Appendix G

DMS BUDGET REPORT

1. Current capital position

Starting from this financial year a new budget code has been setup for the new DMS Programme. Some expenditure and allocations have been made since April 2008:

i)   £21,666 was spent on purchasing IBS software for the Benefits and Council Tax Dip/ workflow project. This has been vired to revenue.

ii)   £10,831 was spent on new scanners and scanning consultancy. These were prescribed by the suppliers, IBS, as necessary to deliver the Council Tax and Benefits Dip/ workflow project.

iii)   £8,360 was spent on additional Meridio licences for Development Control. This was vired to the original EDRMS budget as it was necessary to ensure Planning were fully licenced for Meridio.

iv)   £375. A small amount scanning consultancy remains outstanding against a raised order.

v)   £9,500 allocated to training and data storage on the Council Tax and Benefits Dip/ workflow project (estimated expenditure).

Table 1: Current budget summary

Budget Description	Budget
Initial Programme Budget	£200,400
Vired to original EDRMS Budget	-£8,360
Vired to revenue (IBS project)	-£21,666
Total Programme budget	£170,374
Actual Expenditure to Date	£10,831
Committed Expenditure	£375
Estimated Future Expenditure	£9,500
Forecast Total Expenditure (Estimate + Commitment + Actual)	£20,706
Forecast Underspend	£149,668

2. DMS Future Capital Expenditure

The figures in Table 2 provide an initial assessment of the capital expenditure need to fund the three Phase 1 projects. The budget confidence figure is the degree of confidence that the stated amount will not be exceeded.

Table 2: Initial assessment of DMS Phase 1 capital costs

No.	Description	Amount	Budget Confidence	Status	Explanation
1.	Replacement DMS for Planning team	£44,000	95%	Quote	IDOX are the Preferred Suppliers
2.	Develop lightweight 'scan and store' DMS	£8,000	100%	Estimate	Estimates provided by Trinity and Formscan.

No.	Description				
	solution (Kofax and MOSS)				More detailed scoping required before price finalised.
3.	Corporate information management using MOSS.	£10,000	100%	Estimate	In anticipation of some technical consultancy being needed from Trinity to deliver this project.
	Total	£62,000			

3. Revenue costs

The annual revenue costs for continuing with the existing system are shown in Table 3.

Table 3: Annual Revenue costs for the existing EDRMS:

No.	Description	Revenue Cost
1.	Trinity workflow support and maintenance	£30,000
2.	Meridio support and maintenance	£13,000
3.	Records Manager salary	£37,000
	Total	£80,000

The new IDOX system will have an annual revenue cost of £9,400 to cover system support and maintenance

The decision not to keep Trinity's workflow system and Meridio produces annual revenue savings of £43,000. The decision that without Meridio a Records Manager is no longer justified produces further savings of £37,000.

Therefore, the net annual revenue saving produced by the projects in Phase I of the Document Management Solutions Programme is £70,600 from 2009/10 onwards.

4. Product costs

The year by year product costs for EDRMS since the beginning of the project are shown at table 4.

Table 4: Analysis of EDRMS Product costs by year

Product	Year Spent						Total
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	
Records Management/ Meridio	£37,058	£39,357	£76,211	£45,899		£8,360	£206,886
Collaboration/ Sharepoint	£32,058	£13,655	£21,639	£7,125			£74,477
Workflow	£37,154	£96,274	£69,744	£27,750	£18,353		£249,276
Scanning/ Kofax	£11,473	£36,825	£3,946	£1,455	£14,363	£2,250	£70,312
Image Viewing/ LeadTools				£21,483	£4,902		£26,385
Enterprise integration	£5,000	£7,512	£48,190	£46,040	£7,256		£113,998

Other Infrastructure	£2,033		£58,750			£60,783
Total	£124,776	£193,623	£278,481	£149,752	£44,874	£10,610	£802,116

The combined cost of scanning/ Kofax and workflow includes £21,666 to purchase IBS Dip/ workflow for Benefits and Council Tax.

Another analysis of the same figures shows, for example, that £178,000 has been spent on hardware. This hardware can either be re-used or has already reached the end of its normal lifecycle. Therefore, it should not be included in any write-off calculation.

Table 5: Analysis of EDRMS products costs by category

Data	Business Services	Hardware	Integration	Software	Technical Services	Total
Records Management/ Meridio	£1,274.40	£33,057		£106,679	£65,875	£206,885
Collaboration/ Sharepoint		£33,057		£34,295	£7,125	£74,477
Workflow		£33,156		£66,578	£149,540	£249,275
Scanning/ Kofax	£450	£21,803		£19,388	£28,671	£70,312
Image Viewing/ LeadTools				£7,634	£18,750	£26,384
Enterprise integration			£51,899		£62,098	£113,997
Other Infrastructure		£57,033.00			£3,750.00	£60,783
Total	£1,724	£178,106	£51,899	£234,575	£335,810	£802,116

5. Abandoned product costs

Table 6 shows the products or items purchased where implementation never took place, i.e. no benefit has been obtained.

Table 6: Products and hardware never used

Product/ Item	Amount	Notes
FOI workflow module	£30,000	No Business owner after staff changes in Legal Services. Not a priority for overall EDRMS project so no 'push' from project team to implement. Can no longer proceed as Trinity workflow is being abandoned.
Integration between IBS and Trinity workflow/ Meridio	£32,764	Protracted development abandoned when EDRMS Board decided, in December 2007, to purchase IBS Dip/ workflow product.
3 x Digital Senders (a type of scanner)	£6,473	Expected to be used for scanning at WDC One Stop Shops. Unable to communicate through WCC network and superseded by WDC's new multi-purpose copier/ scanner/ printer devices. Negligible resale value.

Total	£69,237	

Table 7 summarises the expenditure on used and unused products that have been or will be abandoned (workflow, integration and Meridio) if the proposed new approach is adopted. The total is inclusive of the £69,000 for the 'never used' products.

Table 7: Expenditure on abandoned products

Description	Used	Unused	Total
Records Management/ Meridio	£174,000	-	£174,000
Workflow	£186,000	£30,000	£216,000
Scanning (Digital Senders)	-	£6,000	£6,000
Enterprise integration	£2,000	£33,000	£35,000
Total	£362,000	£69,000	£431,000

However, since 2005 benefits have accrued from the use of £362,000 of this expenditure:

As a result of implementing EDRMS the council has benefited from additional E-Planning component of the Planning Delivery Grant totalled £90,000 over the three years from 2005/06 to 2007/08.

Other intangible benefits have been derived from the use of the system since 2005. These are explained further in the Planning system report – see Appendix C.

The two main products, workflow and Meridio, have been in use since 2005 so have produced some benefit to the council. This benefit would need further work to quantify objectively.

Table 3 shows the annual revenue costs of keeping the existing EDRMS technology. Capital costs arise from the need to upgrade both the Meridio and workflow system. Table 8 shows the total revenue and capital costs over four years. A revenue cost for 2008/09 (£43,000) cannot be avoided as the systems remain in use.

However, all of the remaining costs will be avoided by delivering on time the three projects in Phase 1 of the new DMS Programme.

Table 8: Estimated on-going costs of retaining EDRMS products (four years)

Ongoing costs 2008/09 to 2011/12	Best case		Medium Case		Worst case	
	Capital	Revenue	Capital	Revenue	Capital	Revenue
Records Management/ Meridio	£0	£200,000	£0	£200,000	£112,860	£200,000
Workflow	£170,000	£120,000	£230,000	£120,000	£282,000	£120,000
TOTAL	£170,000	£320,000	£230,000	£320,000	£394,860	£320,000

6. Write off costs

Finance has confirmed that of all the capital spent on the project only £6,200 remains on the balance sheet. This last item of depreciation will no longer appear on the balance sheet from next year.

Table 4 shows the amount spent on each product over the lifetime of the project and Table 7 the expenditure on abandoned products.