,070
Information Management	£27,417	£77,952	£19,975	£0	£0
<b>Totals</b>	<b>£211,825</b>	<b>£401,782</b>	<b>£433,913</b>	<b>£225,216</b>	<b>£227,403</b>

The above costs are project specific and include the following main roles:

- Project Managers;
- Business Process Re-engineering resources (including both a full-time Programme Team and some short term service specific officers);
- Data, analysis, migration and set-up resources; and
- Systems administration and reporting resources (mainly focussed on Finance).

Technical ICT roles, including infrastructure and application configuration, have been modelled within the business case, but do not result in an additional cost to the Programme as the Council's ICT Service has sufficient resources to meet the demands on OneVale.

Operational resources, such as the Corporate Procurement Team, are not included against the above Projects, but are included within the OneVale Programme (see "Staffing" section).

#### 4.3.3 Training

	1	2	3
	2005-6	2006-7	2007-8
<b>Capital Costs</b>			
Technical ERP training	£80,000	£0	£0
End user ERP training	£80,000	£80,000	£80,000
End user EDM training	£0	£20,000	£50,000
	£0	£0	£0
	£0	£0	£0
<b>Totals</b>	<b>£160,000</b>	<b>£100,000</b>	<b>£130,000</b>

The above costs focus on the training costs associated with the implementation of the OneVale ERP software. The technical training is to provide the Council's ICT service with the appropriate skills to manage and maintain the system, while the 'end user' training relates to the operational use of the software by staff within, for example, the contact centre, human resources, or corporate resources.

The technical ERP training costs are based on a quotation received. The remaining training costs are based on a "train the trainer" approach, and a requirement for additional training services. These training costs are over and above those costs already included for internal

training staff (detailed within the Programme and Change Management costs) and Deloitte implementation services.

## 4.4 Technology infrastructure

The technology costs associated with OneVale are summarised below, and relate to hardware, hosting and database infrastructure, rather than software applications:

	2005-6	2006-7	2007-8	2008-9	2009-10
<b>Capital Costs</b>					
Contact Centre network and telephony	£160,400	£0	£0	£0	£0
3rd party integration connectors (APIs)	£120,000	£150,000	£90,000	£30,000	£0
Servers - ERP and CRM	£966,000	£0	£0	£0	£450,000
Servers - EDRM hardware	£0	£0	£150,000	£0	£0
	<b>£1,246,400</b>	<b>£150,000</b>	<b>£240,000</b>	<b>£30,000</b>	<b>£450,000</b>
<b>Revenue Costs</b>					
CC IT Infrastructure maintenance	£39,140	£39,140	£39,140	£39,140	£39,140
IM hardware maintenance	£0	£0	£15,000	£15,000	£15,000
Total server hardware maintenance	£0	£0	£0	£96,600	£96,600
Consolidation of apps. to Enterprise Svr.	£0	£0	£10,000	£0	£0
	<b>£39,140</b>	<b>£39,140</b>	<b>£64,140</b>	<b>£150,740</b>	<b>£150,740</b>

Within the above table, the following items have not been costed in the financial analysis:

- Contact centre desktop provision – as the Programme will not lead to a net increase in the number of PC users, it is expected that the Council's planned desktop replacement programme will incorporate the provision of appropriate hardware for the contact centre;
- Hosting – this business case has assumed that the Council will continue to host its core business applications internally, including those required for OneVale. Beyond the server and infrastructure costs already identified, no additional costs will be incurred from internal hosting. Consideration of alternative hosting models, for both OneVale and other Council applications, will be assessed outside of this analysis.

All the costings within the table above have been based on quotations from technology vendors to ensure that they are reasonable. The £966k estimate for ERP hardware is based on the implementation of a highly resilient solution that incorporates both local fail-over hardware and a fail-over site at the Alps. Furthermore, this hardware should provide sufficient capacity to consolidate other Council applications onto the single server. Finally, the cost estimate includes 3 years Gold Maintenance cover, training and implementation services.

The potential integration costs relating to making 3<sup>rd</sup> party payments to the Council's existing software vendors cannot be easily quantified at present. Indeed, the Council's integration requirements will not be clearly known until the functional design has been undertaken. Nevertheless, we are aware, at a high level, of a number of integrations that are planned. A nominal budget of between £15k and £30k per integration has been set for third party payments.

## 4.5 Software

The software requirements for the OneVale Programme, based on the current scope (see appendix 1), are threefold:

- Core Enterprise Resource Planning (ERP) software – including Customer Relationship Management (CRM), Finance, Procurement, Payroll and Human

Resource Management (HRM). It should be recognised that not all the modules being bought will be implemented as part of the initial OneVale Programme;

- Contact centre voice recording software (for monitoring the quality of calls) and workforce management software (to plan and manage contact centre staffing levels).
- Content Management System (CMS) – this is the core application that will control and publish the Council's website and intranet site, and will serve as the knowledge for the contact centre;
- Electronic Document and Records Management (EDRM) System – this application was defined in the Council's Information Management Strategy as a core component to improve the efficiency of record storage, management, search, retrieval and access across the Council.

No line of business applications are planned for replacement within the scope of OneVale. However, where necessary, integration will be required between corporate and line of business applications – e.g., Flare, MapInfo, etc – and these costs have been accommodated within the technical implementation costs (section 5.2.2 and section 5.4).

Software costs comprise licence fees, usually paid at the beginning of the implementation, and maintenance costs which are recurring costs on an annual basis. These costings are summarised below:

	2005-6	2006-7	2007-8	2008-9
<b>Capital Costs</b>				
ERP software license and database license	£750,136	£0	£0	£0
ERP vendor technical QA consultancy	£0	£70,000	£70,000	£100,000
Voice Recording and WFM software	£85,000			
CMS	£120,000	£0	£0	£0
EDRM	£0	£0	£175,000	£0
	<b>£955,136</b>	<b>£70,000</b>	<b>£245,000</b>	<b>£100,000</b>
<b>Revenue Costs</b>				
ERP maintenance (@22% of software licence)	£165,030	£165,030	£165,030	£165,030
Voice Recording and WFM software maintenance	£17,000	£17,000	£17,000	£17,000
CMS	£24,000	£24,000	£24,000	£24,000
EDRM	£0	£0	£35,000	£35,000
	<b>£206,030</b>	<b>£206,030</b>	<b>£241,030</b>	<b>£241,030</b>

In addition to core software costs, the above budget estimate does include some costs to purchase quality assurance consultancy from the software vendor to check our technical configuration prior to go-live. From the experience of other authorities, this third party verification can be useful in avoiding system failures and resource intensive re-testing and re-configuration time.

## 4.6 Property

The Property costs within OneVale relate to the Customer Contact Project for the establishment of both the contact centre and one-stop-shop. As the contact centre will require the existing Civic Offices to be extended, a significant capital investment is needed in year 1. The marginal costs of the property activity attributable to OneVale are detailed below:

	2005-6	2006-7	2007-8	2008-9	2009-10	2010-11
<b>Capital Costs</b>						
New Build / Fit-out of CC	£321,000	£0	£0	£0	£0	£0
Alterations to existing area of CC	£162,240	£0	£0	£0	£0	£0
Public / Female WC for OSS	£10,425	£0	£0	£0	£0	£0
Staff Facilities & Public Disabled WC	£30,450	£0	£0	£0	£0	£0
OSS Alterations	£143,550	£0	£0	£0	£0	£0
Alterations contingency	£10,000	£0	£0	£0	£0	£0
Professional Fees	£95,604	£0	£0	£0	£0	£0
<i>Kit-out and Running costs</i>		£0	£0	£0	£0	£0
CC & OSS furniture and Fittings	£105,000	£0	£0	£0	£0	£0
<i>Alternative accommodation costs</i>		£0	£0	£0	£0	£0
Provincial House Alterations	£86,760	£0	£0	£0	£0	£0
Provincial House Furniture & Fittings	£18,000	£0	£0	£0	£0	£0
Provincial House Additional Support Services	£10,800	£0	£0	£0	£0	£0
<i>Other Costs</i>		£0	£0	£0	£0	£0
Planning and Building Regs	£4,800	£0	£0	£0	£0	£0
Site Investigation costs	£1,200	£0	£0	£0	£0	£0
Committee Room 3	£31,200	£0	£0	£0	£0	£0
<b>Total</b>	<b>£ 1,031,029</b>	<b>£ -</b>	<b>£ -</b>	<b>£ -</b>	<b>£ -</b>	<b>£ -</b>

<b>Revenue Costs</b>							
Courtyard 1 - running costs	£ 45,260	£ 45,260	£ 45,260	£ 45,260	£ 45,260	£ 45,260	£ 45,260
PH Lease/Rental	£ 37,800	£ 37,800	£ 37,800	£ 37,800	£ 37,800	£ 37,800	£ -
PH Running Costs	£ 63,000	£ 63,000	£ 63,000	£ 63,000	£ 63,000	£ 63,000	£ -
<b>Total</b>	<b>£ 146,060</b>	<b>£ 146,060</b>	<b>£ 146,060</b>	<b>£ 146,060</b>	<b>£ 146,060</b>	<b>£ 146,060</b>	<b>£ 45,260</b>

A detailed breakdown of Property costs are attached in appendix 2. However, below is a brief summary of the salient points:

- Costs associated with Provincial House have been apportioned to OneVale on the basis of the displaced space created by the Contact Centre and One-Stop-Shop. This equates to 36% of the space within Provincial House.
- Professional fees and 'other costs' have been apportioned on the basis of the value of capital build. Therefore, 60% relates to OneVale and 40% is other development.
- 143m<sup>2</sup> additional space is being built for non-OneVale purposes. The percentage of new space being built by the Council is 62% (OneVale) and 38% (other development).

## 4.7 Staffing

Staffing costs relate to two main operational areas that will be created by OneVale:

- Contact Centre – these costs include the Contact Centre Manager, and a growing number of staff as the Customer Contact Project develops and takes-on additional responsibilities from existing Council service areas. The Contact Centre will peak with 72 FTEs and the Contact Centre Manager.
- Corporate Procurement Team – these costs are for the additional staffing and management costs associated with establishing a central team that is responsible for the management of the e-procurement systems, operational management of Council-wide contracts, and procurement policy and guidance. These costs are over and above the current Corporate Procurement function, which equates to one full time officer.

	2005-6	2006-7	2007-8	2008-9	2009-10	2010-11
<b>Revenue Costs</b>						
Contact Centre Team	£31,280	£712,066	£852,895	£1,259,374	£2,037,410	£2,070,798
Corporate Procurement Team	£48,649	£149,596	£204,448	£209,560	£214,799	£159,586
	<b>£ 79,929</b>	<b>£ 861,662</b>	<b>£1,057,344</b>	<b>£1,468,933</b>	<b>£2,252,209</b>	<b>£2,230,384</b>

From year 6, the staffing costs associated with OneVale stabilise at approximately £2.23m per annum. However, it should be appreciated that the majority of the Contact Centre staff costs will be matched by staff reductions within existing service areas through business process reengineering and the expected efficiencies achieved. Furthermore, it has been expected that many of the staff within the contact centre will come from existing services. The budget profile, in FTEs, for the Contact Centre and Procurement Team has been anticipated as follows:

	2005-6	2006-7	2007-8	2008-9	2009-10	2010-11
<b>Budgeted FTE level</b>						
Contact Centre Team	1	26 <sup>1</sup>	39	53	72	72
Procurement Team (inc. existing staff)	2	6	6	6	6	4

The above profile assumes a staggered implementation of Information Provision from November 2006 to November 2007, along with Service Provision for Visible Services (November 2006) and Regulatory Services and Revenues & Benefits (November 2007).

The OneVale Programme anticipates achieving a number of savings from the Council's current pay costs. These are detailed in section 6.4.

<sup>1</sup> Although budget for 26 FTEs has been provided for the whole year, the Contact Centre will actually be implemented in October 2006, leaving only 6 months of the year left.

# 5. Savings analysis

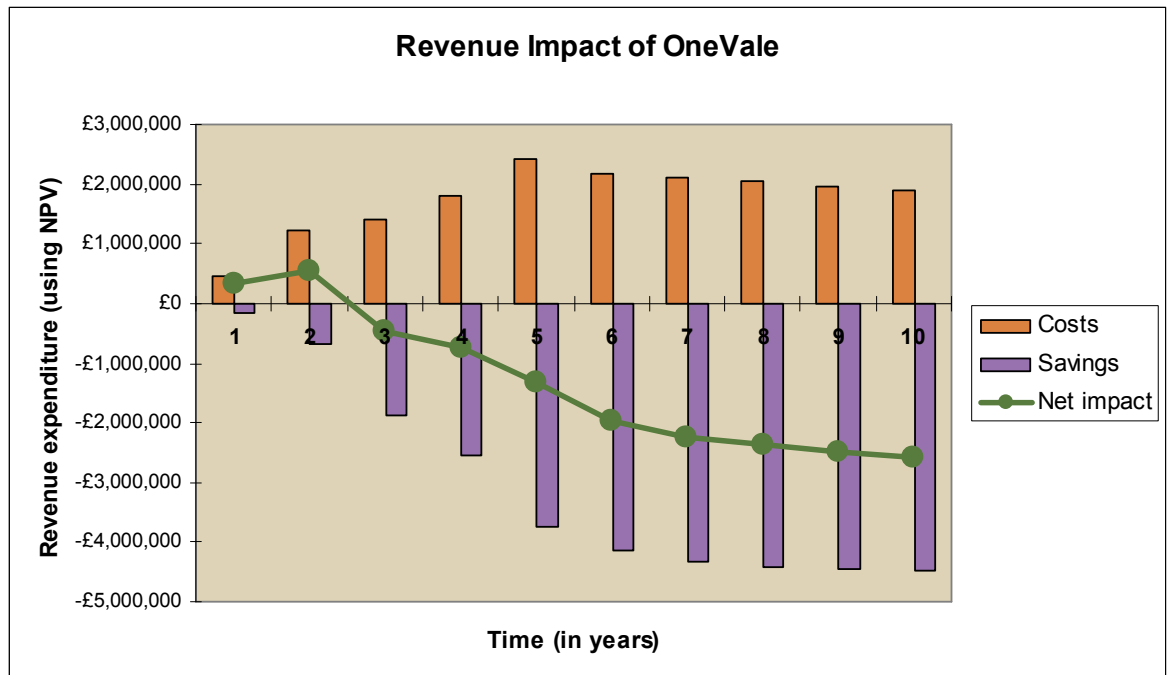
## 5.1 Introduction

A key component of the OneVale Programme is the need to deliver efficiency, which for the purposes of this analysis is only presented where actual cashable savings can be realised. These savings are exclusively revenue based, and relate to four main areas:

- Technology – relating to the consolidation of hardware using the OneVale investment in an advanced server infrastructure;
- Software – through the decommissioning of legacy applications that will be replaced by a corporate ERP system. It should be understood that these savings relate purely to 'corporate' systems, rather than service specific applications such as Flare, Swift or EMS, as these are not planned for replacement within the initial OneVale Programme;
- Staffing – through the adoption of more efficient business processes and the consolidation of roles. Key to this area is the objective of reducing duplicate data input, increasing process automation, increasing staff self-service and creation of a consolidated, Council-wide front-office (i.e., the contact centre and one-stop-shop).
- Sourcing – through the adoption of a corporate approach to buying, improved sourcing decision making within specialist areas, reducing the level of choice available to officers (regarding the breadth of goods bought, services commissioned or suppliers used), and enforcing compliance with corporate contracts.

The latter two areas are key to the realisation of significant revenue savings, and the transition from the current business process environment to the new OneVale way of working will be essential.

The net effect of these revenue savings will be to decrease the Council's expenditure against current levels from 2007-08 to over £2m per annum from 2010-11, as the graph below illustrates:



The sections below illustrate the assumptions used to calculate the above revenue savings.

## 5.2 Technology

As discussed earlier, technology is defined as being hardware (such as servers), networking (e.g., cabling and network devices, such as switches), on-going maintenance and disaster recovery costs. The main impact of OneVale is a significant investment in new and more resilient technology: maximising the availability of the ICT services provided by the Programme.

However, through the significant investment in a new, core server infrastructure, the Council's ICT service anticipates that some existing software packages could be consolidated onto the OneVale server platform, while other applications will be decommissioned through the introduction of the OneVale ERP system. This will create a modest decrease in existing hardware support and maintenance costs for these legacy systems, as follows:

- £7,100 in 2007-08; and
- £11,700 per annum, from 2008-09 onwards.

These savings result from the following server consolidation:

<b>Hardware Maintenance Savings</b>	<b>2007-08</b>	<b>2008-09 onwards</b>
Payroll (CTHB) – to be replaced.	-£4,500	£0
Powersolve - Financial System (D301) to be replaced.	-£1,600	£0
SWIFT / Social Services – consolidation savings	£0	-£4,500
OHMS / Housing – consolidation savings	£0	-£4,500
EMS / Education – consolidation savings	-£1000	£0
Libraries Dynix system – consolidation savings	-£1,600	£0
<b>Totals</b>	<b>-£7,100</b>	<b>-£11,700</b>

## 5.3 Software

Through the implementation of a new ERP system – that will provide increased functionality for the Council in HR, Payroll, finance and procurement – the existing systems used to deliver these areas will be decommissioned. This will result in existing software support and maintenance costs with the current suppliers being saved on an annual basis.

In addition, the current CMS system will also be replaced by a new, more reliable CMS, therefore, existing CMS software support costs will also be saved, as follows:

<b>Savings</b>	<b>2005-6</b>	<b>2006-7</b>	<b>2007-8</b>	<b>2008-9 onwards</b>
Old HR, Payroll and Car Allowances	£0	-£7,258	-£7,258	-£39,507
Old Finance system	£0	£0	-£31,862	-£31,862
Old CMS	-£8,500	-£8,500	-£8,500	-£8,500
<b>Totals</b>	<b>-£8,500</b>	<b>-£15,758</b>	<b>-£47,620</b>	<b>-£79,869</b>

The rationale for the realisation of these savings over time correlates with the Programme Plan. The outcome of the plan on each legacy application is summarised below:

Applications replaced	2005-6	2006-7	2007-8	2008-9 onwards
Car allowances (Puma)	£0	£0	£0	-£5,605
Finance (Powersolve)	£0	£0	-£31,862	-£31,862
HR software (PWA)	£0	-£7,258	-£7,258	-£7,258
Payroll software	£0	£0	£0	-£26,664
CMS (Genetix)	-£8,500	-£8,500	-£8,500	-£8,500
<b>Totals</b>	<b>-£8,500</b>	<b>-£15,758</b>	<b>-£47,620</b>	<b>-£79,889</b>

## 5.4 Staffing

The impact of OneVale on the Council's staff will be significant. In most instances, staff across the Council will need to participate in changing working practices, by adopting new business processes, systems and in some cases, different roles. From discussions with the Programme Board, Steering Group and with Human Resources, it is not expected that compulsory redundancies will be required to deliver the anticipated savings associated with OneVale. This is largely due to the current level of staff turnover, and the anticipated ability for staff to take-up different roles within the Council. This business case does not focus on how the Council will manage the change process – as this is a dedicated stream within the OneVale Programme – rather it explains the rationale for how process rationalisation and efficiencies should deliver a reduction in payroll costs. The main areas considered appropriate for this business case are:

- *Contact Centre efficiencies*
  - Back Office staff transfers to the Contact Centre; natural turnover within service areas of the remaining front-office staff; and process efficiencies within back-office functions due to the Contact Centre and CRM;
  - Contact Centre efficiency savings by consolidating front-office customer support;
- *ICT consolidation*
  - ICT staff reduction due to the adoption of a consolidated ERP architecture;
- *Support services and administration*
  - Purchasing administration process efficiencies through e-procurement;
  - HR process efficiencies, through an integrated HR-Payroll system and self-service;
  - Document and records administration process savings through EDRM.

### 5.4.1 Summary

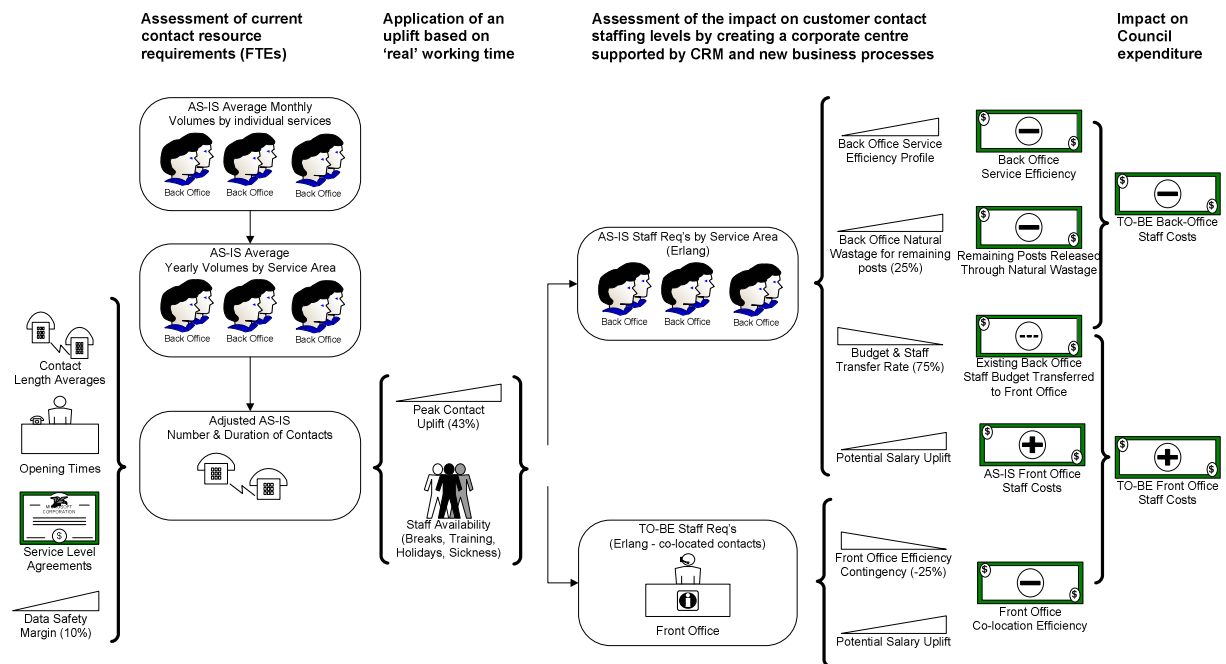
Below is a summary of the financial impact of business process efficiencies that should be realised by the Programme:

	2005-6	2006-7	2007-8	2008-9	2009-10	2010-11	2011-12
<b>Savings</b>							
Contact Centre staff and budget transfer	£0	-£181,493	-£639,615	-£983,007	-£1,671,708	-£1,741,362	-£1,857,453
Customer Contact process efficiencies	£0	-£22,814	-£151,506	-£71,601	-£225,017	-£697,069	-£786,198
ERP Process efficiency	£0	-£15,096	-£232,316	-£605,339	-£995,674	-£1,111,878	-£1,137,303
	£0	-£ 219,403	-£1,023,438	-£1,659,947	-£2,892,399	-£3,550,309	-£3,780,954

### 5.4.2 Contact centre

Alongside the growth of the Contact Centre from 2006-07, the Council anticipates a corresponding reduction in the number of posts responsible – in part or full – for handling customer contacts. By the time the Contact Centre reaches its completion in 2010, the Council will have migrated all key customer contact activities from service areas to the corporate Contact Centre.

In appendix 3, we have provided an analysis of the way the Contact Centre will impact on the reduction of customer contact costs. This analysis is based upon an industry standard statistical model called 'Erlang'. The Erlang calculations are derived from the following process:



### 5.4.3 ICT consolidation

A key part of the OneVale Programme will be the implementation of an ERP system which will consolidate several existing, fragmented systems into one. Part of this decision was based upon a business case which identified that through ERP existing ICT support costs should be reduced based on the current applications support service provided.

From discussions with the Head of ICT and Director of Finance, ICT and Property, a reduction in posts has been anticipated. It should be noted that following the initial

Programme implementation, additional ICT Project resources may be requested to further develop the ERP solution. It has been assumed that any additional requirements, beyond the scope of the current Programme, which may require additional ICT resources would be addressed on a business case basis and would be funded accordingly.

#### 5.4.4 Procurement process efficiencies

Through the implementation of a replacement finance system, the Council's Procurement Strategy has clearly stated revised business processes supported by e-procurement tools and techniques. The most significant process benefit from e-procurement will relate to the purchase to pay process, as follows:

- Ordering – using simple web-based catalogue buying rather than searching for items and suppliers on an ad hoc basis. Furthermore, simplifying the process of order approval by using workflow, rather than the current paper-based process. Finally, recording orders only once, through the corporate system, rather than rekeying order data into two or more systems (such as commitment spreadsheets and job costing systems, such as Consol).
- Goods receipting – recording the completion, or otherwise, of deliveries or service orders on the core system, rather than manually distributing and matching GRNs to paper-based orders.
- Invoicing – using automated two or three way matching to process invoices, rather than relying on the current process, which involves:
  - Matching paper documents together;
  - Gaining invoice authorisation;
  - Inputting invoices into the current finance system and amending commitment spreadsheets with actual cost data; and
  - Approving payment on the finance system.
- Payments – currently approximately 50% of the Council's trade creditor payments are made via BACS, this should be increased to 95% by 2007-08. This should reduce the level of administration and stationary costs associated with cheque payments (which include both manual raised and automated cheques).

From our prudent analysis, we anticipate that a reduction in posts should be achieved through the successful adoption of e-procurement, particularly within Social Services (for domiciliary, nursing and residential care) and Environment and Economic Regeneration (for building and vehicle services, waste and highways).

#### 5.4.5 Human Resource and Payroll administration process efficiencies

The HR service currently employs 48FTEs, primarily focussing on both professional HR services and the administration of the Council's 5,500 employees. At present the Council uses two core systems, an HR system (comprising three separate, non-integrated databases) and Payroll (which is not integrated to the HR system).

Through the implementation of the OneVale Programme, it is prudently anticipated that a reduction in posts will be achieved. These staffing reductions will be achieved through the implementation of a new integrated HR-Payroll system, supported by new business processes that deliver both staff and manage self-service and remove the need for duplicate data input or manual form filling. The key areas associated with the process efficiencies are summarised below:

- Simplified payroll processing – through removing the need for duplicate data input for HR and payroll process, due to using a integrated system and single staff database;
- Employee self-service – enabling staff to input expenses and timesheets information on-line, with on-line approval, thereby removing the need for an additional data input process by the central HR team. Furthermore, staff will be able to check their salary details on-line, and amend their own personal records (such as their address and bank information). Furthermore, staff will be able to book courses on-line and

administer their competency development. These process improvements should significantly reduce the number of queries and manual forms that have to be processed by the core HR team;

- Manager self-service – enabling managers to initiate, monitor and manage the recruitment of new staff, without relying on the current complex and cumbersome paper-based processes. This change should also reduce the level of queries and frustration caused by the current process, while also improving the control and transparency of staff recruitment.

#### 5.4.6 Record and document management process efficiencies

From the work undertaken to create the Council’s Information Management Strategy (2005), a number of core issues relating to the current approach to record and document management were identified that have led to:

- Inaccurate or inconsistent records;
- Duplicate data;
- Reliance on paper-based records;
- Dependency on small local systems (such as spreadsheets) and locally structured filing systems (some are based on individual staff officer preferences, while others may be team based);
- Inefficient records management processes, particularly regarding: storage, file classification, document search and retrieval. Indeed, all of these processes are largely manual, outside of corporate information systems.

Through this analysis, it was identified that through the implementation of both ERP and a corporate EDRM system the impact of process and data efficiencies would equate to 71FTEs. The main services that would benefit from these changes were Community Services and Legal & Regulatory. For the purpose of the business case, we have made a far more prudent estimate. Indeed, we have applied only 40% of the efficiency estimate, which should be achievable by 2009-10.

### 5.5 Sourcing

#### 5.5.1 Current procurement practice: the need for change

The Council currently faces a number of key financial and performance challenges. While the Council’s core settlement from the Welsh Assembly has been reduced by 1%, it must also realise efficiency gains of a further 1%, to meet the requirements of the Efficiency Strategy, and deliver the principles of the Wales Improvement Plan. At the same time, the Council has begun the OneVale programme to radically improve the quality of service provided to customers and its management of service delivery.

To meet this agenda, the Council needs to challenge its approach to managing its expenditure and reducing the unnecessary waste of resources. The Council currently spends £61.1m with suppliers (including £5m of schools commodity expenditure) per annum for the provision of revenue funded goods and services, equating to nearly 50% of the Council’s revenue budget. From our analysis of the current procurement environment, the following key issues are apparent:

Observation	Implication
Devolved silo-based sourcing; many departments are purchasing the same commodities from the same or different companies on an order by order basis.	<ul style="list-style-type: none"> <li>• The Council’s purchasing power is not maximised.</li> <li>• Approximately 5,500 suppliers are actively used per year, many of whom provide the same goods and services at different prices.</li> <li>• Best value is not being achieved.</li> </ul>

Observation	Implication
<p>The selection of suppliers is often based on immediate need, rather than defining potential requirements across the Council for a longer period (e.g., 1-3 years).</p> <p>Furthermore, different departments approach contracting differently, whether through published buying procedures such as OGC and OJEU, WPC framework contracts, or frequent use of three quotes. In some instances, tendering has occurred; in others, it has not. This may be due to many reasons including tight timescales, historical relationships and lack of relevant information.</p>	<ul style="list-style-type: none"> <li>● The Council does not realise or exploit its potential influence on its large suppliers.</li> <li>● Legal contracts are not always in place for all large suppliers.</li> <li>● Often, departments go through many tender processes to select suppliers, rather than aggregating and planning expenditure.</li> </ul>
<p>The processing of orders and payments is fully devolved, furthermore:</p> <ul style="list-style-type: none"> <li>● No corporate system exists to record purchasing activity;</li> <li>● Orders are not committed to budgets when raised; and</li> <li>● Subjective coding in the Council finance system is not consistently applied.</li> </ul>	<ul style="list-style-type: none"> <li>● Corporate procurement information is both incomplete and often inaccurate, relying on subjective coding.</li> <li>● Corporate budgetary information is out of date, leading to departments creating local records of expenditure.</li> <li>● Purchasing transactions are recorded in two or more systems, with paper records also being filed.</li> </ul>
<p>The official ordering process is inflexible and paper-based: 80,000 invoices under £100 are processed annually.</p>	<ul style="list-style-type: none"> <li>● Ordering processes are resource intensive and costly. In many instances, the cost of the ordering process exceeds the value of item bought.</li> </ul>
<p>eBusiness tools are not used to promote working with the Council, manage procurement processes or generate procurement information.</p>	<ul style="list-style-type: none"> <li>● Service areas have had to develop local ordering systems, processes are cumbersome and inflexible, information is limited, whilst suppliers have to accept the Council's administratively intensive processes.</li> </ul>

## 5.5.2 The Procurement Vision

To gain greater value from procurement, the Council has developed a vision to implement Strategic Procurement: moving from a silo-based model to a strategic, corporate environment that maximises the purchasing power of the Council, and encourages collaboration with other public sector organisations, including local government and health. This model will impact on both the responsibility for and approach to sourcing, and purchasing processes and systems.

### Organisation

The Council is proposing a corporate model for sourcing, managed through a stronger central Procurement function, and supported by a network of specialist trained buyers. These buyers will be invaluable for their expertise and will control key categories of expenditure: for example, social care commissioning; transport management; ICT; Agency staff; and building services and supplies.

### Systems and processes

The Council's Procurement Strategy recommends the adoption of a corporate e-procurement infrastructure that provides a common platform and standardised processes across the Council. At the core of the procurement strategy is an e-purchasing system that is integrated with the general ledger and other resource management system components – such as job costing, asset management, and stores. This core system will help control the use of suppliers and catalogue items that can be bought, while enabling processes to be paperless and improving the quality of both procurement and budgetary information. This core system will be supported by purchasing cards (pCards) for responsive buying, to reduce process costs and avoid the need to process orders and invoices for less than £100 (currently equating to over 80,000 invoices). E-tendering and e-auctions together will improve the efficiency of large tender processes, but also provide a vehicle to maximise price negotiation.

### 5.5.3 Benefits and risk assessment

From our analysis of the Council's trade creditor expenditure, we have calculated that savings of approximately £1.6m per annum should be achievable through:

- Strategic sourcing, to maximise Council purchasing power and control unit costs; and
- E-procurement to maximise compliance with corporate policy, improve competitive pricing and monitor purchasing behaviour.

We have anticipated that it will take approximately 4 years for the Council to fully realise the benefits of this strategy, due to the extent of the change required. Furthermore, the implementation of the Council's Procurement Strategy will not be straightforward. From other Council's experiences, departmental and individual buying practices are the main barrier to change. Without strong leadership by the senior management team, supported by clear corporate policy, procurement training, and robust procurement processes and system, the strategy will not be achievable.

From our analysis of current procurement practice and actual expenditure during 2003-4, we have modelled the potential savings that could be realised through the adoption of a strategic approach to procurement, supported by e-procurement.

Year	Potential saving	Percentage of addressable spend
2005-06	-£136,368	0.22%
2006-07	-£464,208	0.76%
2007-08	-£939,971	1.54%
2008-09	-£1,075,600	1.76%
2009-10	-£1,311,544	2.15%
2010-11	-£1,435,164	2.35%
2011-12	-£1,641,820	2.69%
2012-13	-£1,848,476	3.03%
2013-14	-£2,055,132	3.36%
2014-15	-£2,261,788	3.70%

*Addressable spend has been calculated as £61.1m, which excludes spend that cannot be influenced by either strategic sourcing or e-procurement; for example, payroll, expenses, grants. It should also be noted that the above savings estimates also include approximately £120,000 per annum (from 2011) relating to £5m of schools expenditure. It is anticipated that schools will exploit the Council's procurement contracts and will be able to reinvest the savings in their priority areas.*

The calculation of savings has been based on an analysis of 427 subjective expenditure codes from the Council's creditor payments system, Powersolve. The savings calculations were based upon a savings model developed by the ODPM National eProcurement Project, drawing on the experience of over 40 local authorities, and following a review of current procurement practice and contracts.

#### Assumptions regarding the estimation of future prices

A key assumption within the model is that only price variances within a particular supplier market are quantified, rather than estimating whether the market will generally increase or decrease in value. To illustrate this point, we can use a fictitious oil example.

*Currently the Council pays £0.26 per litre on average across 10 suppliers in October 2005, where as the one large contract could achieve a saving of £0.05 per litre. However, oil prices are rapidly increasing; such that in December 2005, the Council is typically paying £0.32 per litre. Nevertheless, a 5p saving is still achievable by consolidating oil buying with one company.*

Within the savings analysis the 5p saving per litre is used, on the basis of cost avoidance. Unfortunately, due to market conditions, the Council will only be able to actually achieve cash saving of 1p per litre.

However, this same logic also applies to decreases in market prices, as follows:

*Conversely, the Council pays £744 for a mid-range PC in 2004 when an identical specification of PC can be bought for £699 from a larger global vendor (a saving of £45 per unit). However, in 2005, the Council is paying £676 for a mid-range PC, versus a best price comparison of £590.*

Using the latter scenario, the savings analysis includes only a £45 saving per unit, rather than the actual real cash saving of £154.

## APPENDIX 1 – SCOPE OF ONEVALE

Year 1 – Q1 - April '05 – June '05		What will the programme deliver?	What will it feel like?
Area	WIP [ & Modules]		
Programme & Change Mgt (PM & CM)	<ul style="list-style-type: none"> <li>Detailed Planning</li> <li>PMO Set-Up</li> <li>Technology Procurement</li> <li>Change Team Mobilisation</li> <li>Change Planning</li> </ul>	<ul style="list-style-type: none"> <li>PMO set-up</li> <li>Governance structures in-place</li> </ul>	<ul style="list-style-type: none"> <li>Programme plan and approach will be more visible to staff</li> </ul>
Customer Contact (CC) & Property	<ul style="list-style-type: none"> <li>CC Mobilisation</li> </ul>	<ul style="list-style-type: none"> <li>No deliverables will be produced during this quarter. However, workshops with DMT will be run to structure the completion of the mobilisation phase and agree user group membership.</li> </ul>	<ul style="list-style-type: none"> <li>Individual officers, recommended by their DMT, will be approached to be directly engaged with the Customer Contact Project as user group members.</li> </ul>
Human Resources (HR)	<ul style="list-style-type: none"> <li>Service Area HR Processes 'As-Is' Analysis</li> </ul>	<ul style="list-style-type: none"> <li>The HAPPI team will be producing documentation regarding the current processes, issues and opportunities for improvement.</li> </ul>	<ul style="list-style-type: none"> <li>Council staff will have the opportunity to escalate their issues / resolve inefficiencies regarding current processes.</li> </ul>
Payroll	<ul style="list-style-type: none"> <li>None</li> </ul>	N/A	N/A
Information Mgt (IM)	<ul style="list-style-type: none"> <li>IM Mobilisation</li> </ul>	<ul style="list-style-type: none"> <li>No deliverables will be produced during this quarter. However, the IM team will meet with the web team and engage with ICT to plan and scope the project implementation.</li> </ul>	<ul style="list-style-type: none"> <li>The role of the web and importance of core data set will be clear through discussion and consultation.</li> </ul>
Financials (FS)	<ul style="list-style-type: none"> <li>None</li> </ul>	N/A	N/A
Sourcing	<ul style="list-style-type: none"> <li>Sourcing Planning</li> <li>Procurement team recruitment</li> </ul>	<ul style="list-style-type: none"> <li>Clarification of the key milestones and tasks for the development of the Council's procurement environment.</li> <li>Creation of draft job specifications for the procurement team.</li> </ul>	<ul style="list-style-type: none"> <li>No impact to the wider staff community.</li> </ul>
ICT	<ul style="list-style-type: none"> <li>None</li> </ul>	N/A	N/A

Year 1 – Q2 - July '05 – Sept '05		
Area	WIP [& Modules]	What will the programme deliver? What will it feel like?
PM & CM	<ul style="list-style-type: none"> <li>Update Business Case</li> <li>Programme Monitoring Framework</li> <li>Technology Procurement</li> <li>Benefit Realisation Planning</li> <li>Programme Resourcing Profile</li> <li>Programme Change Strategy</li> <li>Programme Stakeholder Analysis and Communications Planning</li> <li>Initial Change Readiness Assessment</li> <li>HR &amp; Training Strategy and Planning</li> <li>Procurement Policy Consultation</li> </ul>	<ul style="list-style-type: none"> <li>Revised Business Case with clear financial analysis and assumptions for the Programme and component Projects.</li> <li>Framework for monitoring programme costs and benefits.</li> <li>Approach to benefits realisation</li> <li>Approach to Change Management</li> <li>Programme resource profile</li> <li>Programme communications plan</li> <li>HR &amp; training strategy and plan</li> </ul> <ul style="list-style-type: none"> <li>Greater clarity of the goals, scope, and expectations of the OneVale Programme. In particular, the impact on services will be clearer.</li> <li>The Council will have a transparent mechanism to monitor and control the success of the Programme.</li> <li>Clear understanding of how the contact centre will be resourced and how staff will be transitioned from current service-based front-office staff arrangements to the new contact centre.</li> <li>Clear understanding of what training will be available to support people through the change in roles and/or processes and technology.</li> </ul>
CC & Property	<ul style="list-style-type: none"> <li>Channel Strategy</li> <li>E&amp;ER Information Provision</li> <li>Waste &amp; Highways As-Is</li> <li>Planning Application Approval</li> <li>Contact Centre &amp; OSS Design</li> <li>Provincial House Tendering Process</li> <li>Designers Evaluation Process.</li> <li>Decanting Plan.</li> </ul>	<ul style="list-style-type: none"> <li>Appointment of the Project Manager.</li> <li>Completed Customer Contact PID document.</li> <li>E&amp;ER Service tree will be defined.</li> <li>Baselining activity will be mobilised.</li> <li>Waste Management as-is analysis will be complete.</li> <li>Design completed for the Contact Centre and OSS.</li> <li>Planning application approval.</li> <li>Cabinet approval for Provincial House.</li> <li>Agreed 'decanting plan'.</li> </ul> <ul style="list-style-type: none"> <li>Clear and detailed plan for the roll-out of the Customer Contact project for the next 15 months, and high level plan for the next 3 years.</li> <li>The 'information provision' stream will be in progress, with project team members engaging with Council staff.</li> <li>The 'service provision' stream will be in progress, with the BPR team working to define as-is processes for Waste Management and Highways.</li> <li>Staff will be able to receive communications that provide clarity over the move to Provincial House and the build of the CCC and OSS.</li> <li>Clarity of which staff will be moving to where and when, both during and after the Contact Centre and OSS building project.</li> </ul>
HR	<ul style="list-style-type: none"> <li>Service Area HR Processes 'As-Is' Analysis</li> <li>Core HR Processes 'As-Is' Analysis</li> <li>Reporting 'As-Is' Analysis</li> </ul>	<ul style="list-style-type: none"> <li>Completed 'As-Is' Process Report for service area HR processes.</li> <li>Cleansed organisation charts for the whole Council will be</li> </ul> <ul style="list-style-type: none"> <li>Service area and HR staff involved in 'As-Is' Analysis workshops.</li> </ul>

Year 1 – Q2 - July '05 – Sept '05		What will the programme deliver?	What will it feel like?
Area	WIP [& Modules]		
	<ul style="list-style-type: none"> <li>• Organisation Structure Charts</li> <li>• PIC Forms and Manager Reports – Data Cleansing</li> </ul>	available.	
Payroll	<ul style="list-style-type: none"> <li>• None</li> </ul>	N/A	N/A
IM	<ul style="list-style-type: none"> <li>• CMS Planning.</li> <li>• CMS Business Requirements Gathering / Procurement</li> <li>• Knowledge Base Structure</li> <li>• Core Data Analysis &amp; Consolidation</li> <li>• Corporate Policy Framework</li> <li>• Data Maintenance Procedures</li> </ul>	<ul style="list-style-type: none"> <li>• Completed procurement documentation for the CMS and an initial short list, following PQQ.</li> <li>• Core data sources identified.</li> <li>• Knowledge base structure defined.</li> <li>• IM Project Manager appointed.</li> </ul>	<ul style="list-style-type: none"> <li>• The web working group will have a clear plan regarding the approach to migration and timescales.</li> <li>• Core data resources from across the Directorates will work with the project team to identify the core data sources.</li> </ul>
FS	<ul style="list-style-type: none"> <li>• None</li> </ul>	N/A	N/A
Sourcing	<ul style="list-style-type: none"> <li>• Recruit Procurement Team</li> <li>• Supplier and Contract Register</li> <li>• Pilot eProcurement</li> <li>• pCard Planning and Provider Selection</li> <li>• eAuction Planning</li> <li>• Sourcing Development</li> <li>• ITT and Financial Model for Tender 1 Agency Staff</li> <li>• Web Content Development</li> <li>• Policy and Guidance Development</li> <li>• Supplier Rationalisation</li> </ul>	<ul style="list-style-type: none"> <li>• New policies for both sourcing and purchasing processes.</li> <li>• Revised draft Purchasing Standing Orders, and updated Financial Regulations.</li> <li>• Preparation for the roll-out of the purchasing card (pCard) pilot.</li> <li>• Job advertisements are issued.</li> </ul>	N/A
ICT	<ul style="list-style-type: none"> <li>• Development Environment Sizing &amp; Procurement.</li> </ul>	N/A	N/A

Year 1 – Q3 - Oct '05 – Dec '05			
Area	WIP [ & Modules]	What will the programme will deliver?	What will it feel like?
PM & CM	<ul style="list-style-type: none"> <li>Monitoring and Progress</li> <li>Planning Alignment</li> <li>Technology Procurement</li> <li>Benefits Realisation Planning</li> <li>Stakeholder Management</li> <li>Communications</li> <li>CC Front Office Organisational Design</li> </ul>	<ul style="list-style-type: none"> <li>Updated business case with benefits defined by service area or project.</li> <li>Preferred technology solution procured.</li> <li>Benefit realisation plans in place.</li> <li>Ongoing stakeholder management and communications.</li> <li>Front Office organisational design and Job Description and Person Specifications for new roles.</li> <li>Procurement policies fully communicated to staff.</li> </ul>	<ul style="list-style-type: none"> <li>Clarity of the Council's IT solution.</li> <li>Refined project plans in line with Technology decision and confirmation of go-lives.</li> <li>Clear understanding of how contact centre will be resourced.</li> <li>Staff, members and suppliers will start to receive specific communications on future procurement policies.</li> </ul>
CC & Property	<ul style="list-style-type: none"> <li>Channel Strategy.</li> <li>IP Definition of Generic and Exceptions Processes</li> <li>E&amp;ER Information Provision</li> <li>CS Information Provision</li> <li>FIP Information Provision</li> <li>Highways, Parks and Eng. Design As-is</li> <li>Visible Services 'To-Be' Design</li> <li>Applications and Architecture Analysis</li> <li>Data Migration Requirements</li> <li>3<sup>rd</sup> Party Liaison</li> <li>Appoint Designers</li> <li>Provincial House Lease Agreement</li> <li>Provincial House Landlord Alterations</li> <li>CCC/OSS Design</li> <li>Tendering Process</li> </ul>	<ul style="list-style-type: none"> <li>Appointment of Council's BPR resources.</li> <li>Completed channel strategy, clarifying the approach that will be adopted for each contact channel through the project.</li> <li>Documented, corporate approach to managing 'information provision' through both the Contact Centre and OSS.</li> <li>Service Tree Defined for CS and FIP.</li> <li>Documented 'as-is' business processes for all of Visible Services.</li> <li>Initial analysis of technology 'as-is'.</li> <li>Design of CCC/OSS will be complete.</li> </ul>	<ul style="list-style-type: none"> <li>E&amp;ER will have started their content collation for the Knowledge Base.</li> <li>CS and FIP members of the IPUG will be working with the project team to define their service tree.</li> <li>BPR resources from the Council will be working with the project team for CC to start the skills transfer process.</li> <li>Clarity can be provided to all staff regarding the channel strategy for the CC and OSS.</li> </ul>
HR	<ul style="list-style-type: none"> <li>Core HR Processes 'As-is' Analysis</li> <li>Reporting 'As-is' Analysis</li> <li>Core HR 'To-Be' Process Design</li> <li>Organisation Structure Load</li> </ul>	<ul style="list-style-type: none"> <li>All 'As-is' Analysis for HR implementation will be complete.</li> <li>The project team will begin shaping the design of the core HR processes: central recruitment administration, starters, leavers, and central sickness/absence recording.</li> </ul>	<ul style="list-style-type: none"> <li>Service area and HR staff involved in 'To-Be' Process Design workshops.</li> </ul>

Year 1 – Q3 - Oct '05 – Dec '05		
Area	WIP [ & Modules]	What will the programme will deliver? What will it feel like?
	<ul style="list-style-type: none"> <li>Role/Position Structure</li> </ul>	<ul style="list-style-type: none"> <li>Current HR documentation will be rationalised and revisited to meet new processes.</li> <li>The Council's organisation structure will be loaded.</li> </ul>
Payroll	<ul style="list-style-type: none"> <li>Payroll Structure Assessment</li> <li>Payroll Rationalisation</li> </ul>	<p>N/A</p> <ul style="list-style-type: none"> <li>An understanding of the current payment structures across the Council.</li> <li>Start to consider the options available to the Council for payroll rationalisation.</li> </ul>
IM	<ul style="list-style-type: none"> <li>CMS Implementation</li> <li>CMS Content Migration</li> <li>Customer &amp; Property Data Cleansing</li> <li>Data Migration</li> <li>System Specification for EDM</li> </ul>	<ul style="list-style-type: none"> <li>Staff responsible for web content, on both internet and intranet, will begin using the new CMS.</li> <li>The old CMS will continue during content migration.</li> </ul>
FS	<ul style="list-style-type: none"> <li>Chart of Accounts structure</li> <li>Loading Chart of Accounts</li> </ul>	<p>N/A</p> <ul style="list-style-type: none"> <li>New chart of accounts structure will be agreed and loaded into the new application.</li> </ul>
Sourcing	<ul style="list-style-type: none"> <li>Supplier engagement</li> <li>Web Content Development and Publication</li> <li>Policy &amp; Guidance Development</li> <li>Tender 1 Agency Staff – OJEU and PQQ issued</li> <li>Tender 2 – begin scoping and consultation</li> </ul>	<ul style="list-style-type: none"> <li>Greater financial control and compliance as the Council will have updated Financial Regulations.</li> <li>New working practices regarding procurement and the need to improve compliance with corporate contracts.</li> <li>Engagement with pilot area staff to plan the pCard pilot and engagement with suppliers to ensure they are capable of participating.</li> </ul>
ICT Project	<ul style="list-style-type: none"> <li>Desktop Environment Planning &amp; Procurement.</li> <li>Test &amp; Production Environment Procurement.</li> <li>Development Environment Installation.</li> <li>CC Telephony Implementation.</li> </ul>	<ul style="list-style-type: none"> <li>Development environment will be installed and will require ongoing maintenance by ICT.</li> <li>Planning activity will need to begin to ensure the telephony solution is in place for the CCC.</li> </ul>

Year 1 – Q4 - Jan '06 – Mar '06		
Area	WIP [& Modules]	What will the programme deliver?
PM & CM	<ul style="list-style-type: none"> <li>Monitoring and Progress</li> <li>Stakeholder Management</li> <li>Communications</li> <li>CC Recruitment/Selection</li> <li>CC &amp; HR &amp; EDRM Organisation Structure Impact</li> </ul>	<ul style="list-style-type: none"> <li>Presentations to suppliers regarding e-procurement and new procurement model at the Council.</li> <li>Creation of Finance System user groups.</li> </ul>
	<ul style="list-style-type: none"> <li>First round of recruitment/selection for the CC will be complete.</li> <li>Visible Services management will have involvement in the back office organisation design to consider whether changes are required to support the new business processes, work with the CC and deliver on the service area objectives.</li> <li>Involvement of Finance Officers within the Finance user groups.</li> </ul>	<ul style="list-style-type: none"> <li>The 'Resources' team will move into the new building, Provincial House.</li> <li>All of Visible Services will have designed their new business processes and functional requirements, ready for configuration into the CRM.</li> <li>All Directorates engaged with either service tree definition or content collation for the knowledge base.</li> </ul>
CC & Property	<ul style="list-style-type: none"> <li>E&amp;ER Information Provision</li> <li>CS Information Provision</li> <li>FIP Information Provision</li> <li>CE Information Provision</li> <li>L&amp;D Information Provision</li> <li>L&amp;R Information Provision</li> <li>IP Functional Requirements</li> <li>IP System Build</li> <li>Visible Services 'To-Be' Design</li> <li>Visible Services Functional Requirements.</li> <li>Visible Services System Build.</li> <li>Visible Services Systems Integration Analysis</li> <li>Visible Services Architecture Design &amp; Build</li> <li>Provincial House Fit Out</li> <li>Contractors Mobilisation</li> </ul>	<ul style="list-style-type: none"> <li>Complete content collation for E&amp;ER, CS and FIP</li> <li>Complete service tree definition for CE, L&amp;D and L&amp;R</li> <li>Documented 'to-be' business processes for Visible Services.</li> <li>Documented functional requirements for Visible Services.</li> <li>ICT infrastructure will be installed into Provincial House.</li> <li>Provincial House ready for accommodating staff.</li> <li>Contractors mobilised ready to start building work.</li> </ul>
	<ul style="list-style-type: none"> <li>All core HR 'To-Be' processes defined.</li> <li>'To-Be' process design and development of the functional requirements will be completed for HR - Employee Self-Service.</li> <li>Report Building</li> </ul>	<ul style="list-style-type: none"> <li>New documentation (i.e., forms) will be piloted in a number of areas using the existing devolved processes and the current system.</li> </ul>
HR	<ul style="list-style-type: none"> <li>Role/Position Structure</li> <li>Core HR 'To-Be' Process Design: including health and safety data recording, sickness / absence, etc.</li> <li>Report Building</li> </ul>	<ul style="list-style-type: none"> <li>All core HR 'To-Be' processes defined.</li> <li>'To-Be' process design and development of the functional requirements will be completed for HR - Employee Self-Service.</li> </ul>

Year 1 – Q4 - Jan '06 – Mar '06		
Area	WIP [ & Modules ]	What will the programme deliver? What will it feel like?
	<ul style="list-style-type: none"> <li>• System Configuration</li> <li>• HR Employee self-service process definition</li> <li>• HR Employee Self Service To-Be Process Design</li> <li>• HR Employee Self Service Functional Requirements</li> </ul>	
<b>Payroll</b>	<ul style="list-style-type: none"> <li>• Payroll Rationalisation</li> </ul>	N/A
<b>IM</b>	<ul style="list-style-type: none"> <li>• EDRM Specification &amp; Selection</li> <li>• Finance Information Analysis and Migration Strategy</li> <li>• CMS Content Gap Analysis</li> <li>• CMS Maintenance Procedures</li> <li>• E&amp;ER CMS Data Cleanse and Publish</li> <li>• CS CMS Data Cleanse and Publish</li> </ul>	<ul style="list-style-type: none"> <li>• Consideration of the options available to the Council for payroll rationalisation.</li> <li>• EDRM specification and beginning of the procurement process.</li> <li>• Financial data migration strategy, regarding historic transactions and balances.</li> <li>• Report on quality and completeness of the knowledge base / website.</li> <li>• CMS maintenance procedures will be defined and mobilised.</li> </ul>
<b>FS</b>	<ul style="list-style-type: none"> <li>• Mobilise Project Governance</li> <li>• Financials implementation planning</li> <li>• Scoping Meetings with DMT</li> <li>• Finance Implementation Planning &amp; Mobilisation</li> <li>• Integration analysis</li> <li>• PID Development</li> </ul>	<ul style="list-style-type: none"> <li>• Staff responsible for data held within the CMS will be trained on the new maintenance procedures and these will then be enforced.</li> <li>• Completed Financials Systems Project Initiation Document.</li> <li>• Council services and staff within Finance will have greater clarity of the Finance Systems Project timescales and scope.</li> </ul>
<b>Sourcing</b>	<ul style="list-style-type: none"> <li>• eCatalogue assessment from suppliers and commodity coding structures agreed</li> <li>• eAuction Run</li> <li>• Tender 2 – OJEU and PQQ Issued</li> </ul>	<ul style="list-style-type: none"> <li>• Financial savings of the e-auction pilot are quantified and are ratified through a contract with the new supplier.</li> <li>• Agreed approach to the coding structures that will be used and how catalogues will be managed.</li> <li>• Reduced costs of sourcing agency staff,</li> </ul>

Year 1 – Q4 - Jan '06 – Mar '06			
Area	WIP [& Modules]	What will the programme deliver?	What will it feel like?
ICT	<ul style="list-style-type: none"> <li>• Test and Production Environments Procurement &amp; Installation.</li> <li>• Desktop Environment Procurement &amp; Installation.</li> <li>• CC Telephony Implementation.</li> </ul>	<ul style="list-style-type: none"> <li>• Test and production environments will be procured and installed.</li> <li>• CC desktop environment will be procured.</li> </ul>	N/A

Year 2 – Q1 - April '06 – June '06		What will it feel like?
Area	WIP & Modules	What will the programme will deliver?
PM & CM	<ul style="list-style-type: none"> <li>Monitoring and Progress</li> <li>Planning Alignment</li> <li>Stakeholder Management</li> <li>Communications</li> <li>Finance Communications Planning</li> <li>CC Recruitment/Selection</li> </ul>	<ul style="list-style-type: none"> <li>Completion of recruitment/selection for the implementation of Information Provision into the CC.</li> </ul> <p>N/A</p>
CC inc. Property	<ul style="list-style-type: none"> <li>CE Information Provision</li> <li>L&amp;D Information Provision</li> <li>L&amp;R Information Provision</li> <li>IP System Build</li> <li>3<sup>rd</sup> Party liaison for integration</li> <li>Visible Services Systems Integration</li> <li>Analysis, Design and <b>Build inc.</b> integration to CMS, FLARE, GIS and MS Office.</li> <li>Visible Services Architecture Design and Build</li> <li>System Configuration</li> <li>Phase 1 and Phase 2 of contact centre build in-progress.</li> <li>Service Provision Phase 2 Planning (Regulatory Services, Council Tax, Benefits and Corporate Complaints).</li> <li>Regulatory Services, Council Tax, Benefits and Corporate Complaints As-Is Analysis.</li> <li>Applications and Architecture Analysis.</li> <li>Data Migration Requirements.</li> </ul>	<ul style="list-style-type: none"> <li>The 'Revenues and Benefits' team will move into the new building, Provincial House.</li> <li>The next service areas, Regulatory Services, Council Tax, Benefits and Corporate Complaints will become engaged with the programme for phase 2 of Service Provision.</li> <li>Staff may experience disruption through the noise of the construction works within the Civic Offices.</li> </ul>
HR	<ul style="list-style-type: none"> <li>Core HR Configuration</li> <li>Core HR Reporting Testing</li> </ul>	<ul style="list-style-type: none"> <li>Complete Core HR system configuration.</li> <li>UAT of Core HR functionality.</li> </ul> <p>N/A</p>

Year 2 – Q1 - April '06 – June '06		
Area	WIP & Modules	What will the programme will deliver? What will it feel like?
	<ul style="list-style-type: none"> <li>Core HR UAT</li> <li>Core HR Data Migration</li> <li>HR iRecruitment &amp; Man. Self Service 'As-Is' Analysis</li> <li>HR iRecruitment &amp; Man. Self Service 'To-Be' Process Design.</li> <li>Time and expenses as-is process analysis</li> <li>Time and expenses to-be process design</li> <li>Staff development structures and training management 'as-is' analysis.</li> </ul>	<ul style="list-style-type: none"> <li>Employee Data Loaded (Core HR database).</li> <li>'As-Is' analysis and 'To-Be' process design will be completed for HR – iRecruitment, Manager Self Service and Time &amp; expenses processing.</li> </ul>
Payroll	<ul style="list-style-type: none"> <li>Payroll Rationalisation</li> <li>Implementation Planning</li> </ul>	<ul style="list-style-type: none"> <li>Complete the options available to the Council for payroll rationalisation.</li> <li>Simplified payroll structure for consultation and finalisation.</li> </ul> <p>N/A</p>
IM	<ul style="list-style-type: none"> <li>EDRM Procurement</li> <li>EDRM Implementation Planning</li> <li>Development of web forms to support Customer Contact Project</li> <li>Finance data migration strategy agreed</li> <li>CS, FIP, L&amp;D and Chief Execs CMS Data Cleanse and Publish</li> <li>CMS Testing</li> </ul>	<ul style="list-style-type: none"> <li>Development of web-forms alongside 'information provision' CC analysis.</li> <li>E&amp;ER, CS and FIP data cleansing and publishing to the CMS will be completed and will need to be maintained from now on.</li> <li>Clear design and initial consultation regarding roll-out of EDRM will heighten the awareness of the new document and records management environment.</li> </ul>
FS	<ul style="list-style-type: none"> <li>General Ledger implementation start</li> </ul>	<ul style="list-style-type: none"> <li>Completed Finance PID.</li> <li>Clear analysis of integration requirements.</li> <li>Begin process and functional analysis for core financial ledgers.</li> <li>No impact to the wider staff community.</li> <li>Begin active engagement with Finance team regarding the development of the finance system functional requirements and processes.</li> </ul>

Year 2 – Q1 - April '06 – June '06			
Area	WIP & Modules	What will the programme will deliver?	What will it feel like?
Sourcing	<ul style="list-style-type: none"> <li>Tender 2 – ITT Issued</li> <li>Supplier Rationalisation</li> <li>Data Cleansing</li> <li>Approach regarding supplier support needs to be finalised.</li> <li>eAuction Run</li> </ul>	<ul style="list-style-type: none"> <li>pCard project will be in-progress.</li> <li>Supplier information will be updated in existing systems, and transfer all suppliers to BACS payments.</li> <li>Greater awareness by suppliers of the OneVale programme and aims for e-procurement.</li> </ul>	<ul style="list-style-type: none"> <li>Greater understanding from suppliers about the Council's plans.</li> <li>Visibility of pCards and engagement in deciding the future adoption of the technology.</li> </ul>
ICT	N/A	N/A	N/A

Year 2 – Q2 - July '06 – Sept '06		
Area	What will the programme will deliver? What will it feel like?	
PM	<ul style="list-style-type: none"> <li>Monitoring and Progress</li> <li>Stakeholder Management</li> <li>Communications</li> <li>CC &amp; HR &amp; EDRM Training Programme Delivery</li> <li>CC &amp; HR &amp; EDRM Go-Live Planning</li> <li>Finance Organisation Structure Impact</li> <li>Payroll Assessment of Impact on Organisation Structure</li> </ul>	<ul style="list-style-type: none"> <li>CC staff migrated and trained to work within the new contact centre service.</li> <li>CC staff trained to deal with enquiries across the Council in line with Go-Lives for Information Provision.</li> <li>Go-Live plan for Visible Services.</li> <li>Staff trained to use new system and processes to support Core HR.</li> <li>First phase of training delivered to staff to use the EDRM system.</li> <li>Go-Live planning for the Contact Centre, Core HR and EDRM.</li> </ul>
CC & Property	<ul style="list-style-type: none"> <li>L&amp;R Information Provision</li> <li>Information Provision and Visible Services Unit and Application Testing</li> <li>Information Provision and Visible Services CRP</li> <li>Information Provision and Visible Services UAT</li> <li>Phase 1 and Phase 2 of contact centre build in-progress.</li> <li>Regulatory Services, Council Tax, Benefits and Corporate Complaints To-Be Design.</li> <li>Systems Integration Analysis</li> </ul>	<ul style="list-style-type: none"> <li>Staff will feel equipped for the Go-Live of the new service both in the front and back office.</li> <li>Staff across the Council will know about the opening of the new Contact Centre.</li> <li>Transition of change agenda to operations for all services within Information Provision stream of Customer Contact.</li> <li>Training of contact centre representatives regarding best practice approach to customer management, dealing with difficult customers and accountability for enquiries.</li> </ul>
CC & Property	<ul style="list-style-type: none"> <li>Content collation complete for L&amp;R.</li> <li>System and Integration testing complete for Visible Services and IP.</li> <li>Some initial Contact Centre space will be available for Phase 1 Go-Live.</li> </ul>	<ul style="list-style-type: none"> <li>One point of contact for all Council services: improved, more efficient customer service processes.</li> <li>Testing of the new application for IP will demonstrate how the new approach to customer service will be delivered.</li> <li>Testing of the new application for Visible Services will demonstrate how their front and back-office process will now be delivered.</li> </ul>
HR	<ul style="list-style-type: none"> <li>HR Data Migration</li> <li>HR Data Validation Testing</li> <li>Core HR UAT</li> <li>HR iRecruitment and Manager Self Service –</li> </ul>	<ul style="list-style-type: none"> <li>Project team and user group will begin the process of conference room pilots, as configuration is developed.</li> <li>Go-live planning is finalised.</li> <li>Training and conference room pilots demonstrate new process and systems, bringing the new environment to life.</li> </ul>

Year 2 – Q2 - July '06 – Sept '06		
Area	WIP & Modules	What will the programme will deliver? What will it feel like?
	<p>Functional Requirements</p> <ul style="list-style-type: none"> <li>• Time and expenses to-be process design</li> <li>• Staff development structures and training management 'to-be' analysis.</li> <li>• HR iLearning Management Processes – 'As-Is' analysis</li> <li>• HR training administration processes – 'As-Is' analysis</li> </ul>	<ul style="list-style-type: none"> <li>• Payroll team actively engaged in the process of developing the system's functional requirements.</li> </ul>
Payroll	<ul style="list-style-type: none"> <li>• Implementation Planning</li> <li>• Functional Requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Complete implementation plan.</li> <li>• Development of functional requirements with payroll user group.</li> </ul>
IM	<ul style="list-style-type: none"> <li>• EDRM Procurement</li> <li>• EDRM planning finalisation</li> <li>• Finalisation of the EDRM file plan</li> <li>• Pilot of Migration to File Plan Structure</li> <li>• L&amp;D, L&amp;R and Chief Execs CMS Data Cleanse and Publish</li> </ul>	<ul style="list-style-type: none"> <li>• Completion of EDRM selection through procurement process.</li> <li>• Completed EDRM detailed implementation plan and PID.</li> <li>• Begin initial test of the fileplan and EDRM.</li> <li>• L&amp;D and Chief Execs data cleansing and publishing to the CMS will be completed and will need to be maintained from now on.</li> <li>• Agreement regarding the roll-out of EDRM</li> </ul>
FS	<p>Begin BPR, functional design and build regarding:</p> <ul style="list-style-type: none"> <li>• Budgeting &amp; Reporting</li> <li>• Accounts Receivable</li> <li>• Accounts Payable</li> <li>• Purchasing</li> <li>• Fixed Assets</li> </ul> <p>Undertake detailed integration analysis. Engage with 3<sup>rd</sup> parties to plan integration.</p>	<ul style="list-style-type: none"> <li>• Initial documentation regarding functional requirements for core financial modules.</li> <li>• No impact to the wider staff community.</li> </ul>

Year 2 – Q2 - July '06 – Sept '06		
Area	WIP & Modules	What will the programme will deliver? What will it feel like?
Sourcing	<ul style="list-style-type: none"> <li>Tender 2 - Benefits Analysis</li> <li>Engage with suppliers to plan for e-invoicing pilot.</li> <li>Define e-invoicing 'to-be' process design.</li> </ul>	<ul style="list-style-type: none"> <li>Report to confirm the outcome of the second tender within the sourcing programme.</li> </ul> <p>N/A</p>
ICT	<ul style="list-style-type: none"> <li>ICT infrastructure installation in the contact centre</li> <li>Desktop Environment Installation</li> </ul>	<ul style="list-style-type: none"> <li>Telephony and networking within the contact centre, in preparation for opening in the next phase.</li> </ul> <p>N/A</p>

Year 3 – Q3 - Oct '06 – Dec '06	
Area	WIP & Modules
PM & CM	<p><b>What will the programme will deliver?</b></p> <ul style="list-style-type: none"> <li>• CC staff migrated and trained to work within the new contact centre service ready for Visible Services Go-Live.</li> <li>• CC staff trained to deal with enquiries across the Council in line with Go-Lives for Information Provision.</li> <li>• HR staff trained in new HRM processes and new policy/procedures are published for all the Council.</li> </ul> <p><b>What will it feel like?</b></p> <ul style="list-style-type: none"> <li>• Staff will feel equipped for the Go-Live of the new service both in the front and back office.</li> <li>• Staff across the Council will know about the completion of Information Provision across the Council within the CC and the first phase of service provision for Visible Services.</li> <li>• Transition of change agenda to operations for CE and L&amp;R within Information Provision stream of Customer Contact.</li> <li>• Transition of contact handling for all customer contacts for Visible Services to the CC.</li> </ul>
CC & Property	<p><b>What will the programme will deliver?</b></p> <ul style="list-style-type: none"> <li>• Go-Live CC – Phase 1 Information Provision across the Council and Visible Services.</li> <li>• Handling of General Enquiries (Information Provision) by the Contact Centre for all of the Council.</li> <li>• Deep service provision for Visible Services through the CCC.</li> <li>• Incorporation of the corporate switchboard into the Customer Contact Centre.</li> <li>• Integration with FLARE</li> <li>• Integration with GIS</li> <li>• Contact Centre build complete.</li> </ul> <p><b>What will it feel like?</b></p> <ul style="list-style-type: none"> <li>• The Council will have launched their Customer Contact Centre.</li> <li>• All customer calls will be migrated to CCC on phased basis from October 2006 to March 2007.</li> <li>• Visible Services “deep” service provision will go live in new Contact Centre.</li> <li>• Initial creation of the master customer record.</li> <li>• Process payments (although not integrated with CRM) through the contact centre and website.</li> <li>• All customer enquiries, including the service provided by the switchboard, received through one point.</li> </ul>
HR	<p><b>What will the programme will deliver?</b></p> <ul style="list-style-type: none"> <li>• Staff Transition.</li> <li>• Contact Centre Build and Fit Out.</li> <li>• Regulatory Services, Council Tax, Benefits and Corporate Complaints Functional Requirements and System Build.</li> <li>• Regulatory Services, Council Tax and Benefits and Corporate Complaints Systems Integration Analysis, Design and build inc. integration to FLARE, Housing Benefits, Council Tax and NDR.</li> <li>• Regulatory Services, Council Tax and Benefits and Corporate Complaints Architecture Design and Build</li> <li>• System Configuration</li> <li>• HR lLearning Management Processes – ‘As-Is’ Analysis</li> <li>• HR lLearning Management Processes – ‘To-Be’ Process Design</li> </ul> <p><b>What will it feel like?</b></p> <ul style="list-style-type: none"> <li>• Go Live – HR Phase 1 – Core HR</li> <li>• Agreed design of remaining self-service components of the HR implementation.</li> <li>• Core Professional HR Processes (all input centrally by HR):</li> <li>• Go-live of new HR system: impact on corporate HR only, through replacement of PWA.</li> <li>• All employee records in one database</li> <li>• Simplified HR reporting</li> </ul>

Year 3 – Q3 - Oct '06 – Dec '06		
Area	WIP & Modules	What will the programme deliver? What will it feel like?
	<ul style="list-style-type: none"> <li>• HR Employee Self Service - Build.</li> <li>• HR iRecruitment and Manager Self Service – Build.</li> <li>• HR iLearning Management Processes - Build.</li> <li>• HR training administration processes - Build</li> </ul>	<ul style="list-style-type: none"> <li>• All staff can gain access to their personal, basic HR information via the intranet.</li> <li>• Testing of the new application will demonstrate how the new core HR processes, within central HR.</li> <li>• User Group involved with as-is analysis and process redesign of iLearning Management.</li> </ul>
Payroll	<ul style="list-style-type: none"> <li>• Functional Requirements</li> </ul>	N/A
IM	<ul style="list-style-type: none"> <li>• EDRM implementation &amp; roll-out – phase 1</li> <li>• L&amp;R CMS Data Cleanse and Publish</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing development of the functional requirements for Payroll.</li> <li>• Complete phase 1 of EDRM roll-out to first two Directorates: E&amp;ER and L&amp;R.</li> <li>• L&amp;R data cleansing and publishing to the CMS will be completed and will need to be maintained from now on.</li> <li>• Initial documentation regarding functional requirements for core financial modules.</li> </ul>
FS	<ul style="list-style-type: none"> <li>• Begin BPR, functional design and build regarding: <ul style="list-style-type: none"> <li>• Accounts Payable</li> <li>• ePurchasing Processes</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• No impact to the wider staff community.</li> </ul>
Sourcing	Activity transition to FS Project	N/A

Year 2 – Q4 - Jan '07 – Mar '07		
Area	WIP & Modules	What will the programme will deliver? What will it feel like?
PM & CM	<ul style="list-style-type: none"> <li>Monitoring and Progress</li> <li>Planning Alignment</li> <li>Stakeholder Management</li> <li>Communications</li> <li>Staff Training and Communications for Core Financials and Procurement</li> <li>Staff training for HR system implementation.</li> <li>Core Financials – Go Live Planning and Staff Transitioning.</li> <li>Procurement - Assessment of Impact on Organisation Structure.</li> </ul>	<ul style="list-style-type: none"> <li>Training and staff engagement in the use of new processes, procedures and systems for HR and Financials.</li> <li>Communication to all staff regarding changes in Finance management practices.</li> <li>Dissemination of contingency plan for Finance system go-live failure.</li> <li>An assessment of the impact the procurement changes will have on staff across the organisation to understand degree of change on the organisation structure.</li> </ul>
CC	<ul style="list-style-type: none"> <li>Regulatory Services, Council Tax, Benefits and Corporate Complaints System Build.</li> <li>Phase 3 and 4 of One-Stop-Shop Build.</li> <li>Service Provision Phase 3 Planning (Housing Services and Democratic Services).</li> </ul>	<ul style="list-style-type: none"> <li>All customer calls are now handled by the Contact Centre and a single 'Council' number is fully live.</li> <li>Programme starts to engage with the fifth Directorate to implement deep service provision.</li> <li>Clarity regarding the roll-out, including scope, integration need and timescales, for Phase 3.</li> </ul>
HR	<ul style="list-style-type: none"> <li>HR Employee Self Serve, iRecruitment, Manager Self Serve and iLearning – Build</li> <li>HR Employee Self Serve, iRecruitment, Manager Self Serve and iLearning System and User Acceptance Testing</li> <li>HR Employee Self Serve, iRecruitment, Manager Self Serve and iLearning Go-Live</li> </ul>	<ul style="list-style-type: none"> <li>Go live of employee self-service, affecting all staff with access to their own PC, including: processing sickness online (self-serve); process expenses yourself enabling quicker payment of expenses into staff bank accounts.</li> <li>Completed HR systems implementation with self-service and learning development management: <ul style="list-style-type: none"> <li>Initiate and track recruitment process online;</li> <li>Training plans online;</li> <li>Training history online;</li> <li>Book training courses online.</li> </ul> </li> </ul>

Year 2 – Q4 - Jan '07 – Mar '07		What will the programme will deliver?	What will it feel like?
Area	WIP & Modules		
		<ul style="list-style-type: none"> <li>○ Apply on-line</li> <li>○ Workflow</li> <li>○ Automated processes</li> <li>● Go –Live HR – iLearning Management, comprising:</li> <li>● Learning &amp; Training                             <ul style="list-style-type: none"> <li>● Learning management</li> <li>● Training admin</li> </ul> </li> <li>● Self serve HR                             <ul style="list-style-type: none"> <li>● Booking Courses online &amp; manager approval</li> <li>● Monitoring staff learning performance</li> </ul> </li> </ul>	
Payroll	<ul style="list-style-type: none"> <li>● Functional Requirements</li> <li>● Configuration</li> </ul>	<ul style="list-style-type: none"> <li>● Focus on payroll functional analysis and initial configuration of the application</li> </ul>	<ul style="list-style-type: none"> <li>● No impact to the wider staff community beyond Payroll.</li> </ul>
IM	<ul style="list-style-type: none"> <li>● EDRM implementation &amp; roll-out – phase 2</li> <li>● EDRM implementation &amp; roll-out – phase 3</li> </ul> <p>in CS</p>	<ul style="list-style-type: none"> <li>● Complete phase 2 of EDRM roll-out to Finance, ICT and Property.</li> </ul>	<ul style="list-style-type: none"> <li>● Finance, ICT and Property adopt EDRM, and new working practices.</li> </ul>
FS	<ul style="list-style-type: none"> <li>● Core Financials Testing &amp; Training</li> <li>● Finance Data Migration</li> <li>● Finance roll-back strategy</li> <li>● Documentation developed for revised Financial Regulations, Standing Orders and Guidance to support new processes.</li> <li>● Begin ePayments Integration Analysis.</li> <li>● 'As-is' and 'To-Be' design documentation for:</li> <li>● Procurement</li> <li>● iProcurement</li> <li>● ePayments integration</li> </ul>	<ul style="list-style-type: none"> <li>● Finalisation of the system configuration, testing training and sign-off prior to go live at the beginning of the new financial year.</li> <li>● Agreement of the approach to system roll-back to mitigate the risk of implementation failure.</li> <li>● Complete plan and test the approach to data migration for go-live.</li> <li>● Agreed documentation of current Procurement processes and clarification of initial functional requirements.</li> <li>● Initial configuration of procurement, iProcurement and interface to both the e-Payments and bank's statement download system.</li> </ul>	<p>All service areas will be involved in system training and testing in preparation for the go-live in April.</p>

Year 2 – Q4 - Jan '07 – Mar '07		
Area	WIP & Modules	What will the programme will deliver? What will it feel like?
	<ul style="list-style-type: none"> <li>• Bank data interface</li> <li>• Bank reconciliation</li> <li>• Collation of e-catalogues and rationalisation with suppliers.</li> <li>• Active engagement of suppliers regarding e-sourcing</li> </ul>	

Year 3 – Q1 - April '07 – June '07			
Area	WIP & Modules	What will the programme will deliver?	What will it feel like?
PM & CM	<ul style="list-style-type: none"> <li>Monitoring and Progress</li> <li>Planning Alignment</li> <li>Stakeholder Management</li> <li>Communications</li> <li>Payroll Training Documentation Development</li> <li>CC Training Programme Delivery and Go-Live Planning</li> <li>Evaluation of benefits realised through Customer Contact Project so far.</li> <li>Evaluation of HR implementation benefits realisation against the business case.</li> <li>Development of recommendations to tackle potential gaps between planned and actual outcomes.</li> <li>Begin evaluation of staff transition model.</li> </ul>	<ul style="list-style-type: none"> <li>Revised Financial Regulations and Policies are disseminated to staff across the Council.</li> <li>Evaluation on success of the Finance system implementation, and completion of HR.</li> <li>Second phase of training delivered to CC staff - those who are new staff and those who require training in additional functionality and service provision.</li> </ul>	<ul style="list-style-type: none"> <li>The Programme is well in progress. The impact of change is very visible.</li> <li>Use of new Financial and HR system represents a change in the level of administration undertaken by departments.</li> </ul>
CC & Property	<ul style="list-style-type: none"> <li>Regulatory Services, Council Tax, Benefits and Corporate Complaints System Build and System Test.</li> <li>Phase 4 of One-Stop-Shop Build.</li> <li>Housing Services and Democratic Services As-Is Analysis.</li> <li>Applications and Architecture Analysis.</li> <li>Data Migration Requirements.</li> <li>3<sup>rd</sup> Party Liaison and Systems Integration Analysis.</li> <li>Analysis of potential organisation change implications for 'Housing Services'.</li> </ul>	<ul style="list-style-type: none"> <li>Complete 'as-is' process analysis for Housing Services and Democratic Services and start to define 'to-be' processes.</li> </ul>	<p>As-is analysis of current business processes for Housing Services which crosses several service areas:</p> <ul style="list-style-type: none"> <li>Housing (in CS);</li> <li>Rents (in Finance); and</li> <li>Repairs and Maintenance (in EER).</li> </ul>

Year 3 – Q1 - April '07 – June '07		
Area	WIP & Modules	What will the programme will deliver?
Payroll	<ul style="list-style-type: none"> <li>Housing Services and Democratic Services To-Be Design.</li> <li>Configuration</li> </ul>	<p><b>What will it feel like?</b></p> <ul style="list-style-type: none"> <li>Payroll configuration will require active consultation and engagement with the payroll team.</li> <li>New working practices adopted and processes streamlined alongside use of SWIFT.</li> </ul>
IM	<ul style="list-style-type: none"> <li>EDRM implementation &amp; roll-out complete in Community Services</li> <li>Begin phase 4 of roll-out in L&amp;D.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing configuration of the Payroll module.</li> <li>EDRM rolled out complete in CS for both adult services and children's.</li> </ul>
FS	<ul style="list-style-type: none"> <li>Beginning BPR and analysis for: eTendering; Supplier portal; invoicing.</li> <li>Active engagement of suppliers regarding e-sourcing.</li> </ul>	<ul style="list-style-type: none"> <li>New Finance and procurement system is live, including e-enabled devolved processes.</li> <li>Core financial systems go-live (GL, AR, AP, ePurchasing &amp; Reporting), for the beginning of the new financial year (1April 2007).</li> <li>Begin supplier take-up for e-sourcing and design processes for e-tendering.</li> </ul>

Year 3 – Q2 - July '07 – Sept '07		
Area	WIP & Modules	What will the programme will deliver?
PM & CM	<ul style="list-style-type: none"> <li>Monitoring and Progress</li> <li>Planning Alignment</li> <li>Stakeholder Management</li> <li>Communications</li> <li>CC, eSourcing and Procurement Staff Transition</li> <li>CC, eSourcing and Procurement Training Programme</li> <li>CC, eSourcing and Procurement Go-Live Planning</li> </ul>	<p><b>What will it feel like?</b></p> <ul style="list-style-type: none"> <li>Training to enable staff involved in tendering and seeking quotations to use the system.</li> <li>Third phase of training delivered to CC staff - those who are new staff and those who require training in additional functionality and service provision.</li> </ul>
CC	<ul style="list-style-type: none"> <li>Regulatory Services, Council Tax, Benefits and Corporate Complaints User Acceptance Testing.</li> </ul>	<ul style="list-style-type: none"> <li>Phase 2 (Regulatory Services, CT and Benefits and Corporate Complaints) completes UAT in preparation for go-live into the Contact Centre.</li> <li>Front office staff view the system and are trained in preparation for migration to the Contact Centre.</li> <li>New reception and One Stop Shop area is available.</li> </ul>

Year 3 – Q2 - July '07 – Sept '07		
Area	WIP & Modules	What will the programme will deliver?
	<ul style="list-style-type: none"> <li>Phase 4 of OSS Build.</li> <li>Housing Services and Democratic Services To-Be Design and Functional Requirements.</li> <li>Systems Integration Analysis.</li> <li>Architecture Design &amp; Build.</li> </ul>	<ul style="list-style-type: none"> <li>Go-Live CC – Phase 2 of the service provision implementation including:                             <ul style="list-style-type: none"> <li>Regulatory Services</li> <li>Council Tax</li> <li>Benefits</li> <li>Corporate Complaints</li> </ul> </li> <li>CRM integrated with Flare, Housing Benefits, Council Tax and NDR.</li> <li>One-Stop-Shop build is complete.</li> </ul>
Payroll	<ul style="list-style-type: none"> <li>Payroll User Acceptance Testing</li> </ul>	<ul style="list-style-type: none"> <li>Testing of payroll system functionality.</li> </ul>
IM	<ul style="list-style-type: none"> <li>Phase 4 of EDRM roll-out is completed.</li> </ul>	<ul style="list-style-type: none"> <li>Corporate roll-out of EDRM programme across the entire Council.</li> </ul>
FS	<ul style="list-style-type: none"> <li>eSourcing implementation</li> </ul>	<ul style="list-style-type: none"> <li>eSourcing system go-live, including:                             <ul style="list-style-type: none"> <li>ePurchasing (including use of on-line catalogues) and e-invoicing capability;</li> <li>eAuction functionality;</li> <li>eTendering functionality; and</li> <li>Supplier web-portal to amend details and add invoices.</li> </ul> </li> </ul>
		<ul style="list-style-type: none"> <li>Phase 2 Service Provision is complete: Regulatory Services, Corporate Complaints, Council Tax and Benefits front-office transition into the Contact Centre.</li> <li>Customers are able to process enquiries and begin applications more efficiently.</li> </ul>
		<ul style="list-style-type: none"> <li>No impact to the wider staff community apart from those involved with UAT.</li> </ul>
		<ul style="list-style-type: none"> <li>EDRM implementation project is completed: new working practices are adopted across the Council regarding document and records storage and management.</li> <li>Greater transparency of corporate information.</li> <li>Improved knowledge sharing and ability to easily access customer and corporate documents.</li> </ul>
		<ul style="list-style-type: none"> <li>eSourcing enabling:                             <ul style="list-style-type: none"> <li>efficient sourcing process;</li> <li>easy tracking of tenders through the approvals and procurement process;</li> <li>more rapid on-line distribution and collection of documentation from suppliers; and</li> <li>capability to deliver e-auctions internally.</li> </ul> </li> </ul>

Year 3 – Q3 - Oct '07 – Dec '07			
Area	WIP & Modules	What will the programme will deliver?	What will it feel like?
PM	<ul style="list-style-type: none"> <li>Monitoring and Progress</li> <li>Planning Alignment</li> <li>Stakeholder Management</li> <li>Communications</li> <li>Evaluation of benefits realisation from within services</li> <li>Escalation of concerns from services to Programme team</li> <li>CC Training Programme Delivery</li> <li>CC Go Live Planning</li> </ul>	<ul style="list-style-type: none"> <li>Transparent analysis of benefits realisation and engagement of services in the review process.</li> </ul>	<ul style="list-style-type: none"> <li>Engagement for staff to have their say on successes and concerns.</li> </ul>
CC	<ul style="list-style-type: none"> <li>Housing Services and Democratic Services System Build.</li> <li>Housing Services and Democratic Services Systems Integration Analysis, Design and <b>Build inc.</b> integration to Housing Management System.</li> <li>Housing Services and Democratic Services Architecture Design and Build</li> <li>System Configuration.</li> <li>Service Provision Phase 4 Planning (Services to be decided).</li> <li>Service Provision Phase 4 As-Is Analysis.</li> <li>Applications and Architecture Analysis.</li> <li>Data Migration Requirements.</li> <li>3<sup>rd</sup> Party Liaison.</li> </ul>	<ul style="list-style-type: none"> <li>Continued engagement with staff and managers involved in the delivery of housing services.</li> </ul>	N/A
Payroll	<ul style="list-style-type: none"> <li>Payroll UAT</li> </ul>	<ul style="list-style-type: none"> <li>Testing of payroll algorithms and processes.</li> </ul>	<ul style="list-style-type: none"> <li>No impact to the wider staff community.</li> </ul>

Year 3 – Q3 – Oct '07 – Dec '07		
Area	WIP & Modules	What will the programme will deliver?
	<ul style="list-style-type: none"> <li>Data Migration</li> <li>Payroll Data Validation</li> </ul>	<p><b>What will it feel like?</b></p>

Year 3 – Q4 – Jan '08 – Mar '08		
Area	WIP & Modules	What will the programme will deliver?
PM & CM	<ul style="list-style-type: none"> <li>Monitoring and Progress</li> <li>Planning Alignment</li> <li>Stakeholder Management</li> <li>Communications</li> <li>Evaluation of benefits realisation from within services</li> <li>Escalation of concerns from services to Programme team.</li> <li>CC Staff Transitioning</li> <li>Payroll Training Programme Delivery</li> <li>Payroll Go-Live Planning and Transitioning of Staff</li> </ul>	<p><b>What will the programme will deliver?</b></p> <ul style="list-style-type: none"> <li>Transparent analysis of benefits realisation and engagement of services in the review process.</li> </ul> <p><b>What will it feel like?</b></p> <ul style="list-style-type: none"> <li>Engagement for staff to have their say on successes and concerns.</li> </ul>
CC inc. Property	<ul style="list-style-type: none"> <li>Housing Services and Democratic Services System Test and User Acceptance Testing.</li> <li>Begin analysis and consultation to agree phase 4 of the CC project.</li> </ul>	<p><b>What will the programme will deliver?</b></p> <ul style="list-style-type: none"> <li>Go-Live Contact Centre for Phase 3 of the service provision implementation including:                             <ul style="list-style-type: none"> <li>Housing Services</li> <li>Democratic Services</li> </ul> </li> </ul> <p><b>What will it feel like?</b></p> <ul style="list-style-type: none"> <li>Front office staff view the system and are trained in preparation for migration to the Contact Centre.</li> <li>Phase 3 Service Provision is complete: Housing Services and Democratic Services front-office transition into the Contact Centre.</li> <li>Agreement regarding the next area to be included within the CC.</li> <li>Preparation for corporate go-live of payroll.</li> </ul>
Payroll	<ul style="list-style-type: none"> <li>Reporting Build</li> <li>Reporting Testing</li> <li>Payroll parallel running pilot</li> <li>Payroll roll-back strategy</li> </ul>	<p><b>What will the programme will deliver?</b></p> <ul style="list-style-type: none"> <li>Complete testing of payroll reports.</li> <li>Completed Payroll roll-back strategy and contingency planning.</li> <li>Completed preparation for go-live.</li> </ul>

Year 4 – Q1 - April '08 – June '08			
Area	WIP & Modules	What will the programme will deliver?	What will it feel like?
PM & CM	<ul style="list-style-type: none"> <li>Monitoring and Progress</li> <li>Planning Alignment</li> <li>Stakeholder Management</li> <li>Communications</li> <li>Evaluation of benefits realisation from within services</li> <li>Escalation of concerns from services to Programme team</li> </ul>	<ul style="list-style-type: none"> <li>Transparent analysis of benefits realisation and engagement of services in the review process.</li> <li>Begin post-implementation review of key Programme outcomes including:                             <ul style="list-style-type: none"> <li>Completed CC phases;</li> <li>Human Resources;</li> <li>Payroll;</li> <li>Finance and Procurement.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Engagement for staff to have their say on successes and concerns.</li> </ul>
CC in. Property	<ul style="list-style-type: none"> <li>Service Provision Phase 4 Planning.</li> <li>Service Provision Phase 4 As-Is Analysis.</li> <li>Begin Service Provision Phase 4 To-Be Analysis.</li> <li>Undertaken applications and architecture analysis.</li> <li>Begin engagement with 3<sup>rd</sup> party suppliers.</li> </ul>	<ul style="list-style-type: none"> <li>Revised phase 4 PID for Service Provision.</li> <li>Completed documentation of 'as-is' processes</li> </ul>	Begin engagement of staff within process analysis for phase 4.
Payroll	<ul style="list-style-type: none"> <li>Payroll Parallel Running Pilot</li> <li>Pilot Evaluation and final bug fixing</li> <li>Payroll implementation</li> </ul>	<ul style="list-style-type: none"> <li>Payroll implementation completed.</li> </ul>	New Payroll system go-live, including: <ul style="list-style-type: none"> <li>Payroll system integrated with HR;</li> <li>Moved to simplified payroll cycles;</li> <li>View payslips online through HR self-service portal.</li> </ul>

*Existing detailed Programme Plan does not continue beyond this point.*

Year 4 – Q2 - July '08 – Sept '08			
Area	WIP & Modules	What will the programme will deliver?	What will it feel like?
PM & CM	<ul style="list-style-type: none"> <li>Monitoring and Progress</li> <li>Planning Alignment</li> <li>Stakeholder Management</li> <li>Communications</li> <li>Evaluation of benefits realisation from within services</li> <li>Escalation of concerns from services to Programme team</li> <li>Stakeholder Management</li> <li>Communications</li> <li>CC Training Programme Delivery</li> <li>CC Go Live Planning</li> </ul>	<ul style="list-style-type: none"> <li>Transparent analysis of benefits realisation and engagement of services in the review process.</li> <li>Publish post-project review of all Programme outcomes to-date to help determine the structure and approach to future development.</li> </ul>	<ul style="list-style-type: none"> <li>Engagement for staff to have their say on successes and concerns.</li> <li>Clear understanding of the successes of the Programme to-date.</li> </ul>
CC inc. Property	<ul style="list-style-type: none"> <li>Complete Service Provision Phase 4 to-be design and functional requirements,</li> <li>Service Provision Phase 4 System Build.</li> <li>Service Provision Phase 4 Systems Integration Analysis, Design and <b>Build</b>.</li> <li>Service Provision Phase 5 Planning.</li> <li>Service Provision Phase 5 As-Is Analysis.</li> <li>Begin Service Provision Phase 5 To-Be Analysis.</li> <li>Undertaken applications and architecture analysis.</li> <li>Begin engagement with 3<sup>rd</sup> party suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Phase 4 - Completed documentation of 'to-be processes</li> <li>Phase 4 – plan testing.</li> <li>Phase 5 – finalisation of PID for Service Provision.</li> <li>Completed documentation of 'as-is' processes</li> </ul>	<p>Begin engagement of staff within process analysis for phase 4.</p>

Year 4 – Q3 - Oct '08 – Dec '08			
Area	WIP & Modules	What will the programme will deliver?	What will it feel like?
PM & CM	<ul style="list-style-type: none"> <li>Stakeholder Management</li> <li>Communications</li> <li>CC Staff Transitioning</li> </ul>	<ul style="list-style-type: none"> <li>Transparent analysis of benefits realisation and engagement of services in the review process.</li> </ul>	<ul style="list-style-type: none"> <li>Engagement for staff to have their say on successes and concerns.</li> <li>Clear understanding of the successes of the Programme to-date.</li> </ul>
CC inc. Property	<ul style="list-style-type: none"> <li>Phase 4 - System Test and User Acceptance Testing.</li> <li>Complete Service Provision Phase 5 to-be design and functional requirements,</li> <li>Service Provision Phase 5 System Build.</li> <li>Service Provision Phase 5 Systems Integration Analysis, Design and <b>Build</b>.</li> <li>Service Provision Phase 6 Planning.</li> <li>Service Provision Phase 6 As-Is Analysis.</li> <li>Begin Service Provision Phase 6 To-Be Analysis.</li> <li>Undertaken applications and architecture analysis.</li> <li>Begin engagement with 3<sup>rd</sup> party suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Go-Live CC – Phase 4 of the service provision implementation. Services to be decided.</li> </ul>	<ul style="list-style-type: none"> <li>Front office staff view the system and are trained in preparation for migration to the Contact Centre.</li> <li>Phase 4 Service Provision is complete, services transition into the Contact Centre in preparation for go-live.</li> </ul>

*The above model is expected to continue on a 6 monthly cycle, implementing new services into the Contact Centre, until start of 2010-11, when the Programme is complete.*

## APPENDIX 2 – PROPERTY COST BREAKDOWN

The total capital investment in Property, focussing on the development of the Civic Offices and Provincial House, including requirements outside of OneVale, have been costed as £1.71m (£1.02m relates to OneVale). The impact of this development will be to increase the Council's floor space by 1520m<sup>2</sup> (696m<sup>2</sup> relates to space for the Contact Centre and the increased size of the current front-office reception area to become the One-Stop-Shop). As a consequence, the cost of the Council's office space will increase by £353k per annum (£146k relates to OneVale in years 1 to 5). The full breakdown of cost apportionment is detailed below:

Line Item	Capital	% apportioned	Ex apportioned	Revenue	% apportioned	Ex apportioned
<b>Corporate Costs</b>						
<b>Build and Alterations</b>						
Corporate Hospitality	£40,950	100%	£40,950			
Disabled / female WC upgrade	£14,040	100%	£14,040			
1st Courtyard - Lower Ground modifications only	£89,610	100%	£89,610			
Provision of New Lift	£120,000	100%	£120,000			
2nd Courtyard - Extension for office/corporate facils	£120,000	100%	£120,000			
	<b>£384,600</b>		<b>£384,600</b>	<b>£0</b>		
Professional Fees	£159,340	40%	£63,736			
<b>Kit-out and Running costs</b>			£0			
CC & OSS furniture and Fittings	£105,000	0%	£0			
Courtyard 2 - running costs				£73,000	38%	£27,740
<b>Alternative accomodation costs</b>						
PH Alterations	£241,000	64%	£154,240			
PH Furniture & Fittings	£50,000	64%	£32,000			
PH Lease/Rental				£105,000	64%	£67,200
PH Running Costs				£175,000	64%	£112,000
PH Additional Support Services - enhancement of current se	£30,000	64%	£19,200			
<b>Other Costs</b>						
Planning and Building Regs	£8,000	40%	£3,200			
Site Investigation costs	£2,000	40%	£800			
Committee Room 3	£52,000	40%	£20,800			
	<b>£647,340</b>		<b>£293,976</b>			
<b>Totals</b>	<b>£1,031,940</b>		<b>£678,576</b>	<b>£353,000</b>		<b>£206,940</b>
<b>OneVale Costs</b>						
<b>Build and Alterations</b>						
New Build / Fit-out of CC	£321,000	100%	£321,000			
Alterations to existing area of CC	£162,240	100%	£162,240			
Public / Female WC for OSS	£10,425	100%	£10,425			
Staff Facilities & Public Disabled WC	£30,450	100%	£30,450			
OSS Alterations	£143,550	100%	£143,550			
Alterations contingency	£10,000	100%	£10,000			
	<b>£677,665</b>		<b>£677,665</b>			
Professional Fees	£159,340	60%	£95,604			
<b>Kit-out and Running costs</b>			£0			
CC & OSS furniture and Fittings	£105,000	100%	£105,000			
Courtyard 1 - running costs				£73,000	62%	£45,260
<b>Alternative accomodation costs</b>						
PH Alterations	£241,000	36%	£86,760			
PH Furniture & Fittings	£50,000	36%	£18,000			
PH Lease/Rental				£105,000	36%	£37,800
PH Running Costs				£175,000	36%	£63,000
PH Additional Support Services - enhancement of current se	£30,000	36%	£10,800			
<b>Other Costs</b>						
Planning and Building Regs	£8,000	60%	£4,800			
Site Investigation costs	£2,000	60%	£1,200			
Committee Room 3	£52,000	60%	£31,200			
	<b>£647,340</b>		<b>£353,364</b>			
<b>Totals</b>	<b>£1,325,005</b>		<b>£1,031,029</b>	<b>£353,000</b>		<b>£146,060</b>

	Capital	Control	Revenue	Control
<b>Total Costs</b>	<b>£1,709,605</b>	<b>£1,709,605</b>	<b>£353,000</b>	<b>£353,000</b>

Key apportionment calculation criteria:

- New contact centre will be 646m<sup>2</sup> and new One-Stop-Shop will be 330m<sup>2</sup>. 466m<sup>2</sup> of this space will be taken from existing services located within the Civic Offices. This 466m<sup>2</sup> of existing activity will be relocated in Provincial House (which has a capacity of 1290m<sup>2</sup>).
- 143m<sup>2</sup> additional space is being built for non-OneVale purposes. The percentage of new space being built by the Council is 62% (OneVale) and 38% (Corporate development).

- c.36% of Provincial House space is required due to displacement caused by OneVale. Therefore, 36% of Provincial House revenue costs will be charged to OneVale.
- c.60% of capital build costs relate to OneVale, largely due to the Civic Office extension to create a new floor for the Contact Centre. Therefore, 60% of professional fees and 'other costs' will be charged to OneVale.
- The additional revenue cost of supporting the Contact Centre and One-Stop-Shop space has been calculated as c.£45k, relating to facilities and maintenance costs.
- Due to completion of the Customer Contact project, including process efficiencies within the front and back office, the additional 466m<sup>2</sup> of space within Provincial House will no longer be required. Therefore, the Provincial House revenue costs associated with OneVale become £0.



**Staffing Requirements****Minimum TO-BE Staffing Profile (based upon Erlang)**

	2005/6	2006/7	2007/8	2008/9	2009/10	2010/11
Scale 2 - SP 13		5.25	22.32	25.21	23.34	23.34
Scale 3 - SP15		11.82	5.25	11.82	27.57	27.57
Scale 4 - SP18		0.90	1.21	0.73	1.07	1.07
Team leads new in role		0.40	0.91	2.12	2.85	2.85
Team leads		1.00	1.00	1.00	1.00	1.00
OM	1.00	1.00	1.00	1.00	1.00	1.00
Administrator new in role		1.00	1.00	1.00	2.00	2.00
Administrator		20.37	31.69	42.87	57.83	57.83
<b>Total FTEs</b>	<b>1.00</b>	<b>20.37</b>	<b>31.69</b>	<b>42.87</b>	<b>57.83</b>	<b>57.83</b>

**TO-BE Staffing Profile (including contingency)**

	2005/6	2006/7	2007/8	2008/9	2009/10	2010/11
Scale 2 - SP 13	0.00	6.50	0.00	0.00	0.00	0.00
Scale 3 - SP15	0.00	15.00	28.00	31.50	30.00	30.00
Scale 4 - SP18	0.00	0.00	6.50	15.00	34.50	34.50
Team leads new in role	0.00	2.00	1.50	1.00	1.00	1.00
Team leads	0.00	0.50	1.00	2.50	3.50	3.50
OM	1.00	1.00	1.00	1.00	1.00	1.00
Administrator new in role	0.00	1.00	0.00	1.00	0.00	0.00
Administrator	0.00	0.00	1.00	1.00	2.00	2.00
<b>Total FTEs</b>	<b>1.00</b>	<b>26.00</b>	<b>39.00</b>	<b>53.00</b>	<b>72.00</b>	<b>72.00</b>

## APPENDIX 4 – TREASURY GREEN BOOK DISCOUNT RATE

This Appendix (from the [Treasury Green Book, annex 6](#)) shows how the discount rate of 3.5 per cent real is derived and the circumstances in which it should be applied.

### Social Time Preference Rate

Social Time Preference is defined as the value society attaches to present, as opposed to future, consumption. The Social Time Preference Rate (STPR) is a rate used for discounting future benefits and costs, and is based on comparisons of utility across different points in time or different generations. This guidance recommends that the STPR be used as the standard real discount rate. The STPR has two components:

The rate at which individuals discount future consumption over present consumption, on the assumption that no change in per capita consumption is expected, represented by 'p'; and

An additional element, if per capita consumption is expected to grow over time, reflecting the fact that these circumstances imply future consumption will be plentiful relative to the current position and thus have lower marginal utility. This effect is represented by the product of the annual growth in per capita consumption (g) and the elasticity of marginal utility of consumption ( $\mu$ ) with respect to utility.

The STPR, represented by r, is the sum of these two components:  $r = p + \mu g$ . Each element of STPR is examined in turn below.

**Estimates of p:** This comprises two elements:

- Catastrophe risk (L); and
- Pure time preference (z).

The first component, catastrophe risk, is the likelihood that there will be some event so devastating that all returns from policies, programmes or projects are eliminated, or at least radically and unpredictably altered. Examples are technological advancements that lead to premature obsolescence, or natural disasters, major wars, etc. The scale of this risk is, by its nature, hard to quantify. The second component, pure time preference, reflects individuals' preference for consumption now, rather than later, with an unchanging level of consumption per capita over time.

The evidence suggests that these two components indicate a value for p of around 1.5 per cent a year for the near future.

**Estimates of  $\mu$ :** The available evidence suggests the elasticity of the marginal utility of consumption ( $\mu$ ) is around 1. This implies that a marginal increment in consumption to a generation that has twice the consumption of the current generation will reduce the utility by half.

**Estimates of g:** Maddison (2001) shows growth per capita in the UK to be 2.1 per cent over the period 1950 to 1998. Surveying the evidence, the Treasury paper Trend Growth: Recent Developments and Prospects suggests a figure of 2.1 per cent for output growth to be reasonable. The annual rate of g is therefore put at 2 per cent per year.

**The calculated STPR:** so with g = 2 per cent, p = 1.5 per cent,  $\mu = 1.0$ , then from the above equation the STPR to be used as the real discount rate is:  $0.015 + 1.0 \times 0.02 = 3.5$  per cent

### Long term discount rates

Where the appraisal of a proposal depends materially upon the discounting of effects in the very long term, the received view is that a lower discount rate for the longer term (beyond 30 years) should be used.

The main rationale for declining long-term discount rates results from uncertainty about the future. This uncertainty can be shown to cause declining discount rates over time. In light of this evidence, it is recommended that for costs and benefits accruing more than 30 years into the future, appraisers use the schedule of discount rates provided in Table 6.1, in annex 6 of the Treasury Green Book.