

## HEREFORDSHIRE CONNECTS

**Report By: Interim Deputy Chief Executive**

### Wards Affected

County-wide

### Purpose

1. To advise Strategic Monitoring Committee of the outcome of an options appraisal carried out to inform future implementation of the Herefordshire Connects programme, and to seek the views of the Committee on recommendations arising from the options appraisal prior to consideration by Cabinet on 31<sup>st</sup> July.

### Financial Implications

2. The financial business case is detailed in the accompanying report enclosed separately (Appendix A, paragraphs 7.1 to 7.7), but it is emphasised that programme cost estimates are based on an expected 'worst case', and will require confirmation upon selection of the systems identified in the technology options appraisals.
3. The accompanying report indicates that in 2009/09 and 2009/10, using the assumptions underpinning the model, there will be a need to provide additional resources to meet a shortfall in the project. This can be met by using a combination of reserves and the unallocated capacity in the agreed 2008/09 to 2010/11 Medium Term Financial Management Strategy.

### Background

4. Strategic Monitoring Committee will be aware that in February 2008 Cabinet, having considered the recommendations made by Strategic Monitoring Committee following the call-in of Cabinet's decision on the acquisition of preferred technology to replace client systems within both Adult Social Care and Children's Services, authorised the completion of a framework agreement with Deloitte, and confirmed Corelogic Frameworki as the preferred technology in respect of social care.
5. The framework agreement entered into with Deloitte did not commit the council to the totality of the Herefordshire Connects programme or to specific technology solutions for the programme, but provided the vehicle by which the various elements of the programme could be progressed. The first element, replacement of the social care client system, also approved in February by Cabinet is underway and the new Corelogic Frameworki system is scheduled for launch in November as planned.
6. The Audit Commission has been maintaining an overview of the council's progress with Herefordshire Connects, and in its Annual Audit & Inspection Letter recommended that before progressing further elements the council take the opportunity "...to re-focus and clarify the purpose, outcomes and actions of Herefordshire Connects. This should include formally considering in a short paper what other options are still open to the council including the costs, benefits and risks

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Further information on the subject of this report is available from:  
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of each option. It should also set out how the programme fits with the new joint working arrangements with the Primary Care Trust.”

7. As a result the Joint Management Team, with strategic partner Deloitte, has undertaken an options appraisal to:
  - ensure the vision for Herefordshire Connects is fit for purpose both now and for the future
  - update the business case to take account of current and future needs and identify those benefits already achieved
  - ensure that governance arrangements are robust and appropriate.
8. The report attached at Appendix A details the outcome of that options appraisal, which is summarised below.

### **Herefordshire Connects Vision**

9. The original vision was found to be still valid, but has been refreshed to reflect the broader change programme, necessary to support the active pursuit of closer partnership arrangements with the Primary Care Trust, to which it contributes. The proposed refreshed vision is:

*“Herefordshire Connects is a technology enabled change programme that will support the delivery of high quality, responsive and integrated services by the Council as part of Herefordshire Public Services. It will seek to reduce costs, to help forge a new joint culture of partnership working, rationalise and update systems and infrastructure, and harmonise and improve accessibility and responsiveness of services to both internal and external customers.”*

10. This will be achieved by:
  - Improving the service outcomes delivered to customers through integrated customer services, thereby positively impacting the Council’s performance rating in core service areas;
  - Delivering productivity gains, including cashable savings to address budget challenges, in front line service delivery and in the back office, through integrated support services; and
  - Aligning organisational goals and individual performance objectives, refining and integrating existing corporate performance management processes and embedding a performance-oriented culture within the organisation.

### **Delivery of Herefordshire Connects**

11. The above points will be addressed through the creation of three projects:
  - Integrated Customer Services
  - Integrated Support Services
  - Performance Management

### **Technology Options**

12. To ensure that systems are in place to support the delivery of the vision, it is recommended that the number of ICT applications are rationalised to the minimum necessary. This strategy should be complemented by investment in technology to support effective integration. It is therefore recommended that the council selects, through the existing framework agreement and from a set of proven market solutions, the following software applications:
  - Integrated ‘Back Office’ system
  - Integrated Environment & Regeneration system
  - Performance Management system

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- Integration tools

**Business Case**

13. The council has made savings during the period of the 'strategic pause' of some £1.7m which were in the previous Herefordshire Connects Business Case. Based on 'worst case' costings and the revised cashable benefits a revised financial profile has been established (Appendix A, paragraph 7.7). As previously, CAPITA are undertaking an independent review of these figures. The revised profile identifies the need for the council to invest £2.8m in the programme over the first two years, but that the programme begins to be 'cash-positive' by the third year, and by the fifth year will generate recurring cashable savings of £3.4m.

**Governance**

14. The governance structure has been refreshed (Appendix A, paragraph 8.1) to reflect the newly defined programme and to ensure alignment with the revised senior management structure. Links have also been developed to ensure integration with the wider change agenda.
15. For completeness sake the options appraisal has also reconfirmed the corporate and service resource requirement, in broad terms, to support delivery of the programme.

**RECOMMENDATION****THAT Strategic Monitoring Committee:**

- (a) **Notes the outcome of the options appraisal; and**
- (b) **Comments on the recommendations arising from the options appraisal.**

**Background Papers**

- **None identified**

**APPENDICES**

Appendix A – "Herefordshire Connects – The Way Forward" Options Appraisal Report