

AGENDA MANAGEMENT SHEET

Name of Committee Overview & Scrutiny Board

Date of Committee 14th September 2011

Report Title ICT Strategy and Savings

Summary This report updates the Board on the progress of the ICT Strategy and savings targets.
 It reports progress against the Strategy Objectives including an assessment by our External and Internal Auditors.
 It also confirms the progress against the ICT savings targets, and reports on ICT's contribution in the wider Authority targets.

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Would the recommended decision be contrary to the Budget and Policy Framework? No.

Background papers Haines Watts audit report and ICT Strategy 2007

CONSULTATION ALREADY UNDERTAKEN:- Details to be specified

- Other Committees
- Local Member(s) N/A
- Other Elected Members Spokespersons: Councillor Appleton, Councillor Roodhouse and Councillor Tandy
- Cabinet Member Councillor David Wright ..
- Chief Executive
- Legal Jane Pollard
- Finance
- Other Strategic Directors
- District Councils

Health Authority

Police

Other Bodies/Individuals

FINAL DECISION YES

SUGGESTED NEXT STEPS:

Details to be specified

Further consideration by this Committee

To Council

To Cabinet

To an O & S Committee

To an Area Committee

Further Consultation

Overview & Scrutiny Board - 14th September 2011.

ICT Strategy and Savings

Recommendations

The Board are asked to:-

1. Consider and comment on the progress of the ICT Strategy and Savings activities
2. Suggest an elected members workshop as part of the development of the ICT Strategy Review

1. Introduction

- 1.1 At the Chair/Spokespersons Briefing for the Overview and Scrutiny Board on the 22nd June 2011, a question was raised about the progress report on the IT Strategy and the contribution of IT to financial savings targets.
- 1.2 This document updates the Overview and Scrutiny Board on these areas.

2. ICT Strategy

- 2.1 The current ICT Strategy was developed in 2007. A full review was scheduled for 2012, but has been programmed for 2011/12 and will be completed this financial year.
- 2.2 As part of the planned review of our ICT Strategy we are running a series of workshops for staff and we would like to take this opportunity to invite the Board to consider how the elected members would like to engage in the Strategy Review. It is envisaged that the strategy would once again be signed off by Cabinet, but a similar elected members workshop to allow a contribution to be made as part of the development of the strategy would be welcomed.
- 2.3 The review of the ICT Strategy is an opportunity to address the areas for improvement, but also to build on the undoubted strengths identified by the auditors.

3. Progress Report on the current ICT Strategy

- 3.1 This section summarises the progress made over the last 4 years against the plans set out in the 2007 ICT Strategy. Progress against the ICT Strategy was

independently reviewed by external auditors Haines Watts in May 2011 as part of our current ICT Internal Audit Plan. The full report is available, however the Audit report concluded that

‘Overall, the audit opinion is that controls provide Substantial assurance that risks are being managed.’ It concluded there was a Good Control Framework and Strong Operation of the controls.

3.2 It summarised the progress made to implement the 49 specific objectives and goals identified as part of the ICT Strategy 2007 is provided as follows:

- 32 areas are Green = ICT have/area delivering to this requirement
- 14 areas are Amber = Some progress has been made but more work is required
- 3 areas are Red = Little or not progress has been made

3.3 **Appendix A** provides detail on the auditor’s assessment of progress for each of the 49 areas.

3.4. However as a summary of progress:

- (i) The reliability of the basic infrastructure has improved significantly in the past 12-18 months and single points of failure have been invested in and eliminated in many areas, this has included the replacement of the core of our wide area network that was originally introduced at the turn of the century. Work is almost complete on a new data centre that will give us access to properly designed rooms that will offer more resilience at reduced operational cost. The major project to replace the operating system that controls our local network service, and that had been in place for almost twenty years, was completed on-time last year.
- (ii) Significant progress has been made in implementing facilities for modern and flexible working including the introduction of, improved remote access, widespread Wi-Fi facilities, hot-desking areas, tablet PCs and Blackberries for mobile workers. It has been assessed as amber as although we have made excellent progress in pockets of services, it has not yet been embedded across the whole organisation. This is an area we will continue to invest in and develop as part of both continued service development and support for the accommodation rationalisation project.
- (iii) We have also developed a number of corporate systems. The new financial system implementation is underway and will be completed this year; improved Geographical Information System facilities have been introduced and a new team established; the Atlas property system has made significant amounts of information available to schools and partners and includes

mobile modules for inspections; HRMS self-service has been introduced to provide more comprehensive HR facilities to staff and managers.

- (iv) Our ICT R&D capacity has been increased and this has seen the adoption of new computing models, including cloud-based systems and environments. We are leading the Government's G-cloud project for email, and have made a major contribution to an award winning National Project on Free School Meals. We have also been at the forefront of work on Open Data, iPhone applications and have been regularly asked to speak at conferences, including a recent international invitation (which was declined).
- (v) We have developed an award-winning approach to ICT competencies and training, with a mix of delivery methods ranging from on-line to face to face. The challenge is to encourage greater take-up from across the business.
- (vi) The three red areas are all in the area of Governance and relate to wider corporate changes and activity. The role of Directorate ICT Steering Groups has not developed as originally envisaged as we have seen the removal of Directorates in the Corporate structure and the increased responsibility within the Resources Group for core functions such as ICT. The other two areas that we have not progressed relate to; the more formal use of business cases, and role of ICT in any formal corporate business improvement process. Neither of these areas have developed corporately as was anticipated at the time the strategy was written, however the new approaches being developed by the Head of Service Improvement and Change Management could see a resurrection of these objectives.
- (vii) There is much more to do though. Although we have run some successful pilots into electronic document and records management we have yet to implement production solutions. We also need to make much more progress in managing our corporate data effectively. It has proved difficult to make progress on shared services in the absence of formal business vision and arrangements in this area and we need a much clearer corporate approach to business process improvement in order for services to realise the full potential of ICT to reduce costs and improve service delivery. Also although we are making progress on electronic service delivery, the planned service reviews could lead to more innovative approaches in this area.

4. Contribution of ICT Savings Targets

4.1 Targets Set for ICT

- (i) **Appendix B** (attached) shows the latest of the regular monthly reports provided by the Information Assets Service on their savings plans.
- (ii) This confirms that the Service has already identified and delivered the savings required for 2011/12, and has identified 72% of the savings required for 2012/13 and already has plans to realise these. For the remaining £128,000 to be identified it is believed that these can be delivered through turnover as the ICT job market is remaining buoyant. This will avoid the need for any further redundancies in the next twelve months. (Only one redundancy has been required to deliver the ICT savings to date although the Schools ICT service suffered redundancies after the withdrawal of the Government Harnessing Technology Grant mid-year in 2010/11)
- (iii) We are confident that we can again identify the source of the remaining 2012/13 savings before the start of the 2012/13 financial year so that extra savings do not have to be taken in the part year to compensate.
- (iv) We have also started to identify savings for 2013/14 as the threat hanging over the Out of Hours support service has meant that we have initiated exploring alternative delivery options while continuing to deliver the services. This has led to early redeployments and savings being identified.

5. Contribution of ICT to Wider Authority Savings Targets

- 5.1 ICT has always been recognised as a major potential contributor to the Authority's ICT savings strategy, seeking to exploit the potential of ICT to deliver services in new and more cost effective ways.
- 5.2 Throughout the savings and contribution statement process ICT have sought to engage with services to identify priority ICT investments to deliver both improved services and savings.
- 5.3 As a result, the 2011/12 Information Assets Business plan clearly stated that the two priority areas that we will focus on are our contribution to:-
 - The development of more Online Services to help Warwickshire deliver our services more cost effectively, and help protect the front line services
 - Modern and Flexible Working, and in particular our ability to help staff operate in new ways as part of the implementation of new Local Service Delivery approaches and the associated Property rationalisation approach

- 5.4 Similarly the 2011/12 Corporate ICT Development Plan, which was approved by SDLT on the 26th May 2011, majored on these priorities. In this plan a third priority of Information Management also includes a major workstream to develop electronic document and storage management facilities to support more client facing and flexible working, and to support the property rationalisation project. The development of electronic social care records is a priority project in this area. This section of the ICT Development Plan also includes work on information rationalisation to support more effective online services.
- 5.5 The work on electronic service delivery is being overseen by the One Front Door Board with senior Cabinet membership. The priority development list was developed as a joint approach by Customer Services and Information Assets approach inviting all Heads of Services to identify priority areas for development. The list that has been signed off by the One Front Door Board is now being developed, however it should be recognised that services will need to play the major role is designing the new services and approaches before they can be developed, e.g. criteria associated with online self-assessment for Social Care.
- 5.6 It should also be recognised that the latest proposed development areas are building on existing approaches that have been developed over recent years, however new technologies such as mobile phone web access and social media mean that there will continually be the opportunity to develop new innovative approaches. The service reviews and strategic commissioning reviews should be seen as an opportunity to again challenge service delivery approaches and explore new technology enabled approaches.
- 5.7 In the Modern and Flexible Working arena, as outlined in section 2 over recent years we have introduced a range of facilities to support more flexible working, remote access, Wi-Fi, tablet PCs, Blackberries. However, the challenge still remains to ensure that services are maximising the potential that these facilities offer to enable new service delivery models. Awareness, training, tailoring approaches for specific services are all areas that we will continue to address, however perhaps the largest challenge is still the culture of staff operating from their own desk, and managers wanting to 'witness' work activities. These areas are being pursued in a joint piece of work between the Organisational Development Group and ICT as part of the Property Rationalisation project. Some of the accommodation targets being set as part of this project will also help encourage adoption of alternative ICT enabled working practices.

6. Other ICT Projects Contributing to New Service Delivery Models and Savings

Two other current ICT projects that will have a significant impact in facilitating service improvements and efficiency savings are

- 6.1 As part of our investigation into alternative e-mail products for the Council, we are exploring Cloud based services. As well as representing a radically new and more cost effective service delivery model for ICT, more importantly it will offer new ways of working for staff, including:-
- Easier access to email and information from a wider variety of locations
 - Access to information from a wider range of devices, including phones
 - Easier ability to share information with partners and customers
 - Ability to collaborate online on documents and plans, with both internal and external staff and customers
 - Increased video conferencing options
- 6.2 These facilities will also support our saving work by facilitating, more flexible working, and simplifying sharing of office accommodation with partners,
- 6.3 As mentioned previously, we have been leading a Government project in this area, and are continuing to work with national agencies such as the Cabinet Office, CESG and the Information Commissioners Office to develop a model that can allow the public sector to take advantage of the exciting opportunities that new Cloud technology offers while managing important issues such as security and information assurance.
- 6.4 Warwickshire will be piloting Google facilities in this area from September – November 2011 with a view to migrating to the new services from early next year.
- 6.5 The second major project that will underpin our savings approach is our work on our wide area network and how it can support improved Broadband facilities for the Citizens and Businesses of Warwickshire. In summary we are looking to replace our current network in a way that:-
- Delivers a most effective network for Warwickshire
 - Is developed with Coventry City Council and Solihull Borough Council so that it can support increased sub-regional working and shared services
 - Is shared with Police and Health in order to again support increased joint working, but also reduce overall cost to the public sector in Warwickshire
 - Supports the Government target to seek to deliver the 2Mb Broadband access to all homes and businesses in Warwickshire and Superfast Broadband (Over 24Mb) to 90% of premises.
- 6.6 The Government have allocated £4.1 million to our partnership with Coventry and Solihull to support the Broadband activities, however this is subject to us

presenting a Broadband Plan to the funding agency BDUK (Broadband UK), and identifying matched funding.

- 6.7 We are currently finalising our plans and are now seeking to identify matched funding options, although we are yet to see the details of the rules in this area. We plan to bring the proposed joint plan to Cabinet for approval in the last quarter of 2011.
- 6.8 Although the rural Broadband element of the project should be primarily seen as an Economic Development activity, it will also support our savings approach as it will:-
- Facilitate use and take up of the more cost effective e-service channel
 - Support both our own, and other Warwickshire companies flexible working approaches
 - Facilitate the sharing of services and accommodation with partners
 - Enable easier disposal of buildings without requiring significant network redesign

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Head(s) of Service: Tonino Ciuffini

Strategic Director(s): David Carter

Portfolio Holder(s): David Wright

23 August 2011

APPENDIX A - INTERNAL AUDIT ASSESSMENT OF STATUS OF THE ICT STRATEGY – MAY 2011

JOINT ICT/BUSINESS VISION

| Aspiration | Audit Score |
|---|-------------|
| Providing staff and citizens with access to reliable ICT services that exploit the benefits of the latest technologies | Green |
| Providing them with simple, instant access to information that they require from “anywhere, any time, and from any device” | Amber |
| Ensuring all staff have the appropriate skills, knowledge and support to allow them to take full advantage of their ICT facilities and systems | Amber |
| Enabling services to work more effectively with their partners through the use of shared systems, common standards, and secure environments to facilitate sharing while protecting critical information | Amber |
| Staying at the forefront of technology, through on-going research and development, and encouraging the use of emerging technologies by staff and citizens alike | Green |

DELIVERING THE VISION: STRATEGIC LEADERSHIP

“ICT will provide more strategic technology leadership for the organisation by:

| | |
|---|-------|
| Providing and continuing to develop a clear ICT Strategy that reflects the Council’s objectives and complements all other supporting strategies | Green |
| Continuing to develop the approach adopted for New Ways of Working to be more innovative, ambitious and supportive to the organisation | Amber |
| Initially focussing on delivery of flexible and mobile working; and addressing inequalities of access to ICT facilities in the organisation | Amber |
| Positively marketing opportunities and benefits offered by our investment in ICT in order to increase the use of these facilities and maximise our return on investment | Green |

DELIVERING THE VISION: GOVERNANCE

“ICT will ensure closer alignment of ICT investment to the organisation’s business objectives and priorities”

| | |
|---|-------|
| Through the production of a formal ICT Development plan by the Head of ICT that supports the WCC Vision, the Corporate Business Plan and the New Ways of Working Change Programme | Green |
| By presenting the plan for approval on an annual basis and by reporting progress every 6 months to both SDLT and | Green |

| | |
|--|--------------|
| Resources O&S Committee | |
| By ensuring that the plan is developed with input from Directorate representatives and is presented alongside jointly developed annual ICT Development plans for each Directorate including Schools ICT | Amber |
| Through developing formal business liaison roles and processes with directorates to both support service alignment of the ICT development plans and ensure ongoing best use of ICT skills and resources | Green |
| By developing the role of the Directorates' ICT Steering Groups to contribute to directing and supporting the wider corporate ICT activities as well as the Directorate related investment | Red |
| By creating a cross-Directorate group to agree, manage and monitor compliance with ICT Principles, Policies and Standards. The group will consist of Heads of Service and key Directorate ICT staff to ensure business alignment of these important areas. | Green |
| By ensuring that the management of the ICT development programme will involve more formal use of business cases with clearer benefits and risk management plans | Red |
| Through playing an active and leading role in the development, funding and implementation of key corporate systems strategies | Green |
| By introducing ICT facilities to improve services as part of any formal corporate business process improvement | Red |

DELIVERING THE VISION: ICT DELIVERY

"ICT will be delivered in the most effective way for the organisation"

| | |
|---|--------------|
| By maintaining primarily an internal delivery model and continuing to utilise and explore using private sector partners where advantageous to the Council | Green |
| By removing as far as possible the internal market trading for ICT services | Green |
| By supporting local service delivery where appropriate and enhancing the relationships with central ICT. | Green |
| By continuing to improve service support and delivery through: adoption of standards and best practices such as ITIL and the Government ICT profession; the use of benchmarking and performance measures that focus on both the traditional ICT measurements and the development of business related measures | Green |

"ICT will develop more consistent ICT delivery across the organisation"

| | |
|---|--------------|
| By ensuring that ICT and directorate ICT managers have responsibility for developing joint corporate/directorate ICT development plans | Green |
| By developing a clear statement of roles and responsibilities for key ICT groups in the organisation with the Head of ICT operating as Head of Profession | Amber |

| | |
|---|--------------|
| By encouraging more internal sharing of applications and skills | Green |
| By continuing to develop closer links between the corporate ICT strategy and Schools strategy | Green |

DELIVERING THE VISION: MOBILE AND FLEXIBLE WORKING – ICT INFRASTRUCTURE

“ICT will manage and develop the ICT infrastructure”

| | |
|--|--------------|
| By the Head of ICT taking responsibility for the infrastructure investment, budgets and aligning decisions to the organisation’s needs | Green |
| By developing the existing unit-based approach to fund infrastructure and support | Green |
| By developing and maintaining a clear set of ICT standards, which will both ensure a more strategic approach to overall ICT investment, and define a framework within which Directorates have the freedom to operate | Amber |
| By continuing to increase the reliability of the ICT infrastructure through designing in resilience and replacing points of failure | Amber |
| By developing business continuity and disaster recovery facilities as part of the wider corporate initiative | Green |
| By developing identity and access management facilities that provide Warwickshire residents and staff with a secure environment for working and collaboration | Amber |

DELIVERING THE VISION: MOBILE AND FLEXIBLE WORKING – APPLICATIONS AND INFORMATION

“ICT will lead in developing and delivering the applications environment to meet the organisation’s objectives”

| | |
|--|--------------|
| By developing a roadmap for delivering our key business applications and information through a common portal/interface | Green |
| By continuing to develop the intranet project towards these objectives | Green |
| By working with directorates to develop a standard model for management and business reporting | Green |
| By identifying service and technical owners for all applications with clear roles and responsibilities to ensure consistent management of applications | Amber |
| By rationalising the organisation’s applications portfolio to reduce duplication and enable better sharing of information | Amber |
| By working closely with the organisation to ensure ICT service and delivery is aligned with core applications (e.g. HR, Finance, Social Care and Highways) | Green |
| By supporting a review of the information management strategy in the organisation, and the implementation of any actions from it | Green |

DELIVERING THE VISION: RESEARCH AND DEVELOPMENT

“ICT will facilitate the faster and improved adoption of new technology and facilities”

| | |
|---|-------|
| By strengthening our Research and Development capability | Green |
| By proactively reviewing new technology and exploring best returns on existing ICT investment | Green |

DELIVERING THE VISION: ICT SKILLS

“ICT will seek to improve ICT skills in the organisation”

| | |
|--|-------|
| By developing a standard ICT skills set and competency for ICT users with directorates | Green |
| By exploring the Government IT Profession initiative to increase the professionalism of ICT staff in the public sector, and encouraging all staff to sign up to the initiative | Green |
| By continuing to roll out the use of the SFIA (Skills For the Information Age) framework for ICT staff (subject to successful pilot use of the framework will extend to all staff in ICT, and possibly the ICT community | Green |

DELIVERING THE VISION: PARTNERSHIP

“ICT will support the organisation’s partnership and LAA activities

| | |
|--|-------|
| By pursuing joint ICT strategies and projects with key public sector and private partner organisations | Green |
| By exploring the development of a formal shared services strategy for ICT as part of the wider Local Government review and Transformation Government Agendas | Amber |
| By continuing to explore application sharing with partners both for existing applications and new procurements | Amber |

Information Assets Savings Monitoring - June 2011

| Reference | Savings Proposal Title | 2011/12 | | | 2012/13 | | | 2013/14 | | Current issues and action taken to mitigate issues | Evidence |
|-------------|--|-----------------|------------------|--------------------|-----------------|------------------|--------------------|-----------------|--------------------|--|--|
| | | Target £'000 | Current £'000 | Predicted £'000 | Target £'000 | Current £'000 | Predicted £'000 | Target £'000 | Predicted £'000 | | |
| | Original Plan | | | | | | | | | | |
| RE-IT-01-03 | ICT savings via hours reduction, restructuring and general efficiencies | 183 | 183 | 183 | 180 | 180 | 180 | 193 | 193 | | Savings already planned for, taken and removed from 2011/12 budget |
| RE-IT-04 | Stopping the ICT Training initiative | 0 | 0 | 0 | 50 | 0 | 0 | 50 | 0 | Will be looking at alternative area for saving as requirement for this service has grown to deliver Modern and Flexible working. Confident will identify alternative savings as 2011/12 already delivered. | |
| RE-IT-05 | Removing the ICT extended out of hours support cover outside 8:30 to 5:30 | 0 | 0 | 0 | 0 | 0 | 50 | 250 | 250 | Already exploring options in this area, and are planning to implement an approach that will release some savings earlier in 2012/13 which will be temporarily used to help meet 2012/13 target associated with training. | Proposals being discussed with Unions and restructuring options going to regrading board in August |
| RE-IT-06-10 | Reductions in the ICT Development Fund, ICT strategy and research and development and the staff associated with them | 250 | 250 | 250 | 650 | 500 | 628 | 800 | 800 | For 2012/13 additional £250,000 already planned still need to identify £128,000 of additional savings through staff losses to be in effect from April 2012 in order to meet overall 2012/13 target. Hope to meet through turnover. | 2011/12 already planned for taken and removed from 2011/12 budget. For 2012/13 reduction in ICT Development budget planned and senior post will be removed following early retirement. |
| CW-CC-05 | Transformation of Corporate Governance support | 0 | 0 | 0 | 10 | 5 | 10 | 10 | 10 | Will be delivering via combination of restructuring of 2 posts in Information Governance, and reduced expenditure. | New posts recruited |
| | Sub total | 433 | 433 | 433 | 890 | 685 | 868 | 1,303 | 1,253 | | |
| | Additional Proposals | | | | | | | | | | |
| | Printing Savings | | | | | | 22 | | | | |
| | Sub total | 0 | 0 | 0 | 0 | 0 | 22 | 0 | 0 | | |
| | Total | 433 | 433 | 433 | 890 | 685 | 890 | 1,303 | 1,253 | | |
| | Target | | 433 | 433 | | 890 | 890 | | 1,303 | | |
| | Remaining Shortfall | | 0 | 0 | | (205) | 0 | | (50) | | |