

RIIO-ED2 Investment Decision Pack

Digital Workplace

Investment Reference No: 23/SSEPD/OT/DIGITAL_WORKPLACE



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Definitions and Abbreviations

BPDT	Business Plan Data Table
CAPEX	Capital Expenditure
CEG	Community Energy Group
CI	Customer Interruptions
CML	Customer Minutes Lost
DER	Distributed Energy Resources
DG	Distributed Generation
DNO	Distribution Network Operator
DSO	Distribution System Operator
EJP	Engineering Justification Paper
EV	Electric Vehicle
FTE	Full Time Equivalent
HR	Human Resources
IDP	Investment Decision Pack
LCT	Low Carbon Technology
MDM	Master Data Management
NPV	Net Present Value
OPEX	Operational Expenditure
OT	Operational Technology

1. Executive Summary

This project covers the IT aspects of our new Site Security system, in particular integrating this system with our core HR and related systems. Further details of the overall Site Security project are contained in its EJP (320/SSEPD/NLR/LEGAL).

As part of our Digital Strategy, we had already set out many of the new ways of working for our staff and reducing the amount of travel they needed to undertake. The recent pandemic, and the changes we had to enact to ensure continued working, have reinforced our flexible working strategy, helping staff to be able work effectively in any location. At present therefore we are not planning any more changes to our offices and depots beyond those implemented for the pandemic: this is a change from our draft submission.

2. Investment Summary Table

Summary Table			
Name of Scheme / Programme	Digital Workplace		
Primary Investment Driver	Positive Impact on Society		
Scheme Reference / Mechanism or Category	23/SSEPD/IT/OT/DIGITAL_WORKPLACE		
Output References / Type			
Cost (CAPEX)	■		
Delivery Year	RIIO ED2		
Reporting Table	C4		
Outputs Included in RIIO ED1 Business Plan			
Spend Apportionment	ED1	ED2 ■	ED3

3. Introduction and Background Information

This project is to provide the IT elements for more secure ways for staff to access sites based on their current authorisations. The prime work here is to tender, select and install this system companywide, and ensure the system is fully integrated with our HR systems. Further details are set out in our Site Security project (320/SSEPD/NLR/LEGAL), and not covered in detail in this document as it resides in the public domain.

4. Business Plan Fit

This project can be mapped to following strategic themes:

Progress to Net Zero	Safe, resilient and responsive networks	A trusted and valued service to customers and communities	Positive Impact on Society
✓	✓	✓	✓

5. Optioneering

This project covers the IT elements of more controlled methods for our staff to enter sites, improving safety and security. It also has some additional support for remote working. Key deliverables for the project will include:

- The IT backbone for electronic key site entry, based on qualification and authorisation.
 - Details for this project are in our Site Security projects, so not set out here.

Our supply chain, along with safety and security specialists, will be vital to ensure we maximise the benefits from this area. The system will need to ensure the continued security of critical national infrastructure, and for obvious reasons details of the system are not set out in this document.



5.1.1 Alternative Options

The driver for this project is to continue to provide an access system that is appropriate for critical national infrastructure, as set out in our Site Security project (320/SSEPD/NLR/LEGAL). There is no viable alternative option.

The proposed solution has been based on the best value solutions that are currently available. However, given the pace of development, the market will be re-examined at each sub-project commencement to ensure the best value solution at that time is chosen for delivery.

6. Stakeholder Evidence

This project covers the continued security of our sites, so is not directly targeted at our stakeholders. Nonetheless it does have benefits for stakeholders, in particular a safe and resilient network which our stakeholders have cited as critical to them.

More details of overall stakeholder engagement are set out in the **Digital Investment Plan (Annex 5.2)**.

7. Analysis and Cost

Costs have been built up using a bottom up approach and have been based on the best currently available solution. However, IT is a rapidly changing area, so the market will be re-examined prior to delivery, and the best value option to meet the requirements set out above will be chosen. The project has been assessed over a 5-year lifecycle, with both Opex and Benefits equated for that operational period, as IT solutions often need updating after 5 years. NPVs of both 5 and 45 years have therefore been quoted below.

7.1 Cost Profile

This project has the following cost profile, rounded to 2 decimal places for simplicity, and will be delivered as a as a rolling programme of updates across the various sites. Costs and benefits have been set out in the years they are expected to occur. No other alternative has been set out in this paper (for more details see our Site Security project, 320/SSEPD/NLR/LEGAL). The full build up of costs is contained in the ED2 IT Investment Plan (Non-Op Capex) Cost Estimate spreadsheet.

	Total £'M	2023/24 £'M	2024/25 £'M	2025/26 £'M	2026/27 £'M	2027/28 £'M
CAPEX	■	■	■	■	■	■
ED2 OPEX	■	■	■	■	■	■
ED2 Benefit	■					
5 Year OPEX	■					
5 Year Benefits	■					
NPV (5 Year)	■					
NPV (45 Year)	■					

7.2 Benefits

7.2.1 Financial Benefits

There are no identified financial savings from the new site security system, as the prime benefit is to ensure that we continue to provide appropriate security for critical national infrastructure, in the face of changing threats. It will also have health and safety benefits.

7.2.2 Non-Financial Benefits

These include:

- Improved staff health, safety and wellbeing.
- Improved safety and security at operational sites.

7.2.2.1 Foundation to other Projects/Initiatives

The project supports the new site security changes.

7.3 Key Assumptions

The current programme and costings are based on the IT elements of the new site security system(s).

7.4 High Level Dependencies

This project is linked to the Site Security project.

7.5 Deliverability & Risk

Our deliverability strategy [chapter 18] describes our approach to evidencing the deliverability of our overall plan as a package, and its individual components. Testing of our EJPs has prioritised assessment of efficiency and capacity, and this has ensured that we can demonstrate a credible plan to move from SSEN's ED1 performance to our target ED2 efficiency. We have also demonstrated that SSEN's in house and contractor options can, or will through investment or managed change, provide the capacity and skills at the right time, in the right locations. This assessment has been part of the regular assessment of our EJPs, IDPs and BPDTs. Our ***Deliverability Strategy (Annex 16.1)*** and ***Supply Chain Strategy (Annex 16.2)*** are included in the Business plan Submission.

Our deliverability testing has identified a major strategic opportunity which is relevant to all EJPs.

- In ED2 SSEN will change the way Capital Expenditure is delivered, maximising synergies within the network to minimise disruptions for our customers. This is particularly relevant for a Price Control period where volumes of work are increasing across all work types.
- The principle is to develop and deliver Programmes of work, manage risk and complexity at Programme level and to develop strategic relationships with our Suppliers and Partners to enable efficiency realisation.

8. Conclusion

This project delivers the IT elements of the new system to ensure appropriate site security (see our Site Security project (320/SSEPD/NLR/LEGAL for more details).