

Ref PHD 018/09

Subject:	HARP2 Programme Approval
Responsible Officer:	Carol Cutler, Director of Business Transformation and Customer Service
Portfolio Holder:	Paul Osborn
Key Decision:	Yes
Urgent/Non Urgent:	Urgent
Power to be exercised:	Paragraph 2 (iii) of the Delegated Powers of Portfolio Holders as set out in the Appendix to the Executive Procedure Rules, Part 4D of the Constitution.
Exempt:	No
Enclosures:	HaRP2 Full Business Case

Section 1 – Summary and Recommendations

Recommendations:

That the HARP2 programme be approved to proceed in line with its agreed Business Case

Reason:

The new technology and business processes will greatly improve the efficiency and accuracy of Council services, whilst also reducing costs.

Section 2 – Report

2.1 Introduction

The HARP2 Programme covers projects in Cyclical Works, Housing Adaptations and Repairs, Human Resources and Development, Shared Services and has been the subject of Outline and Full Business Cases. These have been approved by CSB and members of the BTP Partnership Board. The Full Business Case (FBC) is attached as Appendix A containing details of the proposed solution and plan.

2.2 Supporting the Corporate Strategy

The programme supports the Corporate Strategy through:

- Enabling financial savings
- Improving shared business processes
- reducing floor space usage in a number of Council premises
- introducing new working practices to improve customer service
- providing real time performance information
- developing mobile and flexible working practices and introducing technology

The programme supports the Council's 9 point improvement plan through:

- Improving first impressions with customers through:
 - collecting information once from customers and shared with many Council service units
 - increasing the number of queries answered at first point of contact through front to back office integration
 - providing easily accessible operational and management information
 - provide a building block for more customer web interaction
 - delivering an integral part of the management development programme

2.3 Options considered

Other options considered were:

- Focus transformation activities in other areas of the Council
- Reduce capital spend by not transforming any further service areas
- Delivering the programme through the use of in-house resource

2.4 Current situation

Currently all services within HaRP2 have heavy reliance on paper based processes and are seeking to transform their working practices through the introduction of scanning and work flow technology, linked to a greater capability in remote working.

2.5 Why a change is needed

Change is needed in these key service areas to deliver savings, and most importantly to transform their working processes to improve performance, and thereby to meet the Council targets in specific KPIs and customer satisfaction.

2.6 Recommendation:

That the programme be approved to proceed in line with its agreed Business Case.

2.7 Resources, costs and risks

The benefits that the Council have signed off as being achievable are £2,936k. After both Capita and Council costs, this provides an overall cost to the Council of £399k (based on MRP).

Initial risks have been assessed as follows:

- need to agree levels of security and access to data;
- large scale changes in working practices may result in industrial relations issues if not managed;
- the change of management style as a result of mobile and flexible working requires a strong approach on change management.

2.8 Staffing/workforce

Development and delivery of the programme will be provided by Capita.

The impact of development of the solution, and training, on Harrow staff has been detailed, and assumed within the overall cost of the programme. This will ensure that sufficient budget is available to backfill posts where required, and for the central Harrow Programme Team.

2.9 Equalities impact

There are no specific equalities issues related the report or recommendations, although a full Equalities Impact Assessment will be conducted as part of the programme. A previous Equalities Impact Assessment for HaRP1 did not identify significant risks.

2.10 Legal comments

The programme has been progressed under the auspices of the Business Transformation Partnership. Outline and Full Business cases have been agreed, in line with contract requirements.

2.11 Financial Implications

The 10 year project costs are £3,335k, including MRP and interest. There will be operational savings/efficiencies of £2,936k over 10 years, giving a net cost over the period of £399k.

The benefits that the Council have signed off as being achievable are £2,936k.

The capital programme for 2009-2010 includes the capital investment in HARP, and the medium term revenue budget includes the anticipated net savings arising from 2010-2011 onwards.

The Council has reviewed the business case and compared the costs presented by Capita against the costs of delivering In house.

The Council has full visibility of the Financial Model based on the open book principles of the original Partnership contract, this includes full visibility of third party supplier costs and the Capita margin and overhead.

The deal as presented by the HARP2 project is in line with the Incremental Strategic Partnership.

Benefits will be tracked using the BTP's established benefits management process involving the use of signed benefit cards, and monitored by the Director of BTP and Customer Services and the Director of Finance.

2.12 Environmental Impact

There are no major environmental impacts resulting from this proposal.

2.13 Performance

Indicator	Current Performance	Impact
Cyclical Works and Adaptations and Repairs		
Tenant satisfaction with overall service	Target – No target 08/09 Current – 64%	A more efficient and 'joined up' service will improve satisfaction
Satisfaction with repairs (status survey)	Target – London av. 72% Current – 60%	A positive impact is expected.
Repairs completed in time (HIP return former BVPI)	Target – 97.5% Actual – 97%	A positive impact is expected.
Reduction in Avoidable Contact NI14	Currently being measured to provide a baseline.	There is not a high level of contact with tenants through Access Harrow, so there will be a significant reduction in avoidable contact.
Human Resources & Development		
Use of Resources	3 (2008 judgement)	The lower cost of the service will improve VfM in the evaluation of Use of Resources. There will also be an improved rating in terms of data quality. The 2010 Use of Resources assessment will consider workforce development issues. This project should have a positive impact on aspects of this assessment process, and delivery of the project will be used as evidence during this assessment.
Reduced absence	Target – 6 Actual – 6.96	A positive impact is expected.
Employee engagement rating	Council – 3.3 Target – 3.5	A positive impact is expected.
Shared Service		
Use of Resources	3 (2008 judgement)	The lower cost of the service will improve VfM in the evaluation of Use of Resources. There will also be an expected positive impact upon the Council's data quality Environment, which is a key measurement within the Use of Resources judgement.

Section 3 - Statutory Officer Clearance

Signature:

Name: Steve Tingle

on behalf of the*
Chief Financial Officer

Date: 24rd July 2009

Signature:

Name: Hugh Peart

on behalf of the*
Monitoring Officer

Date: 24rd July 2009

Section 4 – Performance Officer Clearance

Signature:

Name: Tom Whiting

on behalf of the*
Divisional Director
(Strategy and
Improvement)

Date: 24rd July 2009

Section 5 – Environmental Impact Officer Clearance

Signature: e-mail clearance

Name: John Edwards

on behalf of the*
Divisional Director
(Environmental
Services)

Date: 23rd July 2009

Section 6 - Contact Details and Background Papers

Contact: Carol Cutler, Director of Customer Services & BTP,
Ext: 6701

RFID Cost/Benefit Presentation

Signature: Tom Whiting

Position: Director of Customer Services & BTP

Name (print) Carol Cutler

Date: 23rd July 2009

For Portfolio Holder/Leader

- * I do agree to the decision proposed
- * I do not agree to the decision proposed
- * Please delete as appropriate

Notification of personal interests (if any):

(Note: if you have a prejudicial interest you should not take this decision)

Additional comments made by and/or options considered by the Portfolio Holder

Signature:

Portfolio Holder

Date: