

CABINET

25 June 2013

Title: ICT Strategy 2013-17	
Report of the Cabinet Member for Customer Services	
Open Report	For Decision
Wards Affected: None	Key Decision: No
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Accountable Divisional Director: Jon Bunt, Divisional Director of Finance	
Accountable Director: Graham Farrant, Chief Executive	
Summary: The appended <i>ICT Strategy 2013 – 2017</i> outlines the strategy for using ICT to support delivery of the Council's priorities through the following design principles: <ul style="list-style-type: none">• Continue to implement channel shift to support online service delivery in order to achieve savings;• Make more effective use of the tools and systems that we already have in place;• Use standard products and processes when implementing new systems;• Provide staff with appropriate tools to carry out their work as effectively as possible;• Make use of shared services, shared platforms and cloud computing whenever possible, using East London Solutions or other appropriate partnerships. This strategy was developed following extensive consultation across the Council over the past year.	
Recommendation(s) The Cabinet is recommended to: <ul style="list-style-type: none">(i) Approve the ICT Strategy for 2013-2017 attached at Appendix 1 to the report;(ii) Endorse the business case approval process set out in the report; and(iii) Confirm that decisions about spending the remaining ICT Capital fund are delegated to the Chief Financial Officer in consultation with the portfolio holder	
Reason(s) To provide the Council with the strategic principles that will be used to validate ICT investment decisions over the next four years.	

1. Introduction and Background

- 1.1 This paper presents the Council's new ICT Strategy for 2013-17 which aims to provide the Council with the strategic framework to validate ICT investment decisions over the next four years.
- 1.2 The strategy replaces the previous strategy that was approved by Cabinet in July 2007. The previous strategy saw a significant investment in the Council's ICT infrastructure that has led to the current reliable ICT systems.
- 1.3 Significant investment has also been made in web enabling a number of the council's transactions over the past 18 months.
- 1.4 The ending of the period of the old ICT strategy was marked by the transfer of the Council's ICT service to the Elevate East London joint venture. Development of the new ICT Strategy was delayed to ensure that these new arrangements were properly reflected in the strategy.
- 1.5 Extensive consultation was carried out across the Council in 2011/12 and the Strategy itself was finalised in 2012. This delay has also allowed the strategy to properly reflect the challenges produced by the reductions in the Council's funding under the comprehensive spending review.

2. Proposal and Issues

- 2.1 The ICT Strategy for 2013-17 does not seek funding for the necessary projects, as each project will be individually approved and sources of funding identified, but focuses on key aspects such as the design and implementation principles.

Design Principles

- 2.2 The Strategy sets out five design principles that will be used when designing changes to the Council's IT systems over the next four years:
 - Continue to implement channel shift to support service delivery that is "online by default" in order to achieve savings. This means that online delivery will be implemented wherever it is practical, affordable and appropriate.
 - Ensure that appropriate access methods are in place for residents and service users who are digitally excluded, including mediated access to online services.
 - Make effective use of the tools and systems that we already have in place and ensure that staff have appropriate skills
 - Provide staff with appropriate tools to carry out their work
 - Make use of shared services, shared platforms and cloud computing whenever possible. Use standard products and processes when implementing new systems
- 2.3 The strategy makes a number of recommendations as to how the Council's systems can be improved:
 - Respond to residents' demands to offer more services on the Council's website and through the existing 'My Account' facility. Make the site easier to use and support access by modern mobile phones, smartphones and tablet devices

- Exploit existing tools to analyse the data we hold to better understand our residents and service users and make our services more efficient
- Enhance the Council's systems that support the operation of the business to give staff the tools they need (for example the new Oracle implementation and SharePoint roll out)
- Introduce robust, yet more flexible security controls to support mobile working and allow staff to use their own equipment as appropriate
- Pilot new approaches to user devices and web based software (for example tablet computers and web based office productivity tools)
- Work with our partners in Elevate, East London Solutions, Thurrock and across the public sector to ensure our ICT systems are fit for purpose and make use of opportunities to reduce costs through cloud computing and shared systems

Implementation

- 2.4 The existence of the ICT Strategy does not commit the Council to any spending, however its strategic principles will be used to validate any projects that are proposed by either Elevate or the Council.
- 2.5 All ICT projects will be required to submit a detailed business case. Work will only start once the business case has been accepted by the Chief Financial Officer and the ICT Client.
- 2.6 Business cases will be assessed on the following two main criteria:
- Value for money
 - Alignment with the ICT Strategy
- 2.7 In addition where a business case relates to an infrastructure investment it will be necessary to demonstrate how the proposed solution will address the following points:
- How risks to the corporate IT systems will be reduced
 - How costs are avoided
 - Why existing assets are considered "end of life"
- 2.8 The Council will not adopt a blanket hardware refresh policy. Each investment decision will be made on a case-by-case basis taking into account the risk and impact on the Council of a hardware failure.
- 2.9 Where a business case relates to a new IT system it will be necessary for the solution to address the following points:
- What savings will be realised by the investment (maximum 3 year return on investment)
 - What service improvements will be implemented
 - How the proposal will address residents' expectations or the Council's modern ways of working agenda.

2.10 The selection of projects to be implemented will be continually reviewed during the lifespan of the ICT Strategy. This will allow the Strategy to respond flexibly to changing Council requirements and priorities over the next four years.

Medium term projects

2.11 It is not possible to identify all the projects that will be required over the four years of the ICT Strategy. The Strategy sets out strategic principles that will be used alongside a rigorous business case approval process to ensure that the Council is provided with the ICT systems it needs over the next four years.

2.12 Work has been carried out to identify the projects that will need to be implemented during the first 18 months of the ICT Strategy. These are shown in the table below.

Investment	Value (est.)	Infrastructure			Service modernisation			
		Risk avoidance	Cost avoidance	Asset end of life	Savings	Service Improvement	Residents' expectations	Modern ways of working
IT storage system upgrade	£253,000	✓	✓	✓				
Backup system upgrade	£82,500	✓		✓				
Core network switch upgrade	£27,500	✓		✓				
Network performance enhancements	£22,000		✓					
Corporate WiFi rollout	n/a*					✓		✓
Upgrade secure access system (RSA)	£5,000	✓		✓				
Virtual server infrastructure capacity	£44,000	✓	✓					
Email server capacity	£13,200	✓	✓					
AIX infrastructure upgrade	£22,000	✓	✓	✓				
Mailroom equipment upgrade	£66,000		✓	✓				
My Account	£566,000		✓		✓	✓	✓	
Website enhancements for mobile	£5,000				✓	✓	✓	✓
Pilot Google Apps and related hardware	£9,350		✓		✓			✓
Total	£1,115,550							

* funding for the corporate WiFi rollout will be provided from the corporate accommodation capital funds

Financial position

2.13 The following table shows the ICT capital investments over the past five years:

2738 ICT Modernisation and Improvement Fund	2008 / 2009	2009 / 2010	2010 / 2011	2011 / 2012	2012 / 2013	Totals for 5 year spend
Budget	0	3,969,528	3,977,460	1,370,071	2,524,051	11,841,110
Actuals	0	3,969,528	3,977,460	1,370,071	577,630	9,894,689
Variance	0	0	0	0	1,946,421	1,946,421

Approximately £500,000 of these funds are already committed leaving approximately £1.44 million to fund the projects set out above.

3. Options Appraisal

- 3.1 Detailed options appraisals will be conducted as part of the approval process for any ICT projects implemented under this strategy.

4. Consultation

- 4.1 A wide ranging consultation process was undertaken within the Council by Elevate and the Council's ICT client team. This included interviews with over 60 members of staff, Divisional Directors and Corporate Directors. Presentations were made to all departmental management teams and CMT.

5. Financial Implications

Implications completed by: Martin Henwood, Deputy Chief Financial Officer

- 5.1 The financial implications of the ICT Strategy are underpinned by the effective relationship between the Council's ICT client team and Elevate, and their ability to anticipate and use trends in the delivery of this crucial support service. This is the reason why the ICT Strategy has a focus on design principles and ensuring there is sufficient flexibility and a strong link to value for money in delivery of ICT.
- 5.2 The Elevate contract reinforces this latter aspect with a contractual commitment to target savings. This has been realised to date, mainly through applications consolidation and reduced suppliers' costs, saving almost £1.2m p.a. between 2011/12 and 2013/14.
- 5.3 Implementation of the ICT Strategy will continue to be reinforced with the involvement of the Modernisation and Improvement Programme Board (MIPB), which ensures that there is explicit link between service delivery to our customers; the ICT service's cost; and the impact of the ICT service on operational cost and effectiveness.
- 5.4 The focus on design principles and trends in the use of ICT, plus controls through MIPB, the ICT client and Elevate, combine to provide a sound environment for securing value for money in implementation of the ICT Strategy. Wider affordability issues that might arise will be addressed through the Council's Budget process.

6. Legal Implications

Implications completed by: David Lawson, Deputy Head of Legal & Deputy Monitoring Officer; Eldred Taylor-Camara, Legal Group Manager (Partnerships & Strategic Procurement)

- 6.1 The Strategy puts in place an approach that will help ensure compliance with a number of legal requirements including data protection and secure data sharing together with contributing to cost effective governance options.

6.2 Under the Incremental Services Agreement entered into between the Council and Elevate East London (“Elevate”), it is provided that Elevate works with the Council to develop, publish maintain and review the Council’s ICT Strategy and that in implementing the Strategy, they develop ICT Projects.

6.3 Each Project should be supported by an appropriate Business Case which is to be submitted to and approved by the Council (in most cases by Cabinet) before they are implemented.

7. Other Implications

7.1 Each ICT project initiated under the strategy will have a range of implications that will be considered separately before the project is approved.

Background Papers Used in the Preparation of the Report:

Please see list of references on pages 28 and 29 of the ICT Strategy 2013-17.

List of appendices:

Appendix 1: ICT Strategy 2013-17