

Governance, Risk and Best Value Committee

10.00am, Tuesday 31 July 2018

Quarterly Status Update – ICT Programme

Item number	7.5
Report number	
Executive/routine	
Wards	All
Council commitments	

Executive Summary

The purpose of this report is to provide a quarterly progress update of the Council's ICT programme of work. The Council and our ICT partner, CGI, continue to work positively together to increase the pace of activity to deliver the core ICT and associated change which enable and enhance our citizen facing services and the internal business operations of the Council.

Since the last update to Committee, the Finance and Resources Committee and the CGI Board have approved the re-set of the agreement between the partners and this has led to a refreshed governance framework I being deployed, which continues to be enhanced. This revised framework will provide greater assurance across the quality, performance, cost and delivery of the whole ICT programme, which continues to evidence positive progress across a number of areas.

Quarterly Status Update – ICT Programme

1. Recommendations

- 1.1 It is recommended that the Committee reviews and scrutinises the quarterly update.

2. Background

ICT strategy

- 2.1 The City of Edinburgh Council's current strategy is to focus on understanding citizen and colleague needs to deliver the outcomes that matter to them. By defining the Council's approach around the benefit that citizens and colleagues will receive, through enablement by ICT and Digital, we will maximise the value that can be delivered from our reducing resource base. This will help us to deliver a 'One Council' focus to designing and sourcing our ICT and Digital provision whilst enabling citizen and colleague-centric delivery, i.e. what the Council needs to deliver the services where and how service users need them.

CGI – The Council's ICT partner

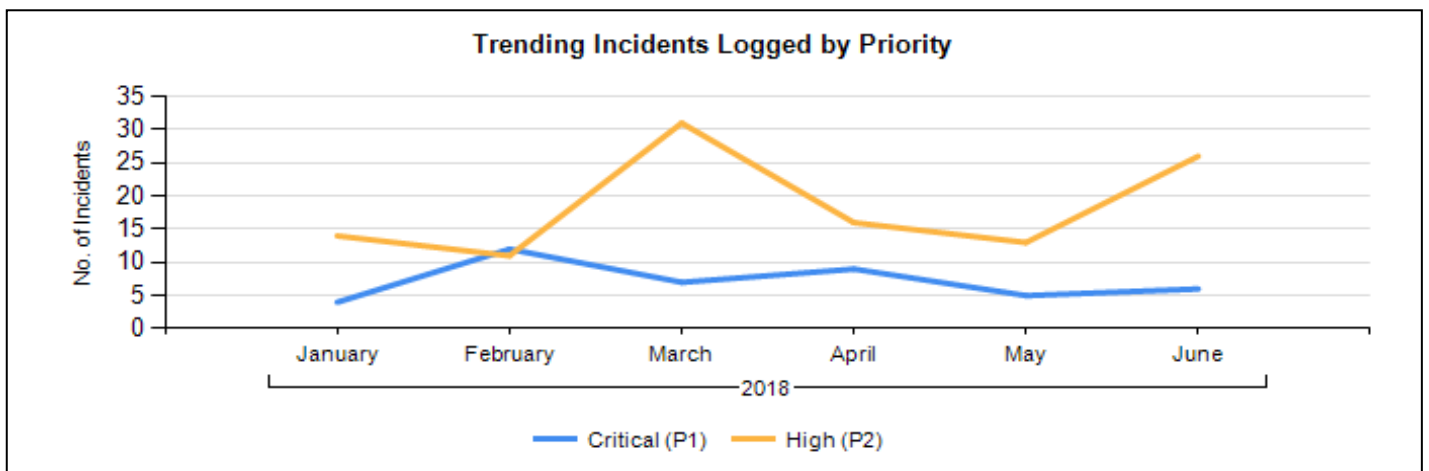
- 2.3 Our partnership with CGI will save the Council at least £6m per annum against the 2015/16 ICT baseline spend, totalling £45m over the first seven years, is on track to be achieved and is assumed as part of the Council's Medium Term Financial Framework and planning assumptions.
- 2.2 The term of the contract awarded was for "up to nineteen years" to CGI, with periods awarded as 7 years initially, with the option for the Council to extend by 5 years, a further 5 years, and a final 2 years. CGI are contractually responsible for providing to the Council: service transition, service transformation and operational ICT services delivery, initially comprised of a number of Output Based Specifications (OBS), these include base services, utility services, and business case development services.
- 2.3 As part of the re-set to the partnership agreement with CGI, we have agreed to alter some of the commercial elements and OBS requirements to ensure that further value for money can be achieved, during the initial phase of the contract, and to bring the content of relevant OBS up-to-date with current Council requirements and the technology now available from the market.

3. Main report

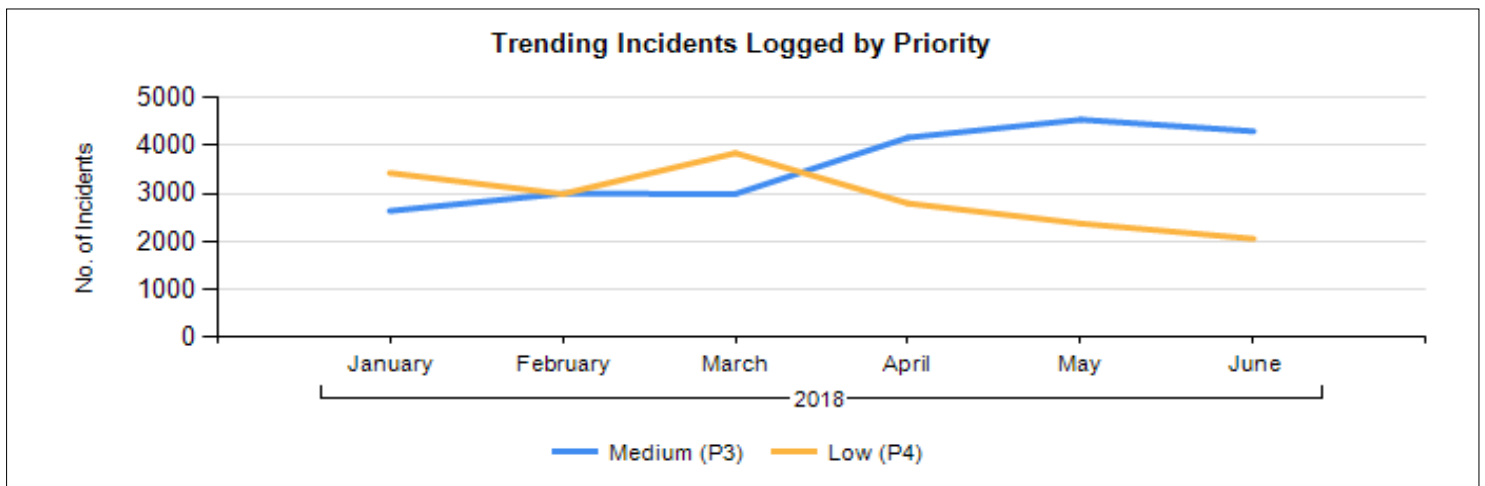
- 3.1 Since the last update to the Governance, Risk, and Best Value Committee (GRBV), there continues to be general improvement in both core service and ICT transformation deliverables.
- 3.2 During June, the partnership agreement was formally re-set, following the signing of the variation agreement providing both the Council and CGI with a stronger platform for future success.

Core Service Performance

- 3.3 Service performance is currently driven through a set of twenty-five key contractual measures which, in turn translate to a set of key performance indicators (KPIs). These KPIs are in the process of being revised as part of the re-set of the agreement, to ensure than a clearer scorecard covering service, change/transformation, commercial and, most significantly customer/user satisfaction and experience is implemented.
- 3.4 Since the last report to Committee, there has been continued improvement in core service provision with 91% percent of all existing service level agreements met or exceeded during the last quarter, compared to the previous quarter where 85% percent of service level agreements were achieved.
- 3.5 There has been a stabilisation and slight reduction in the number of Priority 1 incidents experienced since March and, until June, a reduction in Priority 2 (P2) incidents. Unfortunately, during June, there was a slight increase in 2 P2 incidents. Importantly, all of the incidents concerned were resolved within service level agreement time frames.
- 3.6 External benchmarking of these highest severity incidents indicates that our incident rate is below the industry average. Work, as part of the business as usual operational approach, to review the root cause analysis for each incident to mitigate and reduce incidents further.



3.7 As part of the last report to Committee, the GRBV members were advised that trends for both Priority 3 (P3) and Priority 4 (P4) incidents remained high and that the Council needed to see continued improvements in respect of the incident trends overall, but with a continued focus on P1 and P2 incidents due to their criticality. Since that report, there has been an improving trend over the last quarter, with sustained reductions in P4 reported incidents, which is welcomed. Concerns remains around the recorded increase in the volume of P3 incidents, following a period of improvement in the previous quarter. Work is now underway to continue to analyse root causes and to support learning and education on password management, self-service and reminding end users to shut down their machines overnight, rather than simply placing them into standby mode, in order for systems to apply security patches and install necessary system updates, which improve service performance.



ICT Programme – Change Portfolio

3.8 The portfolio of major change projects that the ICT programme is responsible for delivering includes a series of critical service developments and improvements. A selection of these major change programmes are outlined as follows:

3.8.1 Wide Area Network (WAN): To deliver a high bandwidth, fibre-based wide area network delivering improvements in operational efficiency, productivity, reliability, and scalability to enable the next generation of digital learning opportunities in city schools and to improve commercial and cultural opportunities for live event streaming, webcasting and conferencing in the city’s cultural venues.

3.8.2 LAN (LAN) and Voice: to reduce infrastructure costs and complexity, to implement flexible ‘find me/follow me’ call routing, allowing remote and mobile working and to create opportunities for further innovations and savings through agile working practices.

3.8.3 End User Compute (EUC): to allow anytime, anywhere access to e-mail, important documents, contacts, and electronic calendars across devices, to share large, hard-to-email files both inside and outside the Council. The

delivery of this programme has been mutually delayed due the Council increasing the scope of the original OBS, to encompass the full Learning and Teaching ICT estate, with the corresponding contractual change principles now agreed with CGI.

3.8.4 Enterprise Resource Planning (ERP): A single integrated platform supporting all financial and human resources transactions, including payroll. This programme has now been halted as part of the overall variation agreement.

3.8.5 Customer Digital Enablement ('Channel Shift'): to improve citizen engagement with real time, online transactions across Council services, to increase operating efficiencies and significantly reduce the cost of end-to-end transactions and to improve citizen insight and enabling agile and rapid development of future online services.

3.8.6 Libraries: to improve the user experience of the library system to better engage citizens and increase adoption through improved user interface, to reduce operating costs through lower cost software and increased device support, and to become a single library management system.

3.9 The current status of some of the major change projects, as assessed by the Council, is as follows:

Project	Current Status	Target completion date	Status update
Enterprise Resource Planning (ERP)	Planning	Planning	<p>This project is currently being re-set and scoped to ensure the solution meets the requirements of the Council's corporate and customer operations and is appropriately future proofed.</p> <p>Good progress has been made by the Council and CGI to close down the former project and secure the learning and intellectual property gained through that work. This project will move into formal delivery during August.</p>
Customer Digital Enablement (Channel Shift)		Initial Phase completion date 30/04/2018	<p>The initial phase rollout of the Customer Relationship Management (CRM) functionalities of Web Chat; Knowledge base, and E-mail Integration and Web Chat functionality has now been successfully completed.</p> <p>Whilst the delivery status remains red, at present, the trend has improved rather than remained static or worse. This project is benefitting from effective joint working between the Council and CGI and implementation of the most effective solution for both now and the long terms needs of the Council.</p>

End User Compute (EUC) or Device Refresh		Agreed completion date of 30/6/2019	Scoping and agreement to the revised commercial arrangements for this key project were achieved through the re-set process between the Council and CGI. The project is now in full delivery mode, with initial upgrades to hardware and operating systems being positively received by end users. A briefing note on the details and timeline for this project has been circulated separately to the members of the Governance, Risk and Best Value Committee. The completion date of 30 June 2019
Local Area Network (LAN)		03/11/2017	All sites have had the network upgraded and some outstanding remedial work is being finalised as business as usual activity.
Enterprise Content Management and Intranet		Under Review	This project is now being initiated and is being jointly reviewed by the Council and CGI, with a Senior Responsible Officer having been identified.
Wide Area Network (WAN)		Complete	Closed, but not delivered against original contractual milestones.
Libraries Phase I		Complete	Project closed
Room Bookings		Complete	Project closed
Parent Pay		Complete	Project closed
Cashless Catering		Complete	Project closed
BACS		Complete	Project closed
Bulk Printing		Complete	Project closed
Contact Centre		Complete	Project closed
Telephony (Voice)		Complete	Project closed
AIM / ACR		Complete	Project closed
iTrent – IE11		Complete	Project closed
iWorld		Complete	Project closed
Boroughmuir High School		Complete	Project closed
EBS		Complete	Project closed
Elections		Complete	Project closed
QMatic		Complete	Project closed
Portobello High School		Complete	Project closed
Intelligent Automation		Complete	Project closed

Customer Contact - Workforce Management		Complete	Project closed
James Gillespie High School		Complete	Project closed

3.10 In addition to the major projects detailed above, which is not an exhaustive list, there is also a large volume of small and complex changes.

Governance and Contract Management

3.11 The Council and CGI have a current governance model in working order and there are various boards and governance meetings used to manage the entire ICT programme.

3.12 An Internal Audit in respect of CGI Contract Management arrangements has now been completed, with PWC involvement, with no High findings having been identified. A total of 2 Medium rated findings were identified, which are being addressed as part of the Council and CGI's revisions to governance arrangements

Security Management

3.13 The Council and CGI continue to work positively to address a range of security improvements, with significant progress being made in respect of patching, vulnerability testing and scanning and the decommissioning of arcane Windows 2003 servers for some legacy applications.

3.14 The Council has now established a Cyber and Information Security Steering Group, chaired by the Executive Director of Resources, as the Council's nominated executive lead for cybersecurity. This group is proactively leading the work across all Council services to deliver the requirements of the Public-Sector Cybersecurity Action Plan as required by the Scottish Government. Additional work being led by this Group includes a review of the ICT Acceptable Use Policy and future training plan for all staff.

4. Measures of success

4.1 There are a series of detailed contractual success measures, including a suite of key performance indicators. However, the main measure of success is to deliver an effective and efficient ICT programme of works on time and within budget which improves citizen and user satisfaction and experience.

4.2 A wholly revised series of key performance indicators (KPIs) that take much more explicitly into account customer/end user satisfaction, as well as service performance and delivery issues, is being currently being developed by the Council and CGI.

5. Financial impact

- 5.1 Our partnership with CGI will save the Council at least £6m per annum against the 2015/16 ICT baseline spend, totalling £45m over the first seven years, is on track to be achieved and is assumed as part of the Council's Medium Term Financial Framework and planning assumptions.
- 5.2 The Council has realised further financial benefits arising from the re-set variation agreement which are not detailed in this report owing to their commercial confidentiality. These benefits are being profiled fully by the Customer Services and IT Division, supported by Finance, and will be reported to the Finance and Resources Committee.

6. Risk, policy, compliance, and governance impact

- 6.1 The Council's Corporate Leadership Team (CLT) risk register formally identifies the risks associated with the delayed delivery of the ICT Programme, ensuring that sufficient mitigations and active management of risks continue to be undertaken.
- 6.2 The Council's Change Board actively monitors and tracks progress on all council wide programmes ensuring that targeted action is taken should timelines, benefits or costings deviate from the original business case, this includes the ICT programme.

7. Equalities impact

- 7.1 There are no equalities implications arising from this report.

8. Sustainability impact

- 8.1 There are no sustainability implications arising from this report.

9. Consultation and engagement

- 9.1 There are no formal consultation and engagement implications arising from this report.

10. Background reading/external references

- 10.1 ICT and Digital Strategy: <http://ictanddigitalstrategy.org.uk/>
- 10.2 [Status of the ICT programme](#) – report to Governance, Risk, and Best Value Committee, 29 August 2017
- 10.3 [Status of the ICT programme](#) – report to Governance, Risk, and Best Value Committee – 16 January 2018

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11. Appendices

- 11.1 None.