

7. INFORMATION MANAGEMENT AND TECHNOLOGY (IM&T) SERVICES REVIEW - BUDGET SAVINGS, 2003/04 AND BEYOND

Officer responsible Director of Information	Author Simon Markham, DDI 941-593
---	---

The purpose of this note is to advise savings arising from this review yet to be factored into draft budgets for Information Directorate, MIS and Corporate Services Unit budgets, to assist in consideration of those budgets at the Committee's Annual Plan meeting on 18 February 2003.

CONTEXT

The IM&T Services Review, undertaken in the latter part of 2002, was one of several internal service reviews paralleling the programme of external service reviews undertaken by the Budget Scrutiny and Audit Committee, in light of the Council's \$10 million cost savings target. Review findings in late 2002/early 2003 have yet to be factored into draft budgets, but will in time for their consideration by the Annual Plan Subcommittee. This note overviews for the Committee the scope and scale of feasible savings arising from the review.

A comprehensive review of the activities and organisational arrangements relating to several information management teams in Information Directorate, MIS Unit, and the document management function in Corporate Services Unit has been completed. This review drew on the knowledge and expertise within these areas, and was assisted by the Business Improvement Team in Operations Directorate and two external reviewers.

It was set within a context of considerable improvement of information management and technology functions over the last 2-3 years. These have included efficiencies in "geo-spatial" data management and new service arrangements for telecommunications, computer systems maintenance and software licensing. They have already enabled accumulated cost reductions over a two year period to 2002/03 of \$1.384 million, and annual savings thereafter of \$1.134 million.

REVIEW FINDINGS

Rapid change is occurring in information technology and the practices related to managing information generally. A key trend is "convergence" of differing technologies, with the Internet set to play an increasing role both within organisations and in their external transactions. Reflecting these trends and arising from the review, an integrated structure for IM&T Services at the Council is being implemented. This brings together information management teams, MIS and the document management function currently situated in Corporate Services Unit, into a streamlined and more flexible IM&T Service Group, reporting through Information and Planning Directorate.

This change, together with other improvements in data management, the use of technology, the use of external service providers and user charging are anticipated to enable the following operating budget reductions, beginning in 2003/04:

- Completion of paper to electronic conversion of utility asset plans, \$280,000
- Technology standardisation/process improvement in management of desktop computers, \$100,000
- Use of expert external service providers for "Hydro-metric" data collection and management, \$100,000
- User charging for private drainage plans, \$85,000 in 2003/04, rising to \$170,000 in 2004/05 (subject to Council approval of revised fees schedule)
- Reduction through merging, and non-replacement of vacancies, in several teams engaged in enhancing existing and providing new business systems (considered appropriate in a time of financial restraint) \$180,000
- Streamlined management and administration, \$100,000

These savings total \$845,000 rising to \$930,000 in 2004/05. These estimates are being refined and will be confirmed with the Annual Plan Subcommittee, but the order of magnitude is correct.

Chair's

Recommendation: That the information be received.