

# Report

11

Report to:	<b>Finance and Information Technology Resources Committee</b>
Date of Meeting:	<b>27 October 2009</b>
Report by:	<b>Executive Director (Finance and Information Technology Resources)</b>

Subject:	<b>Electronic Document Records Management Systems (EDRMS) Deployment Across Resources</b>
----------	---

## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ Provide an update on current status of EDRMS implementation
- ◆ Advise of the recent negotiations for an Enterprise Wide Agreement – a site licence and the associated consultancy charges
- ◆ Recommend a funding approach for the next deployment in Housing and Technical
- ◆ Advise of the associated project timescales.

## 2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that we proceed with agreement to a site licence that will cover implementation of EDRMS across SLC
- (2) that we agree the funding approach utilising the ICT Fund.
- (3) that the overall benefits of introducing EDRMS are noted.

## 3. Background

- 3.1. The Council identified a need for an EDRMS initially to support the introduction of e planning. Without a single source of the relevant information available electronically via such a system the service would not be possible.
- 3.2. In September 2007 the Council awarded a contract for the supply and installation of EDRMS.
- 3.3. The contract was awarded to Kainos with the underlying enabling technology from Meridio and Blackpearl.
- 3.4. It was agreed that this solution would form the basis of a corporate roll out of the solution and that the pilot implementation would be Enterprise Resources for Planning and Building Standards.

- 3.5. The primary benefit of the introduction of an EDRMS is the removal of paper based records and a single version of all “documentation” with the ability to direct activities associated with the documents to the correct user. It also has a direct impact on other projects such as flexible working, asset utilisation and is an essential strand of any information management strategy.
- 3.6. The approach to the costing of the pilot was based on the figures that had been provided as part of the procurement. As we move to a higher utilisation it was considered that further negotiation with the supplier around an Enterprise agreement could offer significant financial benefits.
- 3.7. We now have a proposal from Kainos that significantly reduces the unit costs. They are offering a site licence for 5300 users that reduces the cost per user from £209 to £60 and consultancy costs from £1000 per day to £600 per day.
- 3.8. To put this in context if the Business Case for Housing Benefits is reworked then this would lead to a project cost of £233,200 rather than £472,000. This represents a far better return on investment.

#### **4. Proposals**

- 4.1. Kainos has proposed a site licence that can be summarised as follows
  - ◆ Corporate Meridio EA License for up to 5,300 users - £300,000
  - ◆ 5 years Support and Maintenance for Corporate EA - £60,000pa
  - ◆ A full credit will be made for all previous orders - £73,150
  - ◆ Therefore net cost of upgrade to a Corporate EA License for up to 5,300 users is £226,850 with a corresponding reduction in support and maintenance to £45,370.
  - ◆ A Blackpearl enterprise agreement for up to 1500 users for £67,500 with year 1 support of £7,500
- 4.2. They have also offered a reduction in consultancy rates to a fixed rate of £600 as opposed to £700-£1200.

#### **5. Funding Options**

- 5.1. In order to establish a significant pool of licences and to realise the potential business benefits, it is proposed that we enter into a site licence for up to 5300 for Meridio and Blackpearl.
- 5.2. Resources have already identified initial numbers for early implementation. Projects are currently being defined with business cases being developed for each proposed implementation.
- 5.3. It is proposed that the ICT Fund be used to fund the purchase of the licences - £226,850 and £67,500 for Blackpearl.
- 5.4. It is proposed that the consultancy costs for the implementation be funded by Resources if possible but should this prove impossible then the ICT fund could again be utilised. Any financial support for consultancy funded from the ICT Fund should be repaid to the Fund once the benefits identified in the Business Case are accrued.
- 5.5. It is further proposed that this model be used for all projects, with each Resource repaying the ICT Fund as the benefits from an approved business case are accrued.

## **6. Summary**

- 6.1. The proposal demonstrates a significant reduction in cost for both licences and consultancy to support further implementation across South Lanarkshire Council.
- 6.2. Subsequent proposals for implementation should include a detailed business case with Return on Investment calculated to demonstrate how implementation would bring financial benefits and efficiency savings.
- 6.3. Implementations will be supported by the ICT Fund, with an agreement that following accrual of benefits contained within the approved business case any investment will be repaid by the Resource to the ICT Fund.
- 6.4. Benefit accrual will form part of the Project Management process, with regular reviews and a formal process for repayment of costs to the ICT Fund. This will form part of the final Implementation review process.

## **7. Employee Implications**

- 7.1. None

## **8. Financial Implications**

- 8.1. The financial implications are fully outlined in sections 4 and 5.

## **9. Other Implications**

- 9.1. Risk assessment for each deployment of EDRMS will be assessed as part of the Project Management process utilised for IT solution deployment.

## **10. Equality Impact Assessment and Consultation Arrangements**

- 10.1. There is no requirement to carry out an impact assessment in terms of the proposals contained within this report.
- 10.2. There is also no requirement to undertake any consultation in terms of the information contained in this report.

**Linda Hardie**

**Executive Director (Finance and Information Technology Resources)**

30 September 2009

## **Link(s) to Council Values and Objectives**

- ♦ Value: Accountable, effective and efficient

## **Previous References**

None

## **List of Background Papers**

None

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

Kay Brown, Head of Information Technology

Ext: 4344 (Tel: 01698 454344)

E-mail: [kay.brown@southlanarkshire.gov.uk](mailto:kay.brown@southlanarkshire.gov.uk)