Governance, Risk and Best Value Committee

10.00am, Tuesday, 4 June 2019

Quarterly Status Update – Digital Services Programme

Executive/routine
Wards
Council Commitments

1.   Recommendations

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

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Report

Quarterly Status Update – Digital Services Programme

2. Executive Summary

2.1 The purpose of this report is to provide a quarterly progress update upon the Council's ICT programme of work. The Council and our ICT partner, CGI, have continued to work in partnership to increase the pace of delivery to improve core ICT services, achieve continuous improvement and progress the associated major systems changes and developments which will better enable and enhance our citizen facing services and the internal business operations of the Council.

3. Background

ICT strategy

3.1 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

3.2 Our partnership with CGI will save the Council an estimated £6m per annum against the 2015/16 ICT baseline spend, totalling £45m over the first seven years. This savings delivery is on track to be achieved and is fully assumed as part of the Council's Medium-Term Financial Framework and planning assumptions.

3.3 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.

3.4 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 remainder of the initial contract period, and to bring the content of relevant OBS up-to-date with current Council requirements and the technology now available from the market.

4. Main report

4.1 Since the last update to the Governance, Risk, and Best Value Committee (GRBV), there has continued to be improvements to ICT delivery and the management of ICT incidents, along with and progress with ICT change projects.

4.2 We continue to work in partnership with CGI on the following six priority Digital Services change projects, of which all are now in full programme delivery. The detail of these individual programmes along with project status is detailed below:

- Enterprise Resource Planning (ERP);

- Citizen Digital Enablement (CDE);

- Housing Repairs and Mobile Working;

- Web Content Management Refresh;

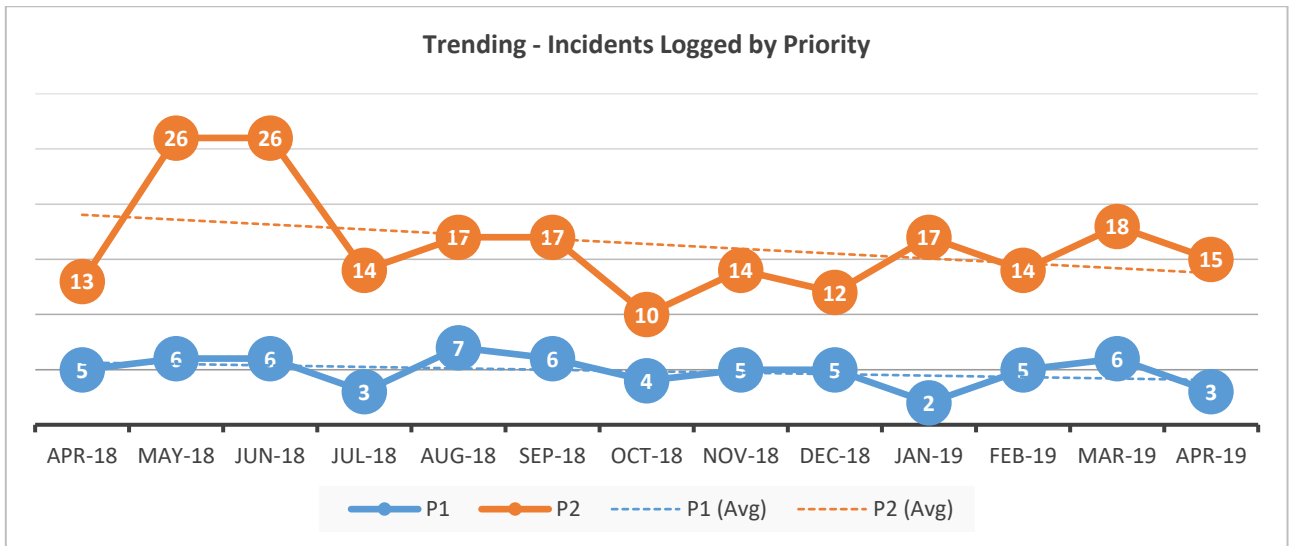- Enterprise Content Management and Intranet; and

- Business Intelligence.

Project	Status (April)	Target completion date	Status Update
Enterprise Resource Planning (ERP)	Amber	Initial Phase expected to complete in Q2 2020	The ERP Programme is now entering the delivery phase. The council's contract with our HR system provider Midland has now been extended to March 2023. System improvement and process changes are expected to complete in September 2019. Current delivery timelines for the upgrade of our Oracle finance system (Q2 2020) remains a forecast dates only until detailed planning is completed with commercial arrangements formalised with partners and suppliers. This planning is expected to complete in at the end of May 2019 following successful completion of technical and commercial due diligence led by CGI through their procurement process. The selection of our new debt management system is expected to complete in June following due diligence. The target date for delivery remains Q1 2020.

Project	Status (April)	Target completion date	Status Update
			Current costs are also forecast, with some cost elements still to be finalised. All costs are tracked weekly. Internal Audit remained fully engaged with key aspects of programme delivery with an Agile audit approach being adopted. All recommendations from the first audit in December around programme governance have been addressed. The procurement and selection of all ERP related products, partners and services is managed by CGI, with input from council subject matter experts. This is in line with the ERP reset agreement made in June 2018.
Citizen Digital Enablement (Channel Shift)	Green	September 2019	The deployment of the new Verint CRM is on track to go live in August/September 2019. The rollout of our top 31 transactions will be with a phased across August, September and October. Our current Oracle CRM will be decommissioned in Q4 2019 following successful deployment of the Verint solution. A new virtual assistant web chat functionality is being developed with our partners Inform. The first of these will be deployed in June and will allow simple and frequently asked questions to be answered automatically. Any questions that can't be answered will route to a contact centre agent. Planning for Phase 2 will commence in the summer and will involve a cost/benefit exercise in how we can further integrate our CRM with more transactions and other council services.
Housing Repairs and Mobile Workings	Amber	June 2019	The Housing Repairs project, which introduces a new mobile workforce management capability, is progressing to plan. All design workshops have been completed and the system environment is now in place. Training will commence in May with the teams involved in User Acceptance Testing ahead of Go-Live. Rigorous testing will occur on user experiences, mobile device usage and process refinements.
Web Content Management	Green	Phase 1 (front page refresh) March 2019 Phase 2 (full migration to new website) December 2019	Phase 1 – the Go Live of the new web front page will be phased. The new page is available for internal feedback wef Monday 6th of May. The website will then be available to the public from the end of May. For the first few weeks of it being publicly available there will be an option for citizens to provide their feedback on the new design. The new front page was originally due to go live in March but has been deferred to May

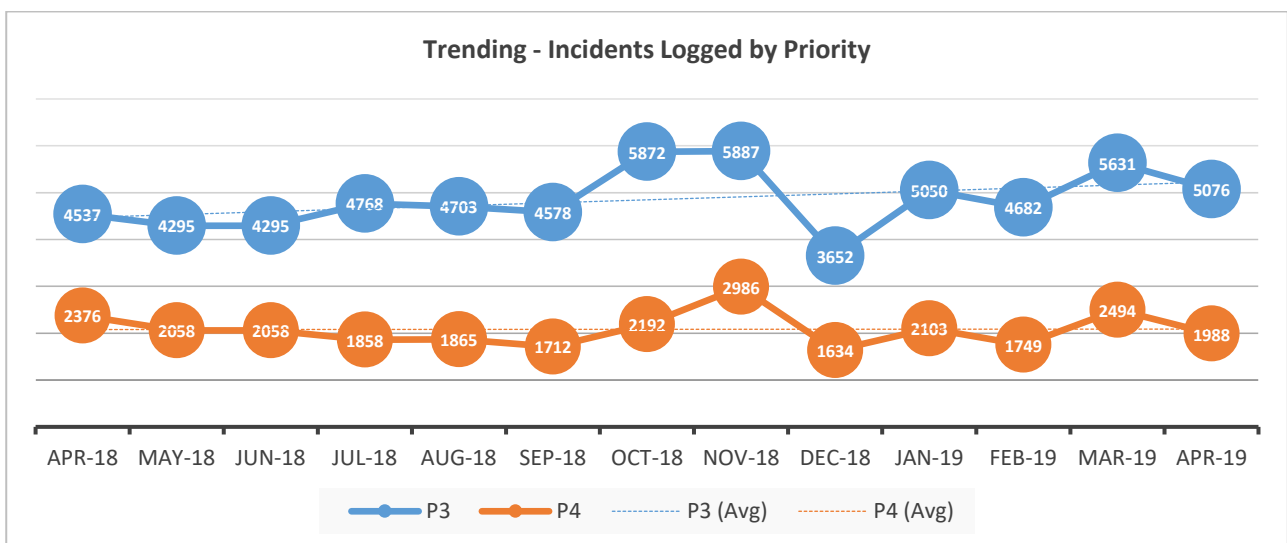| Project	Status (April)	Target completion date	Status Update
			to allow further engagement and consultation on the design and to ensure that all user acceptance and security testing can be properly completed before the launch. This slight delay has no impact on the overall Phase 2 deadline. Phase 2 – migration of the remaining core website content to the new web platform is targeted to complete by December 2019,
Intranet	Amber	September 2019	This project has now commenced with the Intranet project involving the implementation of a new hosting environment, installation of the latest Intranet solution, application of a new aesthetic feels to mirror that of the Internet and the migration of content. The Amber status is to reflect additional work that is occurring to ensure that other communication tools and full employee accessibility is identified during the course of delivery.
Enterprise Content Management	Green	September 2019	The Enterprise Content Management project has also commenced with Sharepoint being deployed along with a number of other applications to enable the migration of documents and data into a modern document management solution.
Business Intelligence	Green	December 2019	The Business Intelligence (BI) project will deliver a consolidated reporting service that provides visual operational performance and the ability to undertake key trend and analysis activity. The project involves the upgrade of infrastructure, the installation of the very latest Cognos reporting solution and ongoing integration and build into council line of business systems to provide informative and visually powerful reports that will aid in decision making and trend analysis activity.

Core ICT Service Performance

4.3 Service performance is driven through a set of twenty-five key contractual measures which, in turn translate to a set of key performance indicators (KPIs).

4.4 Since the last report to Committee, SLA attainment has dropped slightly due to issues meeting the KPI's associated with the Service Desk. Remedial actions have been taken and positive results achieved since March-19.

4.5 There has been a continued stabilisation in the number of Priority 1 and reduction in the Priority 2 severity incidents experienced over the year.

Trending - Incidents Logged by Priority

P1 — P2 — P1 (Avg) — P2 (Avg)

4.5.1 Resolution SLA Performance – Priority 1 and Priority 2

Ref	Description	Target	April 2018	May 2018	June 2018	July 2018	Aug 2018	Sept 2018
KPI01	# Priority 1 Incidents where resolution is > 4 Hrs	1	2	0	0	1	1	1
KPI02	# Priority 2 Incidents where resolution is > 8 Hrs	2	1	2	0	1	0	0
			Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	March 2019	April 2019
			1	0	2	0	0	1	0
			1	1	2	0	0	5	1

4.6 The volume of non-critical Priority 3 and Priority 4 incidents remains consistent but shows a small increase in the linear average over the year. The ratio of incidents to users remains less than 0.5 calls per user per month.

Trending - Incidents Logged by Priority

P3 — P4 — P3 (Avg) — P4 (Avg)

4.6.1 Resolution SLA Performance – Priority 3 and Priority 4

Ref	Description	Target	April 2018	May 2018	June 2018	July 2018	Aug 2018	Sept 2018
KPI03	% Priority 3 Incidents resolved in < 24 Hrs	90.0%	91.9%	93.5%	92.4%	92.9%	94.5%	93.0%
KPI04	% Priority 4 Incidents resolved in < 48Hrs	90.0%	93.1%	94.1%	96.1%	97.4%	98.0%	97.9%
			Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	March 2019	April 2019
			95.0%	92.7%	90.2%	89.7%	86.7%	88.6%	90.3%
			98.4%	96.6%	93.1%	91.7%	90.0%	91.7%	90.8%

Performance challenges and planned improvements to service

4.7   The new remote access solution, which replaces Direct Access, has been developed and in user testing at present. As with any new deployment, a small number of issues have been identified in testing and are being analysed to identify remediation actions. The new remote access solution will increase capacity to allow more users to access systems remotely at the same time, for example in emergencies such as when severe weather hits and more people must work from home.

Wider ICT Change Projects

4.8   In addition to the reset projects described above, over the reporting period significant progress has been made in driving forward the wider ICT work programme, with focus on upgrading ICT infrastructures, improving customer service, enabling more flexible and agile ways of working, and upgrading and modernising core business applications. Key deliverables in this area over the last few months include:

4.8.1   **Pay Award** – Following the agreement of the latest Pay Award CGI, ICT and HR worked together to ensure that April payroll runs were processed on schedule. The payrolls included a pay award which included twelve months' retrospective pay – a first for the Council. The volume of data associated with this exercise and the criticality of success required careful planning and testing. This extensive preparatory work and collaboration between the teams ensured April payrolls ran on schedule and without issue.

4.8.2   **European Election ICT Planning** - Significant planning work is now underway between the Council and CGI to capture requirements and prepare ICT systems for the forthcoming European Parliamentary Elections on Thursday 23 May and the count on Sunday 26 May at the EICC. The plan will deliver fully supported ICT services underpinned by resilient hardware infrastructures into the count centre, to ensure both count staff and members of the Elections Management Team have access to the necessary applications, networks, communication channels, and office tools.

4.8.3   **Device Refresh project** – since the device refresh commenced, desktop and laptop deployments have gathered pace with 518 (out of 4,900)

deployed across 37 (out of 149) teams in the corporate functions and 4,205 (out of 9,235) devices deployed to 55 (out of 161) educational establishments and teams. Of particular note, the implementation of devices for Portobello High School, the largest school in the learning and teaching estate, which was extremely successful with very positive feedback from the school. However, we also recognise that this is a continuing rolling programme, we have used feedback from feedback from users on their experience and we a have used this to enhance the level of after care service support available.

4.9   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

4.10   The Council and CGI have an effective operational governance model in working order and there are various boards and oversight meetings used to manage the entire ICT programme. This includes regular reporting to the Corporate Leadership Team's Change Board, in accordance with the Council's approved approach to managing major projects and change.

4.11   An Internal Audit in respect of CGI Contract Management arrangements was completed, with PWC involvement, with no High rated findings identified. A total of 2 Medium rated findings were identified, which are currently being progressed by ICT and CGI.

Cybersecurity Management

4.12   Security Improvements are being addressed by the Council and CGI teams collaboratively. These improvements cover a range of security disciplines from user account management through to network improvement workshops.

4.13   A revised Security Management Plan (SMP) has been prepared and is now being review. The revision identifies priorities for the coming period

4.14   Patch Management is subject to continuous improvement and has seen significant focus in recent months.

4.15   Both internal and external vulnerability and penetration testing has occurred recently as part of our PSN submission activities. All findings have been incorporated into our remediation activities.

4.16   Our PSN submission, which commenced in March 2019, will conclude with the final submission to the Cabinet Office planned for May 17, 2019. The most likely result at this time being a pass with a revised remedial action plan.

4.17   The council has identified the requirement to undertake CE+ accreditation this year, and work is ongoing to prepare for this application process.

4.18   Ongoing automated vulnerability scanning has been identified as requirement in a number of certification and audits, this is currently being scheduled to commence implementation in July/August 2019.

5.   Next Steps

5.1   The undernoted will continue to be monitored as part of our governance meetings:

5.1.1   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.

5.1.2   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.

6.   Financial impact

6.1   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.

6.2   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.

7.   Stakeholder/Community Impact

7.1   The Council's Corporate Leadership Team (CLT) risk register formally identifies ICT capabilities as a risk and is ensuring that sufficient mitigations and active management of risks continues to be undertaken. This is further complemented by risk reporting and management in respect of information governance, including GDPR implementation.

7.2   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.

8.   Background reading/external references

8.1   Status of the ICT programme – report to Governance, Risk and Best Value Committee – 16 January 2018

8.2   Quarterly Status Update – ICT Programme – report to Governance, Risk and Best Value Committee – 30 October 2018

9.   Appendices

9.1   IT Refresh Corporate Device Schedule – next phase.

Appendix 1 – IT Refresh Corporate Device Schedule

Below is the next phase and committed to areas of the Corporate deployment;

Communities & Families	Libraries, Strategic CLD	May
Chief Executive	Strategy & Insight	
Place	Culture	
Resources	ERP, Lean	
Resources	HR	
Resources	Digital Services	June
Resources	Parking Services, Transactions	July