

## CAPITAL PLAN LIST C – EVALUATIONS

	<b>Project</b> Electoral Services – Individual Electoral Registration hardware		
1	<b>Specification:</b>		
	(i)	<b>Purpose of the scheme</b>	To provide the hardware necessary to support the mailing out and receipt back of new paper forms required under Individual Electoral Registration from when it launches nationally on 10 June 2014.
	(ii)	<b>Relevance to National / Council's Strategic Objectives</b>	(a) National: Individual Electoral Registration is a national scheme, launching on 10 June 2014. The processes, type of forms, mailing instructions and guidance are all set out in legislation and statutory guidance. (b) Council: The delivery of a successful electoral registration service is fundamental to the smooth running of local and national democracy.
	(iii)	<b>Targets for judging success</b>	(a) Ability to continue to manage all mailings and receipt of documents in-house. (b) Continued ability to manage costs and minimize expense of such mailings.
2	<p><b>Description of Project / Design Issues:</b>            Individual Electoral Registration (IER) is being introduced in June 2014. This will see considerable change in the way in which residents will register to vote, and represents a new way of working at every level and in every part of the process. The Government, through the Cabinet Office, have committed to fully fund the transition to IER. This includes funding for 2014/15 to cover the additional costs associated with the new processes, which are considerable.</p> <p>In December 2013, the Minister announced that the new statutory forms for registering to vote must be printed on A3 rather than the current A4. As a result, they are releasing funds to cover the additional costs associated with the change in paper size. This was expected initially to cover printing and scanning. However, within this authority we undertake all printing and mailing for all electoral processes in-house. This gives a greater level of security, control and accountability than outsourcing major statutory mailings to third parties.</p> <p>As a result, we advised the Cabinet Office that our hardware requirements will include a folding and an enveloping machine. Having discussed with the supplier of the machines currently in use within TMBC, the existing units do not meet the required hardware specification. There was an expectation that the Cabinet Office would release confirmation of funding, along with procurement rules, some weeks ago. Whilst the Cabinet Office have confirmed our business case is robust they cannot yet state that the purchases will be fully funded by them until the Minister has agreed it. However, without the equipment listed it will not be possible to deliver IER. Having considered the alternatives, such as outsourcing the work, purchasing new hardware and continuing to deliver in-house gives the most cost effective option. They have also now advised that no procurement rules will be distributed. The hardware is required before the introduction of IER, sooner for the scanners, and so urgent approval is required.</p>		

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	3	<p><b>Consultation:</b> The paper forms we must send out are prescribed in legislation, and confirmed by the Cabinet Office and Electoral Commission. We have reviewed a range of hardware suppliers, as well as considering outsourcing the process to either local or national mailing companies. We have chosen the most cost-effective solution. If we were to outsource the process, the costs would be around £20,000 per year compared to an effective cost of £5,700 per year in purchasing this equipment.</p>
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4	<p><b>Capital Cost:</b> The capital costs associated with the procurement of necessary hardware are as follows. The maintenance costs of £4,150 for the first three years, are being funded from revenue budgets.</p> <p>a. 2 x A3 scanners These will be used for scanning all forms. The make and model have been recommended by our software supplier. These will be needed in place before the elections start this year, to enable postal vote scanning to take place on a stable platform. Two scanners are required to ensure resilience should one fail. The existing MFDs are not able to scan to our software and, given the volumes of scanning involved, would be ineffective for the work. Model selected: Fujitsu fi6670</p> <p>b. 1 x Folding machine This machine will take the A3 forms and fold down to A4. This is required as no single machine can fold direct from A3 down to A5 and then insert into an envelope. For major mailings, such as the one due in July 2014, the printroom will be involved in the printing and folding. However, on a daily basis where smaller volumes will be printed locally, folding will take place locally within electoral services. Model selected: TFf-245</p> <p>c. 1 x Inserter This machine will take the pre-folded sheet and fold again to A5, insert into an outbound envelope along with a business reply envelope and information sheet or second form where required. This will be required both for the major mailouts and for daily use. The existing machines within TMBC cannot undertake these tasks. Model selected: TFi-85Custom</p> <p>d. 1 x Opener Until this year, the traditional canvass has allowed us to send A4 forms to each household. Where returned on paper, we used a 'fold-and-tuck' option, so the returned forms only needed to be unfolded to be opened. However, under IER the forms are larger (A3) must follow the statutory design, and must be supplied with a business reply envelope. Therefore, returned forms will be returned in envelopes. The existing envelope opener cannot handle the volumes expected during busy periods, and a new machine will dramatically reduce the time taken to manually open envelopes. As an indication, the most recent canvass (completed in February 2014) saw 22,000 folded paper forms returned, and there is no indication this will reduce under IER. Model selected: TF0-3050</p>
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	<p>The total hardware cost is £25,850. As an indication, the list price for these items is over £34,800. A three-year maintenance agreement has also been negotiated at a cost of £4,150.</p> <p>I am pleased to advise that after presenting our business case to them, the Cabinet Office have approved our bid and have met the costs in full. It is expected that the hardware will require replacement every after six years at a cost of £25,850 (£4,300 per annum to be provided for within capital renewals provisions), and a new maintenance agreement will be required from year four at an estimated cost of £1,400 per annum (to be provided for within future revenue budgets).</p>					
5	<b>Profiling of Expenditure</b>					
	<b>2014/15 (£'000)</b>	<b>2015/16 (£'000)</b>	<b>2016/17 (£'000)</b>	<b>2017/18 (£'000)</b>	<b>2018/19 (£'000)</b>	<b>2019/20 (£'000)</b>
	<b>30 (grant funded)</b>					
6	<b>Capital Renewals Impact:</b> It is anticipated all items will need replacing every 6 years at a cost of £25,850 (£4,300 per annum).					
7	<b>Revenue Impact:</b> From year 4, maintenance agreements will be funded from revenue budgets. This is expected to be around £1,400 per year.					
8	<b>Partnership Funding:</b> The Cabinet Office funded the initial purchase. Contributions in future years are not expected.					
9	<b>Post Implementation Review:</b> Twelve months after completion.					
10	<b>Screening for equality impacts:</b>					
	<b>Question</b>			<b>Answer</b>	<b>Explanation of impacts</b>	
	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?			No	No impacts. These purchases support the ability to deliver individual electoral registration to all members of the community.	
	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?			No		
	c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?					
11	<b>Recommendation:</b> Transfer from List C to List B.					