

e-Rider Project: Concept for Phase Three (Nationwide Rollout)

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**File: 400/12/1/6
31 October 2008**

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Distribution List

Copies To:

Dept of Internal Affairs (CPF)
e-Rider Project File (400/12/16)
e-Rider Project Folder

- References: A. WICT-DIA Contract dated 24 November 2006 (and Amendments)
B. Wellington ICT Completion Report dated 7 August 2007

Background

In early 2007 Wellington ICT reported on the feasibility of setting up a service supplying IT advice and support to community and voluntary organisations in the Wellington region. The feasibility study confirmed there was demand for a service and there was sufficient funding in-hand to invest in the start-up phase. Based on these findings, funding was released to run an e-Rider IT service as a pilot project for a year. The pilot project initially ran from 15 October 2007 to 31 October 2008, but was subsequently extended to 31 March 2009.

Funding to undertake this work was received from the Digital Strategy Community Partnership Fund (CPF), JR McKenzie Trust, Community Trust of Wellington, Trust House, Wellington City Council and Massey University. As a condition of funding Wellington ICT committed to:

Completing a sustainability review and a business plan for Phase Three (see Deliverable 12 CPF grant)

A comprehensive review carried out during Phase Two indicates that, with the right business model and a properly-structured support service in place, a sustainable e-Rider service could be established.

A range of factors outside the scope of the Wellington region pilot project limit the extent to which a Business Plan for Phase Three could be developed. A concept plan, therefore has been produced to meet the requirement to “draft a plan in readiness for a nationwide roll-out of e-Rider”. This concept plan allows for the preparation of a full Business Plan as part of a comprehensive preliminary scoping exercise that has the time and resources to fully assess the national and regional situations.

Although not a project requirement, a Business Plan for continuing the Wellington e-Rider IT service for another two years is being prepared. The aim of the plan is to shift to a self-funding service by 31 March 2011.

Introduction

Since the Wellington e-Rider IT service began operating as a pilot in October 2007 strong demand has been established. This is demonstrated by the number of organisations signed up and the feedback received.

At the time of this report, the Wellington region e-Rider pilot service has signed up 30 organisations as paying clients, and delivered over 250 hours of support and advice. The project is receiving a steady stream of inquiries about the services being offered.

Clients have provided feedback directly to us about their satisfaction with the service. Comments received include:

- “It’s absolutely brilliant: we’re thrilled.”
- “We have very much benefitted from it.”
- “E-rider sounded just the right thing for us. The fact that it was for community and voluntary groups and we are small – we don’t want commercial firms.”

In an interim report on their independent evaluation released in May 2008 Dr Barbara Crump and Dr Keri Logan from Massey University, concluded that existing clients have high levels of satisfaction with the e-Rider service. Key contributing factors noted are:

- The effective communication style of the e-Rider.
- A service that is community-focused and understands the unique constraints and problems of the community and voluntary sector.
- A well-organised service.
- A fee structure that achieves a balance between affordability and sustainability.

The final independent evaluation report which is due in December 2008/January 2009 will provide a more in-depth analysis of the interim findings.

The high than anticipated start-up cost meant that the service could not be self-funding in its first year of operation. As funding at this level would not be available on an ongoing basis, the service increased the level of cost recovery from clients. Achieving financial viability can be achieved is a key focus of the Business Plan for continuing the Wellington e-Rider service in the period up to 31 March 2011.

Until the final results of the independent evaluation are received and the Business Plan for 2009-2011 is implemented, recommendations for Phase Three (nationwide rollout) should be viewed as tentative. At this stage the concept plan will assume the e-Rider approach piloted by Wellington ICT can be replicated elsewhere, however this will need to be tested in a comprehensive preliminary scoping exercise. The concept plan will also outline key factors to take into account when considering rollout options during the scoping exercise.

Purpose

The purpose of Phase Three in the e-Rider project is to ultimately establish e-Rider services in other regions around New Zealand similar to that established in the Wellington region.

Core Requirements

To successfully run a national e-Rider service the following will need to be in place:

- A governance structure to oversee the establishment and conduct of each regional service, and decide on project changes and updates.
- National and regional resources capable of providing day-to-day management of the e-Rider(s) and the associated administrative support services.
- Communication and administration systems in each region to process client contracts, support service delivery to clients, maintain accurate service records, and recover costs from clients.
- IT professionals in a region with the requisite technical skills and a sound understanding of, and empathy for the special needs of the community and voluntary sector.
- A standard business model, uniform service delivery monitoring mechanisms, and

universal operational policies and procedures.

- Effective national and regional strategies for promoting the project and its services, and suitable material publicising the e-Rider service.
- Sufficient start-up funding for each region.

The experience of the Wellington e-Rider pilot project affirmed the fundamental need for the service to be managed and operated by a community organisation with the requisite expertise to operate a community-based regional IT service. For example, Wellington ICT's contribution for the Wellington region pilot project has been significant, and included:

- The need to apply hundreds of hours of 'free' professional IT knowledge and advice.
- Sufficient office space, effective support facilities, and effective administrative systems and services.
- Effective project management and administration.
- Strong governance oversight.

This presupposes the organisation already has an established reputation for supporting community organisations, ideally in the ICT area, and the ability to establish sound and effective business and work partnerships. A regional project will face considerable difficulty in establishing and delivering effective e-Rider services if that capability and standing has to be developed concurrently.

Outcomes and Benefits

The outcomes and benefits prescribed in the funding application for Phase One (Feasibility Study) and Phase Two (Wellington region pilot) are applicable to Phase Three (nationwide rollout):

- An effective community-based ICT advice and technical support service will ensure community and voluntary organisations can apply ICT more effectively for the benefit of their community work.
- The service provided will need to be affordable and sustainable.
- ICT advice and support provided will need to be customised to meet the individual needs of organisations.
- A mentoring approach will help build ICT capabilities in organisations and thus increase confidence in the use of ICT among staff and members.

e-Rider Service Mix

The fundamental building block for an e-Rider service is the provision of ICT advice and technical support meeting the specific needs of community and voluntary organisations. Wellington ICT's regional pilot project showed there is a demand which can be met by providing a small but skilled service that is tuned to the needs of the community and voluntary sector.

The project and service delivery systems for Phase Three (nationwide rollout) will be similar to those developed and progressively updated in Phase Two (Wellington region pilot). It is anticipated that the comprehensive preliminary scoping exercise envisaged for the start of Phase Three (nationwide rollout) may identify changes that take account of regional needs and circumstances.

Community and voluntary organisations have a wide range of ICT support and advice needs. This includes understanding the basics of computers and how they can help them, purchasing new equipment, backing up key data, connecting to broadband, resolving software problems at minimal cost, and setting up a website or using online tools. The operating systems and hardware being supported are very diverse, and a wide spectrum of advice and support needs to be provided.

The ideal approach is to have the e-Rider to conduct a survey or health check of an organisation's IT systems and business needs during the initial visit to a new client. This baseline data underpins ongoing service delivery. However, the e-Rider will also need to accept some organisations will only call when they need urgent computer repairs.

To be effective the e-Rider service must use a range of support mechanisms:

- Telephone and email support.
- Regular site visits and IT check-ups.
- The ability to respond promptly to urgent computer or technology problems.
- Quality and friendly advice, including assisting with IT planning and purchasing decisions.
- Ongoing advice on targeted tips and hints via monthly mail outs.

Few people in the community groups the Wellington e-Rider pilot has been working with have formal IT training. They also work within limited budgets and face many competing demands for their time and attention. Underpinning the e-Rider service is a commitment to increase the self-reliance of organisations by transferring IT skills and knowledge. To be effective the e-Rider needs to be a good communicator and empathise with the work of organisations, as well as having a very broad and sound knowledge of ICT relevant to the role.

Providing e-Rider Services

Funding Options

Combinations of funding options are currently being used in the Wellington region pilot e-Rider service:

- Revenue generated from fees paid by organisations.
- Subsidies, through grants from philanthropic trusts or government agencies.
- Deployment of donated time.

The business model developed and tested in the Wellington region pilot project – a mix of all three - can be applied elsewhere. However its suitability, effectiveness and sustainability

could be marginalised by differing regional situations, for example, the size of the market, its geographic spread, IT budgets available, and possibly local philanthropic funding sources.

A comprehensive assessment carried out during the Wellington region pilot project also established that an e-Rider service could be sustainable after a period of establishment. From that point the need for grants funding and a reliance on donated time would be removed. In the case of the Wellington region pilot this would be achieved with a 60+ client base and 100 hours of paid service time per month. The crossover from a subsidised operation to a self-sustaining one will depend on the circumstances and situation in each region.

Form of Service

A national e-Rider service could be delivered by one or a combination of the following options:

- Establish a national e-Rider service under one central governing body and contract out IT services with regional and local providers.
- Expand existing e-Rider services by establishing branches.
- Establish regional e-Rider services in response to demand (the approach followed for the Wellington region pilot).
- Establish a national body and use this to facilitate support between existing and emerging e-Rider services.

Facilitating New Start-up Services

Experience gained from setting up, operating and trialing options in the Wellington region pilot service produced useful information on the process and tools needed to ensure an e-Rider service is successfully established.

Efforts to establish the service in other regions effort would benefit from having a Resource Kit, as well as access to practical advice via a mentoring service. The Resource Kit would need to cover systems and processes that will help establish e-Rider services in other regions, including the following:

- Policies and an agreement for organisations joining the service.
- Job tracking and service history recording and monitoring.
- Recording work time and billing process.
- A client contact database.

Wellington ICT's Expression of Interest for an e-Rider link project includes a proposal to develop a Resource Kit meeting these requirements.

Key Points

The following factors will need to be addressed during the development of a nationwide e-Rider programme:

- Areas without a suitable host organisation will miss out on the considerable community benefits of e-Rider service unless there is some form of central coordination and facilitation.
- Setting up and operating an e-Rider service in some areas will not be feasible without a key organisation and individuals with the capacity to do so.
- Working with other community organisations providing services similar to e-Rider will create new opportunities for sharing information and ideas and create the potential to expand into value-added services like bulk purchase.
- There will be specific local capacity-building needs that are best met by local organisations.

A national e-Rider programme will also need to operate to a coherent and consistent set of standards. This can be achieved without affecting the regional nature of support activities through Articles of Association and a Code of Practice organisations set up to provide an e-Rider service must sign up to. Wellington ICT has submitted an Expression of Interest for CPF funding for an e-Rider link project that will provide this material.

Phase Three Project Structure

Forming sound and reliable partnerships will be an important aspect of a nationwide rollout. Membership of the various components of a properly structured project organisation would be drawn from the following sources, and others that might come to light in the lead-up to the preliminary scoping exercise proposed for the start of Phase Three (nationwide rollout):

- The 2020 Communications Trust, the umbrella '2020' Trust with a national focus supports the provision of e-Rider services to community groups throughout New Zealand. It is anticipated they would have a governance role in the project and would play a key role in securing funding.
- Wellington ICT's has accumulated a wealth of experience and has achieved considerable success with scoping, establishing and managing a range of Community ICT projects, including the Wellington region e-Rider pilot project. Wellington ICT therefore is well placed to undertake the role of managing a project to scope out and implement the rollout of a national e-Rider programme.
- It is anticipated the following regional '2020' organisations would be invited to contribute to the preliminary scoping work for a nationwide rollout and/or play a key role in the establishment and operation of e-Rider services in their region:
 - Waikato 2020 Communications Trust
 - Northland 2020 Communications Trust
- Three not-for-profit organisations are currently operating 'e-Rider' projects or programmes in New Zealand, each with a different structure and business model. These organisations would be invited to contribute to the preliminary scoping work for a nationwide rollout and/or play a key role in the establishment and operation of e-Rider services in their region:
 - Bishop's Action Foundation, New Plymouth.
 - Community Waikato, Hamilton.
 - Rotorua Community ICT Trust.

- Massey University has significant experience with evaluating Community ICT projects, including ones managed by Wellington ICT. It would be Wellington ICT's intention to extend this partnership to evaluating Phase Three (nationwide rollout).
- Several government agencies are charged with supporting community and voluntary sector capacity building. These organisations would be invited to contribute to the comprehensive scoping exercise that would be carried out before Phase Three was funded and established :
 - Ministry of Social Development,
 - Department of Internal Affairs and
 - Office for the Community and Voluntary Sector.

Appendix One provides an outline of the proposed structure for Phase Three (nationwide rollout).

Risk Profile

Broad parameters for a risk profile will be developed as part of the proposed preliminary scoping exercise. The following areas will be addressed:

- Sufficient funding for establishment and growth stages.
- Failure to achieve self-sustaining operation in the time allocated.
- Maintaining e-Rider service standards.¹
- Accountability overheads.
- Recruitment and selection of each e-Rider.
- Quality assurance of the e-Rider service.¹
- Availability of regional host organisations.
- Availability of e-Riders with the required community understanding, skills and expertise.
- Clarity in and acceptance of service provider and e-Rider roles and responsibilities

The full risk profile developed during the comprehensive scoping exercise will be reviewed and updated as Phase Three (nationwide rollout) proceeds.

Ongoing Support and Sustainability

The goal of the Wellington e-Rider IT service business plan is to shift to a business model where the service is fully funded from client payments by April 2011.

The Phase Three project will require a setup and growth period similar to that experienced with the Phase Two (Wellington region pilot), during which time supplementary grants funding will be required to cover any shortfall from client payments.

¹ Wellington ICT has submitted an Expression of Interest for a proposed e-Rider Link project which would include developing Articles of Association, a Code of Practice and a Resource Kit for regional e-Rider programmes.

Project Budget and Funding

Until agreement is reached on the nature of a scoping exercise and how it will be run, it is difficult to provide a comprehensive estimate of the cost for scoping, establishing and conducting a nationwide e-Rider project.

Assessments during the Wellington region pilot indicate the cost of running the e-Rider service for 60 clients receiving 100 hours of advice and support per month is about \$95,000 per year (excluding GST). Any new regional service may need to generate income at a similar level to be viable, in addition to receiving supplementary funding support during the establishment phase.

Phase Three Plan and Programme

The start date for Phase Three (nationwide rollout) has not been established. This will depend on the outcome of the preliminary scoping assessment, and the time required to secure all the project funding.

Appendix Two provides a preliminary plan and programme.

Evaluation

It is assumed that a comprehensive independent evaluation will be required for a project the size of Phase Three (nationwide rollout). The selection of an evaluator and an estimate of the cost of an independent evaluation will be included in the preliminary assessment.

Partnerships

Sound and effective partnerships will be an important requirement for Phase Three (nationwide rollout). This could include, but would not necessarily be restricted to, the following potential participants:

- **Wellington ICT** would manage the project as it has the skills and expertise required and practical experience from the Wellington region pilot.
- It is envisaged that the **2020 Communications Trust** would have a key governance role and would play a leading role in seeking and securing funding for the project.
- **Service Providers** selected to set up, implement and manage the e-Rider service in their region.
- Wellington ICT would support having **Massey University** carry out the independent evaluation.
- **Funding Providers** would be offered the opportunity to appoint a person to the project Steering Group.

Ongoing Support And Sustainability

The need to remove the requirement for ongoing funding once the setup and growth periods have been completed is the single, most important issue facing any Community ICT project, and Phase Three (nationwide rollout) in the e-Rider project is no exception. This should be

achievable if a sound business plan is in place and is maintained in each region where the e-Rider service is being implemented, and the service is operated in a professional and responsible manner.

Appendices:

1. Proposed Project Structure
2. Preliminary Plan and Programme

Appendix One: Proposed Project Structure

Steering Group

The Steering Group will provide governance-level oversight of the project. It is anticipated that the following organisations would provide one representative on the Steering Group:

- 2020 Communications Trust (not yet confirmed).
- Wellington ICT.
- Massey University (not yet confirmed).
- A representative from each project partner
- A representative from each organisation selected to provide the regional e-Rider service (not yet confirmed).

The Steering Group would work with the 2020 Communications Trust to secure funding for the entire project.

Project Team

A two-tiered organisation will be considered for the project team:

- A Scoping Team will be formed to visit areas and develop the following material :
 - A detailed business requirement (the 'what' and 'who').
 - A comprehensive business plan.
 - Regional subproject specifications.
 - A shortlist of potential regional service providers.
 - The proposed project organisation.
 - A comprehensive estimate of the project cost.
 - Review and update the Articles of Association and Code of Practice.
- A Project Team will be setup to coordinate and oversee implementation of the project. Members of the team will be expected to undertake the following roles:
 - Project Management and Administration.
 - Independent Evaluation.
 - Marketing and Promotion.
 - Recruitment and Selection.
- The Project Manager (Wellington ICT has been suggested) would be responsible for the following tasks:
 - Project management.
 - Financial management.
 - Project administration.

- Coordinating the preparation and production of external reports.

Operating Policy

The project would be carried out in accordance with the requirements of Wellington ICT's Policy for ICT Projects.

Appendix Two: Preliminary Plan and Programme

Stage One (Setup):

- Set up core project organisation.
- Carry out region briefings and discussions.
- Carry out preliminary scoping exercise.
- Develop project plan and programme.
- Implement Articles of Association and Code of Practice.
- Finalise Resource Kit for regional service providers.
- Negotiate contract with independent evaluator.

Stage Two (Implementation):

- Select regional service providers and negotiate agreements.
- Confirm regional service implementation schedule.
- Conduct region briefings.
- Assist with setting up and marketing regional services.

Stage Three (Review and Sign-Off):

- Monitor development of regional service.
- Provide support to regional service providers.
- Carry out Post Implementation Review(s).

Timeframes

It is not possible to estimate with any degree of accuracy the timeframe for setting up and implementing the entire project. Factors that will influence the timeframe include, but are not limited to the following examples:

- The form of service adopted.
- Whether regional services are established sequentially, or concurrently.
- The provider and e-Rider selection processes.

A preliminary project plan and programme indicating the projected timeframe will be developed as part of the preliminary scoping exercise proposed for Phase Three (nationwide rollout).