HAMPSHIRE COUNTY COUNCIL

Report

Committee/Panel:	Policy & Resources Select Committee
Date:	18th January 2019
Title:	Annual IT Update
Report From:	Director of Corporate Resources

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1.   Recommendation

1.1. The purpose of this report is to provide an annual IT update to committee members. It considers the main IT activity over the past year and summaries the priorities ahead. It is recommended that this report is noted by the Committee.

2.   Contextual information

2.1. As well as underpinning day-today business operations, IT activity has focussed on leading major transformational programmes of the County Council including Digital 2, SharePoint/O365, Enabling Productivity, as well as supporting the onboarding of 3 new partners to the Shared Services partnership, and delivering numerous projects to support Transformation to 2019 across the organisation.

2.2. IT Services has delivered a Tt2019 savings target of £3.5m and an additional saving of £2.1m to close funding pressures.

2.3. IT Services is developing a portfolio of projects to deliver a Tt2021 savings target of a further £2.4m

2.4. Delivery of IT to schools in Hampshire is a significant source of external income. Through 2018 we have been reviewing our offer to schools in the context of increasing market competition.

2.5. IT and Data Security remains a key focus and IT has achieved recertification against appropriate national and international standards

3.   IT Finances

3.1. The following table summarises the IT internal cash limit budget;

	2017/18 actuals	Original 2018/19 budget	Proposed Budget 2019/20
	£000	£000	£000
Net Expenditure = Cash Limit	**30,548**	**21,341**	**20,460**

3.2. The high level of actuals in 17/18 was the result of IT Projects funded from outside of the IT cash-limit. Planned additional funding was used to balance the budget at year end 17/18 as follows;

- EPP Corporate Support/IT Reserves funding: 6,054k

- IT Reserves for SharePoint, IT's T19 projects and Schools: £720k

- Corporate Support for Digital 2.0 & other enabling infrastructure: £878k

- Corporate Support for Wi-Fi & Video-Conferencing: £115k

- Corporate Support for Business T19 projects: £2,415k

- Partners Development Fund for IBC: £450k

3.3. The variance between the original 2018/19 budget and the proposed budget for 2019/20 is caused by savings and growth including;

- T19 Savings: -£3,709k

- Inflationary growth (mostly staff budgets): £1,353k

- The Web Team moving back into IT: £535k

- Department funding for growth of centralised services: £360k

- Reserve changes: £580k

Note that the proposed budget for 2019/20 does not currently include £5m set aside for IT to cover the ongoing costs of support new devices and services rolled out by Enabling Productivity, Digital 2 and other T19 enabling programmes. This will be added accordingly prior to the start of the next financial year.

4. IT Performance Metrics

4.1. Traditional IT metrics are less and less relevant in a modern business where IT performance is measured by business outcomes more than unit costs of IT, system response times and availability of services. The following nonetheless give an indication of the underlying IT performance and scale of activity:

4.2. The 2019/20 staffing budget includes 365 permanent FTEs. IT also has 129 active contractors on its books and employs a further 31 fixed-term contracts at the time of writing.

4.3. The IT Service Desk is receiving around 10,000 incidents and 2,000 service requests per month, with around 50% being raised via self-service. Around 50% of incidents are resolved at the first point of contact by the Service Desk. When contacting the Service Desk by phone, users have an average wait time of 70 seconds.

4.4. There has been a reduction of 16.9 FTE staff through EVR which will contribute to IT's T19 saving target.

4.5. Overall IT customer satisfaction levels are monitored through a regular automated and randomised electronic survey on a quarterly basis. Satisfaction levels for corporate IT systems remains high with all services receiving a rating of over 3 on a scale of 0–5. Satisfaction levels for school services also remain above 3. Overall satisfaction for the past year was 3.83 against a target of 3.7.

4.6. The number of large projects in which IT are engaged has increased with over 70 projects in delivery and 45 in mobilisation (detailed planning) at the end of 2018. Over 50 large projects have been completed in the current portfolio, which covers all projects proposed since 2017. Over 100 additional projects have been stopped during planning, demonstrating that rigorous checks are in place.

4.7. In the last year, 93% of projects delivered and rated by the customer have been rated as 'Good' or 'Excellent'.

5. **Main IT activities over the last 12 months**

- IT initiatives from the last 12 months are too numerous to list in detail. However, the following are listed by way of examples: Phase 2 of the Digital Programme has successfully delivered new automation capability through the use of software robots, a transition of HR Operations onto our corporate case management system, further system enhancements for our contact centres, Supplier Self Service enhancements and a Hybris marketing platform.

- The Enabling Productivity programme is currently rolling out a refreshed device estate to Hampshire Staff, including;
  - o 5,200 Hybrid/Laptop Devices
  - o 1,700 Docking Stations
  - o 820 Fixed Devices
  - o 1980 Monitors
  - o New meeting room technology rolled out to 55 of 86 meeting rooms.

- The SharePoint project has delivered a new Electronic Document and Records Management System (EDRMS) to all CCBS, ETE and Corporate Services staff. The remaining staff are due to be migrated in Q1 2019.

- The SharePoint and Exchange Online projects have jointly delivered access to Microsoft Office 365 as part of the modernisation of the desktop.

- The Web Programme, including;

- o Redesigned and streamlined the Hants.gov.uk public-facing website, and multiple partner sites. Migrated from the outdated content management system into Sitecore, a modern, sustainable and flexible Web platform, capable of supporting our Digital Transformation.

- o Supported the delivery over seventy Business T19 projects with online content and digital processes.

- o Managed the transition of the Web team into IT, established processes and governance in line with IT best practice.

- The Department IT T19 programmes have delivered numerous projects supporting the delivery of T19 savings across HCC.

- Supporting the Onboarding of the 3 London Boroughs to the IBC service.

- Delivery of a new corporate wireless network service.

- IT Services has been re-accredited against the following national and international standards:

  - o Public Service Network (PSN)

  - o ISO2000 – International standard for IT Service Management

  - o ISO27001 - International standard for Information Security Management

  - o Payment Card Industry Data Security Standard (PCI DSS)

- HCC was also identified as one of only four local authorities to be assessed as 'green' in the LGA Cyber Security Stocktake

- Several Hosted Schools Service (HSS) schools have renewed their contracts for a further 5 years with some new schools joining. The number of HSS decommissions have slowed down. Take up for other key services like SIMS, etc remains high with well over 90% of schools subscribing. Significant work has also taken place to review school's IT services, the organisational structure and supporting cost models to ensure the future viability of a service operating in an increasingly competitive marketplace. A proof of concept is also in hand to for a revised HSS service that exploits modern technology and delivers more flexibility for schools.

- Over 400 schools have now signed up for the new HPSN2.1 broadband service which will deliver at least five times more bandwidth and improved web filtering.

6. Main Activities Looking Forward

The priorities for the coming year remain focussed on supporting the Council and its partners to deliver the maximum efficiency and productivity through the best use of IT. Key priorities will include:

- Executing projects on the delivery plan in support of departmental Transformation to 2019 and Transformation to 2021 initiatives

- Working towards the delivery of savings within IT to achieve Transformation to 2021

- Completing the implementation of SharePoint online as our new Electronic Document and Records Management System

- Phase 3 of the Digital Programme, to include;
  - Natural Language AI, Chatbots and IVR
  - Enabling the use of central government services
  - E-Signatures
  - Predictive Analytics
  - Office 365 Phase 2
  - SharePoint Phase 2
  - Dynamic Resource Scheduling
  - Digital Landscape renewal

- Ongoing delivery of the Web Programme, to include;
  - Accessibility compliance for Sitecore
  - Sitecore personalisation & marketing

- Completion of the Enabling Productivity Programme

- Completing the HPSN 2.1 migration, including the migration of the existing Avaya telephony platform to Skype for Business.

- Completing the new Modern Desktop to replace Hantsnet.

7. Transformation to 2019

7.1. During 2018, IT have continued to support the organisation with its Transformation to 2019 initiatives whilst delivering its own savings.

7.2. IT Services has delivered a Tt2019 savings target of £3.5m and an additional saving of £2.1m to close funding pressures caused by the end of IT Service partnerships with HFRS and Havant & East Hants District Council.

7.3. Savings in IT have been made across hardware, software, supply chain and people.

7.4. Staff reductions were managed through a mixture of vacancy management and EVR.

8. Transformation to 2021

8.1. At the end of 2018, IT supported the organisation with its Transformation to 2021 planning, whilst initiating planning for its own Transformation to 2021 savings.

8.2. IT has been set a target of £2.4m for Transformation to 2021 savings.

8.3. IT plan to achieve this target by;

- Improving service transition and delivery to implement operational efficiencies

- Review commercial contracts for further savings through rationalisation and improved governance and good practice
- Continuing rationalisation and modernisation of desktop and data centre services
- Additional income generation following expansion of the Shared Services Partnership
- T19 over achievement

9.   Consultation and Equalities

9.1. As this is an update report, no consultation has been undertaken.

CORPORATE OR LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document   Location

None

IMPACT ASSESSMENTS:

1. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;

- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;

- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;

b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;

c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionly low.

1.2. **Equalities Impact Assessment:**

See guidance at http://intranet.hants.gov.uk/equality/equality-assessments.htm

*Inset in full your **Equality Statement** which will either state*

(a) why you consider that the project/proposal will have a low or no impact on groups with protected characteristics or

(b) will give details of the identified impacts and potential mitigating actions.

2. Impact on Crime and Disorder:

3. Climate Change:

a) How does what is being proposed impact on our carbon footprint / energy consumption?

b)   How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Not Applicable – This is an update report.