Reference No: E168/427/85; **Date:** 14/07/86

Circular 13/1986:- Information Technology

A Dhuine Uasail

I am directed by the Minister for the Public Service to refer to Chapter 5 of the White Paper, "Serving the Country Better", which deals with the application of information technology to the civil service. This circular is being issued to direct the attention of Departments/Offices to the provisions of Chapter 5, to elaborate on them in some respects and to provide for related matters, such as revised arrangements in relation to computer-related expenditure.

2   Responsibility for Information Technology

2.1   Each Department/Office is now responsible for formulating plans for the effective application of information technology to its work and for the management of its own information technology services. Specifically, individual Departments/Offices are required to -

*   draw up formal annual and multi-annual information technology plans;

*   submit these plans to this Department for approval;

*   except where services are provided centrally by the Central Computing Service (CCS) of this Department (see paragraph 2.2), research and develop individual projects in accordance with established criteria as to cost-benefit justification etc.;

*   submit proposals in relation to the provision to be made for information technology expenditure in the annual Estimates;

*   seek sanction for incurring such expenditure where this is not covered by delegated authority as provided for in paragraph 4.3 of this circular;

*   efficiently and effectively implement and manage projects and systems for which they hold responsibility;

*   carry out post-implementation reviews of projects to establish the results and benefits which have been and are being achieved both in absolute terms and by comparison with what was put forward by way of justification of the projects at the proposal stage.

2.2   The functions of this Department in relation to information technology have been reorganised into the following services:

(a)   Information Management Advisory Service (IMAS)
(b)   Central Computing Service (CCS)
(c)   Control Section
(d)   Information Technology Training Unit of the Civil Service Training Centre

In so far as they have a bearing on the responsibilities and activities of other Departments/Offices, the functions of each of these services are briefly, as follows:

IMAS

* to provide advice on information technology related issues;

* to examine and comment on the technology plans of Departments/Offices, to assist Departments/Offices in the preparation of plans and to co-ordinate developments between Departments/Offices;

* to develop policies, standards and guidelines designed to promote and facilitate the efficient and cost-effective use of information technology by Departments/Offices;

* to identify opportunities for, and to participate in, pilot implementations of aspects of information technology.

CCS

* to provide information technology services centrally where individual Departments/Offices could not support or justify the independent provision of such services;

* to provide systems common to a number of Departments/Offices;

* to operate as a source of expertise in specialised areas.

Control Section

* to review Departmental plans in the light of the views of IMAS and from the point of view of general acceptability;

* to approve plans where appropriate;

* to examine proposals regarding, and determine the provision to be made in, the annual Estimates for information technology expenditure;

* to examine specific proposals, including those relating to the engagement of consultants for information technology projects, for winch sanction is sought and to issue sanction where appropriate;

* to monitor the implementation of Departmental plans;

* to ensure that effectiveness audits of projects implemented are carried out to establish the benefits realised through these projects.

Training Unit

to provide:

* information technology appreciation courses for senior staff

* learning group facilities for staff from Departments/Offices

* general courses on information control and management.

3   Information Technology Plans

3.1   Guidelines setting out the proposed contents of information technology plans and procedures to assist Departments/Offices in their production have been prepared by IMAS and will shortly be issued to

Departments/Offices. On receipt of these guidelines each Department/Office should press ahead with the preparation of its information technology plan, in accordance with the guidelines. Since planning is an evolutionary process, a planning cycle of three to five years is envisaged, involving the preparation of a comprehensive plan in the first year of the cycle and annual updates in subsequent years.

3.2   The availability or otherwise of information technology plans for Departments/Offices will have a major bearing on the determination of the provision to be made for information technology expenditure in individual Estimates and on the sanctioning of such expenditure. Departments/Offices will be expected to have the planning process well in place and to have made considerable progress with the preparation of their information technology plans by late Spring of 1987.

4   Authorisation of Expenditure

4.1   The prior sanction of this Department must be obtained for all computer-related expenditure except where delegated authority applies - see paragraph 4.3. Computer-related expenditure covers expenditure on all mainframe computers, minicomputers, microcomputers, word processors, personal and business computers, related telecommunications equipment, peripherals, modifications, extensions/additions and associated staffing, software and consultancy projects. As regards telecommunications systems as such, e.g. PABX systems, because of their importance to the computerisation process generally the approval of this Department for the systems and equipment proposed should be obtained before the sanction of the Department of Finance is sought for the expenditure involved.

4.2   The procedures to be followed by Departments/Offices in developing proposals and seeking authority for computer-related expenditure are set out in Appendix 1. Such expenditure will be monitored on an ongoing basis through regular returns from Departments/Offices to the Control Section of this Department, showing expenditure incurred under various headings such as hardware, software and consultancy.

Delegated Authority

4.3.1   The existing rules governing the exercise of delegated authority to purchase computer-related equipment are set out in Confidential Circular 6/74. That delegation, and any other delegated authority to purchase computer-related equipment for the civil service, is hereby revoked and replaced by the following arrangements. These arrangements recognise the major changes that have occurred in information technology in recent years and are intended to simplify the procedures for the acquisition of the less costly equipment, particularly microcomputers. This delegated authority will be reviewed from time to time in the light of experience. The figures quoted are exclusive of VAT.

Microcomputers

4.3.2   Provided financial provision is available in the appropriate Vote, sanction is hereby delegated to Departments/Offices to purchase a microcomputer and associated software costing not more than £5,000 subject to the following conditions:

        (a)   that the information processing and system needs for which the purchase is made are clearly determined and listed in accordance with the Microcomputer Acquisition Guidelines being issued by IMAS;

        (b)   that quotations are obtained from at least four suppliers;

        (c)   that the Control Section of this Department is notified of the transaction within one week of the purchase, on the form set out in Appendix 2.

Two purchases only - not exceeding £5,000 each - may be made from any Vote under this delegation in any one year.

Provided that the procedures at (a) and (b) above are followed, this Department undertakes to deal within two weeks of receipt with requests for the purchase of microcomputers costing between £5,000 and £10,000, or of a third or subsequent microcomputer costing not more than £5,000, in any one year.

Additions to existing configuration

4.3.3   Provided financial provision is available in the appropriate Vote and subject to an upper cost limit of £10,000 for hardware and £2,000 for software, sanction is also delegated to Departments/Offices for expenditure on hardware or software to add to or expand an existing micro, mini or mainframe configuration provided that:

      (1)   in the case of micros

          (a)   any such purchase does not include an additional processor and

          (b)   the advice on acquisition generally contained in the Microcomputer Acquisition Guidelines being issued by IMAS is adhered to,

      (2)   in the case of minis and mainframes, the procedures set out in Appendix 1, other than those relating to the seeking of sanction from this Department, are followed by the Department/Office concerned and

      (3)   the Control Section of this Department is notified of the transaction, within one week, on the form set out in Appendix 2.

5.   Post-Implementation Review

Development projects and systems in operation will be monitored on an on-going basis to establish results achieved. Departments/Offices will be required to provide to the Control Section of this Department post-implementation reports on projects and systems showing the level of benefits, savings, improved services, reductions in staff etc., realised; to state how this compares with what was envisaged when the projects or systems were approved and to give the reasons for any significant variations. The extent to which promised results are achieved in practice will constitute an important element in the consideration of subsequent proposals for expenditure on computerisation from the Department/Office concerned. More generally, this Department will keep under review the implementation by Departments/Offices of their overall technology plans and will seek reports as necessary from time to time.

6   Computer Equipment Inventory

In order to have available a comprehensive picture of the level and distribution of information technology in Departments/Offices it is intended that the Control Section of this Department will compile and maintain an inventory of hardware and software products in each Department/Office. This inventory will provide a guide to equipment in use in the civil service which can be available to all Departments/Offices contemplating computer purchases.

7.   Previous Circulars

      Confidential Circular 6/74 and Circular 31/81 are now superseded.

Mise le meas,

P Gaffey
Deputy Secretary

Appendix 1 to Circular 13/86 - Procedures to be followed in developing proposals and seeking authority for computer-related expenditure

Note: Computer-related expenditure covers expenditure on all mainframe computers, minicomputers, microcomputers, word processors, personal and business computers, related telecommunications equipment, peripherals, modifications, extensions/additions and associated staffing, software and consultancy projects.

Problem identification/Systems requirements

Where it is considered that a computerised approach might be appropriate or worthwhile in a particular area the case for such an approach should be established. This should be done by reference to (a) the requirements of the system or function involved, (b) the contribution which computerisation can make towards meeting these requirements and (c) the overall information technology plan for the Department/Office. These aspects should be clearly defined and, to establish that computerisation rather than an alternative approach, such as reorganisation of clerical procedures, is the appropriate means of meeting the objectives, a detailed analysis should be carried out. This analysis should be carried out with assistance from the Department's own Computer or Organisation Unit and, if necessary, from the Central Computer Service of this Department or another source which is in a position to give impartial advice. Commercial salesmen are not an appropriate source for this purpose.

Cost/Benefit Analysis

Having established that computerisation is the appropriate approach, the analysis should be extended into the cost/benefit justification for computerisation. It is not sufficient to demonstrate that improvements would occur following computerisation; it should be established that such benefits are likely to justify any additional costs. Again impartial advice should be sought where necessary.

The costs arising from computerisation should be considered and estimated separately under the following headings:-

Development Costs: (staff costs, consultancy costs)

Hardware Costs: (processing units, peripherals, data preparation equipment etc including maintenance charges)

Operating Software Costs: (operating system, utilities, file handling and telecommunications software etc.)

Applications Software Costs: (applications packages, and/or systems development)

Accommodation Costs: (computer room, environmental controls etc.)

Telecommunications Costs: (leasing or usage of telephone lines, modems, telecommunications controllers etc.)

Implementation Costs: (staff training, file creation, system testing, computer staff support etc.)

Operating Costs: (operating staff, data preparation and control staff, "consumables" (e.g. stationery, tapes) etc.)

Staff Costs: (the costs of preparation by general administrative staff of data for computer processing)

Systems Maintenance, Support
and Enhancement Costs: (on-going support of computer systems by way of problem solution, updating, enhancement etc.)

Every effort should be made to quantify the benefits which are expected to arise e.g. reduced administrative costs, reduced expenditure, reduction in staffing requirements, improved stock control, increased revenue etc. Intangible benefits, such as improved service or improved planning and control, may be an important part of the justification. While it may not be possible to quantify the benefit in all cases, the process by which the benefit will result from computerisation should be clearly established.

Request for Proposals (RFP)

A functional specification of the proposed computer system should be prepared, that is, a description in non-technical terms of the procedures, processing and volumes envisaged. This will constitute a Request for Proposals (RFP) and must be in sufficient detail to allow prospective suppliers to identify the appropriate hardware and software and to tender from their range of products. In many cases the cost of systems development will be of crucial importance and the possibility of meeting requirements through the acquisition of packaged software should be examined carefully. The availability of suitable packages, or of an existing system designed to meet a similar requirement, can be a major factor in hardware selection.

At this point draft Evaluation Criteria should also be drawn up, against which tenders received can be checked, to aid in the eventual selection process. These criteria should cater for the primary requirements of the work area, ranked in order of importance, and should include: hardware configuration needs, information handling required of the software, communications needs, confidentiality and security requirements, ease of system development, system performance requirements, system expandability requirements and maintenance requirements.

Project Proposal

The material prepared under the foregoing paragraphs constitutes a Project Proposal and, except in those cases exempted by reason of delegated authority, must be submitted to the Control Section of this Department for approval and permission to issue the RFP. Normally, it is expected that projects will be in accordance with the agreed information technology plan for the Department/Office: otherwise the project proposed should indicate how the plan is to be adjusted to accommodate the new project. A List of Suppliers to be invited to tender should at this stage either accompany the proposal or be prepared in consultation with this Department.

Government Contracts Committee and E.E.C. Requirements

Following approval by this Department, the RFP should be issued to suppliers, in accordance with the general procedures governing public tendering. Tendering procedures will, in many cases, be subject to EEC regulations on public supply contracts, which became applicable to data processing contracts on 1 January 1981. The documentation issued must contain all requirements which will be relevant to the subsequent evaluation and selection of tenders.

Instructions for complying with Government Contracts Committee (GCC) procedures are issued by the Department of Finance. It is the responsibility of individual Departments/Offices to ensure that they are aware of such instructions, that in all cases they ensure that adequate competitive procedures are followed and that they obtain the approval of the GCC if the value of purchase exceeds £ 20,000 and it is proposed not to accept the lowest tender. If it is proposed not to hold a competition, prior GCC approval should be obtained.

Seeking Formal Sanction from the Department of the Public Service

When proposals have been received they should be individually evaluated against the selection criteria already drawn up. When the proposal which meets the needs of the user is chosen a comprehensive evaluation report on all tenders received, explaining and justifying the choice, should be prepared and submitted to the Control Section of this Department together with a copy of the recommended proposal. Copies of other proposals received may, in certain circumstances, be required by the Control Section. If agreement on the choice is reached sanction will issue subject to suitable financial provision existing in the appropriate Vote and whatever conditions are considered appropriate.

Consultancy

Where a Department/Office decides that consultancy expertise is required to assist in developing a computer application it must obtain the prior approval of this Department for such a course of action. Requests for proposals for consultancy services should be submitted to the Control Section for permission to issue and formal sanction for the expenditure involved should be obtained as outlined in preceding paragraphs.

Appendix 2 to Circular 13/86 - Acquisition of Computer Hardware/Software under Delegated Authority - Notification to DPS

Department/Office   Vote   Subhead

Nature of Acquisition: Add On?   /New?

Reason for Acquisition

Description of Acquisition

Hardware (item/make/model/size etc.)   Supplier

                                                             Cost: £

Software

                                                             Cost: £
                                                             Total Cost of Purchase: £
                                                             Date of Acquisition:

To be completed and returned to Control Section, Department of the Public Service, Kildare Street, Dublin 2 within one week of purchase.