

# Making ££ from Software Development

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# What links these organisations?

Google

Disney



# Key fact

- They make money for nothing!
- They COMMODITISE!
- They invest intelligence and resources to develop something that can be replicated and is demanded
- But what is 'demanded'?



# But we are local authorities!

- And in the age of austerity, local authorities have been constantly finding ways
  - That save us time
  - That save us money
- But not always recognising they might have produced something that 418 other LAs might 'want'!



# Recognising the Opportunity

- Key is getting staff to recognise the opportunity
- Triggers:
  - identify a 'gap in the market'
  - identify an activity that saves time and / or money
  - build a question into all procurement activity
  - ensure legal consider IP in all contract work
- Communicate your case study

# Case Study – Local plan management



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- IT would no longer support Access databases
- Data sat on different systems
- Software didn't talk to one another
- Staff had to pull off and review data manually
- Data could only be accessed by a few staff
- Decisions were not always based on robust evidence
- No consistency in approach
- Struggled to enable changes to reporting requirements



# Case Study – Local plan management

## *STRAIGHT FORWARD PROCUREMENT OF SOFTWARE:*

- Meant you only had to look in one system
- Made all the data talk and make sense
- Was easier and quicker to use
- Reduced the need for technical knowledge
- Provided consistent and more robust evidence for decisions and reporting
- Was able to accommodate changing reporting requirements



# Case Study – Local plan management

BUT IN ADDITION AT PROCUREMENT:

- Sought a software developer with a sales team
- Established copyright for the software sat with HBC
- Legal ensured all documents were marked to ensure it was clear HBC held copyright to off-the-shelf software
- Included requirement for a jointly produced Toolkit (technical + user perspective)

# Case Study – Local plan management

- Established a single supplier agreement re future sales activity
- Gave Software Developer a license to sell on, where agreed:
  - % split for one off set up fee
  - % split for annual license fee
  - Day rate for training should any customers require user demos or training

# Case Study – Local plan management

## Efficiency Saving

- The one off development cost for HBC - £48,000
  - The Local Plan Management software saved HBC
    - 1.5 FTE (1 x G7 and 0.5 x SO2) - c£51,100
    - All work takes less time - c£12,700
    - Enabled more junior staff to run the reports - c£ 1,000
- £64,800 pa**

# Case Study – Local plan management

## New Income

- The on-going sales cost us - **£0**
- For each license sold, HBC gain:
  - one off set up fee £5,400
  - annual license fee £3,000pa
- If sell to 10% of the market
  - One off set up income - **£226,800**
  - Annual License fee - **£126,000pa**

# Questions for you?

- Do you have any ...



- Are your services looking at developing a software solutions that will save...



- Then what is stopping you making the rest of us...



- And making you ...



# Any Questions?

- Technical questions from Planning or IT teams
  - Hero:
    - 0800 0124495
    - [sales@localplansystem.co.uk](mailto:sales@localplansystem.co.uk)
- Commercial
  - Emma Grunwell
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