



Haverling

L O N D O N B O R O U G H

GOVERNANCE COMMITTEE (*Special Meeting*) AGENDA

7.30pm	Wednesday 7 April 2010	Haverling Town Hall Main Road, Romford
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Members 10: Quorum 4

COUNCILLORS:

Conservative Group (6)	Residents' Group (2)	Independent Local Residents' Group (1)	Labour Group (1)
Frederick Thompson (C) Gary Adams (VC) Robert Benham Steven Kelly Eric Munday Michael White	Clarence Barrett Gillian Ford	Jeffrey Tucker	Keith Darvill

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AGENDA ITEMS

1 CHAIRMAN'S ANNOUNCEMENTS

The Chairman will announce details of the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

2 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS
(if any) - receive.

3 DECLARATION OF INTERESTS

Members are invited to declare any interests in any of the items on the agenda at this point of the meeting. Members may still declare an interest in an item at any time prior to the consideration of the matter.

4 MEMBERS' ICT PROVISION

Cheryl Coppel
Chief Executive



GOVERNANCE COMMITTEE

REPORT

7 April 2010

Subject Heading:

Members' ICT provision

CMT Lead:

Andrew Blake Herbert
Director – Finance and Commerce

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Increased efficiency around the provision
of services to members.

Policy context:

Financial summary:

There will be possible savings should the
recommended option be agreed. These
are detailed in the report.

The subject matter of this report deals with the following Council Objectives

Clean, safe and green borough	x
Excellence in education and learning	x
Opportunities for all through economic, social and cultural activity	x
Value and enhance the life of every individual	✓
High customer satisfaction and a stable Council tax	✓

SUMMARY

Under the current policy agreed by the Committee for the supply and use of personal computers, laptops, RSA tokens and communication equipment by Members, the Council is responsible for providing hardware and connection to the Council's IT systems to Members. Members must at all times abide by the ICT business systems policy and the policy includes provision for return and repair of equipment.

This report proposes the best way to provide Members with access to, and retrieval of, relevant information and to people via ICT. The report reviews current requirements and usage in the light of developments in ICT. This can be viewed as part of the wider drive for value and accountability in local government.

This report uses information gathered through meetings with Members, through the Corporate Overview and Scrutiny Committee's Paperless Councillor Topic Group, officers from ICT and Democratic Services and other interested parties. In addition the report draws upon research into the purchasing options available both on the open market and the Council's e-auction and provision that is made elsewhere. Some of the options will have taxation implications which are set out in the detailed report below.

In particular, this report sets out the proposed choice which Members be given over their individual ICT provision arrangements after the local elections:

1. Providing Members with suitable hardware and a connectivity allowance.
2. Providing Members with a prepaid card for hardware and a connectivity allowance.

All options entail all Members being supplied with an RSA token which would allow them to access the Council's shared network. For those Members already provided with RSA tokens whom are re-elected, their RSA tokens will be replaced as and when it is required to do so.

The recommendations presume the continued provision of Blackberries and mobile phones in line with the Council's current Blackberry and mobile phone protocols, which state that those Council Members eligible to receive Blackberries or mobile phones are the Mayor, the Leader of the Council, Cabinet members and Group Leaders.

RECOMMENDATIONS

1. That option 1 and option 2 as set out in the report be adopted in respect of the provision of IT equipment and it be noted that both allow individual Members choice over their individual arrangements.
2. That Members elected to the Council midway through the Council's term be given access to provision as outlined in option 2.
2. That the Members' ICT Policy, specifically in relation to the provision of ICT hardware and connectivity be modified as set out in Options 1 and 2 and the Head of Business Systems be authorised to amend the wording accordingly.
3. That the availability of a connectivity allowance for the purchasing, maintenance and support of appropriate connectivity by Members as shown in Option 1 and 2 be agreed. This will also include all consumables and stationery.

4. That IP streams cease to be provided as of 31st May 2010 and that Council provided printers cease to be supported as of 31st May 2010.
5. That the proposed training provision for members to facilitate their use of IT be agreed.
6. To agree the level of support, advice and guidance needed for Members to enable them to effectively and efficiently carry out their duties.
7. That the provision of Blackberries and mobile phones to Members be unchanged and continue to be governed by the existing Blackberry and mobile telephone protocols.

REPORT DETAIL

1.0 Background – Current Provision

- 1.1 The current policy for the supply and use of PCs, laptops, RSA tokens and communication equipment by Members determines the need for:
‘The London Borough of Havering, in recognition of the increasing importance of information technology and the requirements of e-government, will make available to Members IT equipment and services to meet their business needs.’
- 1.2 This policy details that the Council will provide members with a capability of working from home, consisting of either:
*‘2.1.1. A laptop with docking station and separate mouse, a printer and a Havering linked broadband business line to connect the laptop to the Council’s network (for which the Council will meet the cost for initial installation) or, alternatively,
2.1.2. An RSA token for use with members’ own home IT equipment.’*
- 1.3 This method of provision means that the Council is subject to the associated ICT hardware and IP stream connection costs. It also means that members must at all times abide by the ICT Business Systems policy in addition to the provision for return and repair of equipment as set out in the Members’ ICT Policy.

2.0 Option 1 – Providing hardware with a connectivity allowance

- 2.1 This section of the report identifies the ICT options for Members to enable the Council to meet individual, personalised needs in an effective and efficient way.
- 2.2 This option would give Members access to a Council supported laptop to use in conjunction with a Council supported RSA token. Members would be able

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to choose to receive a connectivity allowance which they could use to fund the provision of commercially supplied connectivity to their homes.

- 2.3 In consultation with an IT officer, Members would be provided with a laptop that best met their business needs. This hardware would be Council owned and therefore use would be subject to the ICT Business Systems policy. The provision of an RSA token would be made to each Member so as access to the Council's network was enabled. For those Members currently in receipt of RSA tokens whom are re-elected, their RSA tokens will be replaced as and when it is required to do so.
- 2.4 Members would be expected to arrange for their own provision of connectivity and could choose to receive an annual allowance of approximately £170 per Member which could be used to cover these connectivity costs. The amount received could also be used to cover the costs of consumables and stationery. Where necessary, the Council will publish advice on suitable connectivity packages.
- 2.5 The provision of a connectivity allowance would be subject to tax and national insurance liabilities and the approximate gross cost to the Council would be £280 per Member per annum.
- 2.6 Under this option Members would not be provided with a printer and would be expected to use Council devices on site to meet any printing requirements. Those re-elected Members with Council supplied printers would cease to have these supported as of 31st May 2010.
- 2.7 This option would allow those Members currently in receipt of Council supplied IT equipment to keep their current machine subject to any software upgrades needing to be installed by Business Systems.
- 2.8 This option would also allow Members to receive an RSA token without also being given Council supplied hardware should they wish to use previously purchased personal equipment.
- 2.9 The advantages and disadvantages of option 1 are outlined in the table below:

Advantages	Disadvantages
<ul style="list-style-type: none">• Allows Members to make use of the expert advice and support of Business Systems.• The hardware equipment provided is in line with Havering ICT systems, policies and initiatives.• ICT Training is provided.• The Council can stop providing expensive IP Streams.• Internet research is not limited by	<ul style="list-style-type: none">• The Council must recover equipment at the end of a Member's time in office.• ICT Helpdesk support is limited to 9am-5pm.• Difficult to tailor service to an individual Member's needs and preferences.• Members would need to take up connectivity issues with their

<p>the Council's firewall.</p> <ul style="list-style-type: none">• Members can choose the connectivity option that best suits their needs.• The Council can re-align some ICT support.	<p>internet service provider.</p> <ul style="list-style-type: none">• The amount of officer time required to advise Members on connectivity options.• The Council would not provide consumables and printers/toners.
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2.10 This option may allow the Council to realign resources currently used in technical connectivity support, which would be supplied by the commercial provider, therefore decreasing the demand for Council IT support. Officers would provide guidance and recommendations on broadband connectivity including information on suitable download speeds and limits required to undertake Council business.

2.11 Thought is being given to the use of IT across the Council for flexible working.

2.12 Members choosing this option must at all times abide by the ICT business systems policy and to the provision for return and repair of equipment as set out in the Members ICT Policy.

3.0 Option 2 – Providing a prepaid card for hardware and software and a connectivity allowance

3.1 This option would see Members be given loaded prepaid cards for use in purchasing ICT hardware at the beginning of the Council's term. This hardware could then be used in conjunction with a Council supported RSA token to access the Council's network. Members could also choose to receive an annual connectivity allowance which could be used to fund the provision of commercially supplied connectivity.

3.2 The provision of funds for the purchase of ICT hardware and software would be made through Council supplied prepaid cards with a set limit of £700 per Member. Prepaid cards enable the Council to pay monies electronically via an efficient process which enables transparency and accountability. These cards should only be used for the purchase of ICT hardware and software appropriate for the completion of Council business. Any misuse of the cards would be subject to action under the Council's Members ICT policy. Members would be given the option of receiving a prepaid card at the beginning of the Council term. Any monies unspent on individual prepaid cards would be reclaimed by the Council at the end of the financial year in which they were issued.

The use of prepaid cards is subject to the following:

- Card purchase at £7 (cost liable to Council)
- Card loading is charged at £1.20 per load (cost liable to Council)
- Replacing lost cards charged at £6 (cost liable to Member)
- Card reversals charged at £6 (cost liable to Council)

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- 3.3 Members would be expected to arrange for their own provision of connectivity and could choose to receive an annual allowance of £170 per Member which could be used to cover these connectivity costs. The amount received could also be used to cover the costs of consumables and stationery. Where necessary, the Council will publish advice on suitable connectivity packages.
- 3.4 The provision arrangements outlined above would be subject to tax and national insurance liabilities and the approximate gross costs to the Council would be £1,144 per prepaid card per Member (subject to value of purchases) and £280 connectivity allowance per Member per annum (exclusive of the RSA token costs).
- 3.5 Members would be able to make their own choice of hardware packages available commercially. This hardware would be owned by the Member concerned and therefore use would not be subject to the Business Systems policy when an RSA token is not in use. The provision of an RSA token would be made to each Member to enable access to the Council's network, during such access the Business Systems policy would apply. For those Members currently in receipt of RSA tokens whom are re-elected, their RSA tokens will be replaced as and when it is required to do so.
- 3.6 Under this option those re-elected Members with Council supplied printers would cease to have these supported as of May 31st 2010.
- 3.7 The advantages and disadvantages of option 2 are outlined in the table below:

Advantages	Disadvantages
<ul style="list-style-type: none">• Allows Members to make use of the expert advice and support of commercial providers.• The Council does not have to recover equipment at the end of a Member's time in office.• ICT Training is provided.• The Council can stop providing expensive IP Streams.• Internet research is not limited by the Council's firewall.• Members can choose the connectivity option that best suits their needs.	<ul style="list-style-type: none">• Difficult to tailor service to an individual Member's needs and preferences.• Members would need to take up connectivity and hardware issues with their internet service provider and equipment supplier respectively.• The Council would not provide consumables and printers/toners.• The hardware equipment provided is not necessarily in line with Havering ICT systems, policies and initiatives.• Members may choose hardware for which it is difficult to ensure compatibility to Council's systems.

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- 3.8 Where necessary, officers would provide guidance and recommendations around hardware to enable Members to choose the most suitable option. This would take the form of a recommended package of hardware widely available through commercial outlets.
- 3.9 Members would have the ability to select the connectivity arrangement that best suited their business needs. Officers would provide guidance and recommendations on broadband connectivity including information on suitable download speeds and limits required to undertake Council business.
- 3.10 This option would require external hardware support which may be supplied by the commercial provider dependent upon the terms of purchase. Under this option Members would not be able to access support through the ICT helpdesk other than for those issues relating to connection to the Council's network via an RSA token. Members would also need to ensure suitable warranty arrangements are in place.
- 3.11 Members choosing this option must abide by the ICT business systems policy whilst connecting to the Council's network via an RSA token. At all other times, usage is not constrained by the ICT business systems policy.

4.0 Training

- 4.1 Options 1 and 2 above acknowledge the need to provide training to some Members in the use of their IT systems. The training programmes put in place would recognise that Members are likely to have varied learning styles and as such, those training options on offer will include one to one coaching, an e-learning package and group learning sessions. It is felt that e-learning offers an effective form of ongoing support for Members as it allows remote and 24-hour access. This would be available under any of the options detailed above.
- 4.2 Training will be met from within existing resources.

5.0 Research into the provision of IT for Members by other Councils

- 5.1 ICT provision for Members across London boroughs varies from none at all to all Members being offered a range of hardware and connectivity options. The majority of authorities do make provision of hardware and in the cases where they do there is a standard suite of corporate equipment offered as opposed to Members being given an extra allowance to purchase their own equipment.
- 5.2 However, at least one borough has moved to an allowance based system and feedback from the Council indicates the system has generally been well received. The allowance scheme was funded from their existing Member IT support budget and although led to growth in year one, has realised savings since. There was a drop in the number of queries received by IT support where savings were enabled due to a reduction in their IT support contract. The policy did not require that the extra allowance be used for IT and the

officer reported that some Members do still not have home IT access despite having received it. Upon the election of the new Council, those Members who do not use IT will not be given the allowance.

IMPLICATIONS AND RISKS

Financial implications and risks

Funding currently associated with the options outlined.

Service Area	Detail	Budget Code	Capital (One-off)	Annual Revenue	4-Year Cost
Business Systems	1 SO1 Post FTE	B408	£0	£34,060	£136,240
Business Systems	IP Stream Revenue	B403	£0	£12,720	£50,880
Business Systems	ICT Hardware	EQ21	£34,184	£0	£34,184
Business Systems	Additional Capital Funding	EQ21	£50,000	£0	£50,000
Business Systems	Software	CG78	£4,537	£0	£4,537
Total			£88,721	£46,780	£275,841

Given that Members will be given a choice over the method of provision they receive, the financial implications set out below are based on varying levels of take up of each option. These are all based on presumed choice ranges and, where possible, are in part based upon current provision.

The cost of providing the prepaid cards are not included as under most scenarios, the costs involved would not be material.

Estimated example of take up outcome 1

Based upon even number of Members opting for options 1 and 2 and assuming a small proportion of Members will keep their existing Council supplied IT equipment or use previously purchased, privately owned equipment.

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Based Upon	One-off Capital	Annual Revenue	4-Year Cost
22 Members with RSA Tokens, Laptops & Allowance.	18,656	6,160	43,296
10 Members with RSA Tokens & Allowance.	2,200	2,800	13,400
22 Members with RSA Token, Prepaid Card & Allowance	30,015	6,160	54,655
Business Systems Support (Based on 0.6FTE SO1)	0	20,436	81,744
Total Funding Required	50,871	35,556	193,095

Estimated Savings	One-off Capital	Annual Revenue	4-Year Saving
ICT Hardware (Code: EQ21)	34,184	0	34,184
Software (Code: CG78)	4,537	0	4,537
Additional Capital Funding	50,000	0	50,000
Capital Funding Required	-50,871	0	-50,871
Estimated Unspent Capital	37,850	0	37,850
IP Stream (Code: B403)	0	12,720	50,880
Revenue Funding Required	0	-15,120	-60,480
Estimated Non Cashable Savings	0	-2,400	-9,600
1 SO1 Post FTE (Code: B408)	0	34,060	136,240
Business Systems Support Funding Required (Based on 0.6FTE SO1)	0	-20,436	-81,744
Estimated Non Cashable Savings	0	13,624	54,496
Total Savings	37,850	11,224	82,746

Estimated example of take up outcome 2

Based upon a higher proportion of Members choosing provision as outlined in option 2.

Based Upon	One-off Capital	Annual Revenue	4-Year Cost
20 Members with RSA Tokens, Laptops & Allowance.	16,960	5,600	39,360
4 Members with RSA Tokens & Allowance.	880	1,120	5,360
30 Members with RSA Token, Prepaid Card & Allowance	40,930	8,400	74,530
Business Systems Support (Based on 0.5FTE SO1)	0	17,030	68,120
Funding Required	58,770	32,150	187,370

Estimated Savings	One-off Capital	Annual Revenue	4-Year Saving
ICT Hardware (Code: EQ21)	34,184	0	34,184
Software (Code: CG78)	4,537	0	4,537
Additional Capital Funding	50,000	0	50,000
Capital Funding Required	-58,770	0	-58,770
Estimated Unspent Capital	29,951	0	29,951
IP Stream (Code: B403)	0	12,720	50,880
Revenue Funding Required	0	-15,120	-60,480
Estimated Non Cashable Savings	0	-2,400	-9,600
1 SO1 Post FTE (Code: B408)	0	34,060	136,240
Business Systems Support Funding Required (Based on 0.5FTE SO1)	0	-17,030	-68,120
Estimated Non Cashable Savings	0	17,030	68,120
Total Savings	29,951	14,630	88,471

Estimated example of take up outcome 3

Based upon a majority of Members choosing provision as outlined in option 2 and no Members opting to keep current Council providing IT equipment or use previously purchased, privately owned equipment.

Based Upon	One-off Capital	Annual Revenue	4-Year Cost
14 Members with RSA Tokens, Laptops & Allowance.	11,872	3,920	27,552
0 Members with RSA Tokens & Allowance.	0	0	0
40 Members with RSA Token, Prepaid Card & Allowance	54,574	11,200	99,374
Business Systems Support (Based on 0.2FTE SO1)	0	6,812	27,248
<i>Funding Required</i>	66,446	21,932	154,174

Estimated Savings	One-off Capital	Annual Revenue	4-Year Saving
ICT Hardware (Code: EQ21)	34,184	0	34,184
Software (Code: CG78)	4,537	0	4,537
Additional Capital Funding	50,000	0	50,000
Capital Funding Required	-66,446	0	-66,446
<i>Estimated Unspent Capital</i>	22,275	0	22,275
IP Stream (Code: B403)	0	12,720	50,880
Revenue Funding Required	0	-15,120	-60,480
<i>Estimated Non Cashable Savings</i>	0	-2,400	-9,600
1 SO1 Post FTE (Code: B408)	0	34,060	136,240
Business Systems Support Funding Required (Based on 0.2FTE SO1)	0	-6,812	-27,248
<i>Estimated Non Cashable Savings</i>	0	27,248	108,992
<i>Total Savings</i>	22,275	24,848	121,667

General Comments

The financial summaries above show the ICT support cost to be a significant cost factor. The estimated cost of Council provided support is £34,060 per year. Consequently the proposals outlined in this paper prove to be more cost efficient than current arrangements over a 4 year period due to the possibility of the internal IT support cost being minimised and instead met by commercially purchased support from Members' allowances for those Members choosing option 2.

Provision as outlined in would require the additional one off capital investment to enable those Members choosing option 2 to be given a net amount of £700. The level of this additional sum would be dependant on the number of Members choosing each of the options. If this provision were agreed by the Committee, this system would need to be reviewed at the end of the 4 year Council term and new capital funding identified for continuing provision.

The costs of managing the Members IT process would be met through the prioritisation of existing resources and are not expected to be significantly different to those under the current arrangements.

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It is likely that over the course of the Council's term that Members seat's will be vacated creating the need for a bye-election. Should this be the case, any new Member entering the Council will be entitled to ICT equipment in line with option 2 only. This would of course incur additional expenditure.

Taxation

It is advised that the pre-pay card for hardware expenditure would be subject to taxation. Therefore in order to pay in the region of £700 one-off per Member, the Council would pay a gross amount of £1,144 one-off per Member. This is due to the fact that the amount would be considered a 'round sum' payment.

It is also advised that the connectivity allowance would similarly be subject to taxation. Therefore in order to pay in the region of £170 per annum per Member the Council would pay a gross amount of £280 per annum per Member. This is due to the fact that the extra allowance amount would be considered a 'round sum' payment.

VAT will not be receivable by the council for expenditure incurred on prepaid cards and the connectivity allowance. This will have the effect of reducing the potential purchasing amount.

Paying an additional allowance to Members in receipt of benefit payments may have implications to their benefit entitlement. If this situation arises, other appropriate strategies will be investigated.

The calculations of tax and national insurance liabilities above are based on the basic rates and may vary dependant on the tax liability of individual Members.

Legal implications and risks:

As the connectivity allowance will be given to all members it meets the statutory criteria for being part of the members basic allowance and as such will need to be incorporated within the Council's members' allowances scheme.

Abuse of the pre-paid cards would be a breach of the members code of conduct and potentially a criminal offence. Similarly misuse of a Council supplied laptop could have the same consequences.

Human Resources implications and risks:

None specifically from this report.

Equalities implications and risks:

The introduction of an allowance as outlined in option 2 allows Members the choice of ICT to best suit their individual needs. However there may be equalities implications. Those Members with prior IT or home computing knowledge would potentially be at an advantage compared to those Members with little or no experience of having used or purchased IT hardware. However, providing

recommendations on suitable packages for Members based on their business needs will ensure equality of access to and retrieval of information. In addition this would be provided by the provision of an RSA token to all Members to allow access to information stored on the Council's ICT network.

BACKGROUND PAPERS

Research into the provision of IT for Members by other Councils