

HAMPSHIRE COUNTY COUNCIL**Report**

Committee:	Policy and Resources Select Committee
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Report From:	Director of Corporate Resources

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1. Purpose of Report

- 1.1. This report is the annual IT update. It considers main IT activity over the last year and summarises priorities ahead.

2. Contextual Information

- 2.1. Since the last report IT has been fully embedded into Corporate Resources and internal trading has largely been stopped, with departmental IT budgets being recentralised.
- 2.2. Some projects are still funded by departments, and an agreed prioritisation mechanism has been fully implemented to ensure all IT investment is considered on a consistent basis.
- 2.3. There is a particular focus for IT in its contribution to the 'Transformation 2015' efficiency programme and delivery of the Integrated Business Centre (IBC), whilst supporting essential departmental IT activity.
- 2.4. One of the biggest challenges for IT continues to lie in resource management –to deliver efficiencies whilst meeting on-going demands for IT, both internally and externally. IT capacity in several areas remains stretched, exacerbated by a buoyant IT marketplace.
- 2.5. There is also growing dependence on IT – security, availability, business continuity and accessibility. These are important considerations as we adopt more joint working, shared services, social media tools and 'bring your own device' (BYOD).

3. IT Business Metrics

- 3.1. Following the recentralisation of IT budgets and the cessation of the IT trading unit, IT now has a cash limited budget which is part of the overall Corporate Services budget within Policy and Resources. For 2013/14 this totals £19.2 million. In addition, IT continues to earn income from external organisations, schools and for commissioned internal projects. Consequently, the gross annual IT expenditure is c.£40 million:

Summary 2013/14 budget

	£'000
Employee costs	16,378
Premises related expenditure	268
Transport related expenditure	181
Supplies and Services	22,475
Total expenditure	39,302
Non-Schools External income	3,575
Schools income	11,073
HCC trading units	1,510
HCC departmental discretionary projects	3,970
Total income	20,127
Net expenditure = cash limit	19,175

- 3.2. IT employs just under 400 IT professionals and about 30% of total workforce costs are funded through external income. This reduces overheads for the County Council and allows scarce skills and capacity to be retained. In addition, contractors are used to provide specific skills and capacity when required.
- 3.3. Capital investment in the IT infrastructure is included within the Policy and Resources Capital Programme. This is used to ensure continued maintenance of the existing IT infrastructure, such as the planned upgrading the HPSN2 service to increase capacity, to improve performance and to generate savings over a five year period.

4. IT and Transformation

- 4.1 IT is directly and inevitably involved in the majority of the council's change programmes, the most significant at present being the IBC, with IT resources leading or heavily embedded in most workstreams. Other examples of current activity include the Children's Services Transformation

programme, Isle of Wight Children's Services, Adult Services change programmes such as Electronic Domiciliary Care Monitoring and co-location with Health staff, Hantsdirect, Workstyle.

4.2 Over the past year, by way of just a few examples, the following have been delivered:

- Full refresh of Hantsdirect technology – desktops, customer relationship management software, telephony and payment card industry compliance - to ensure a modern and resilient service.
- All libraries are now fully Wi-Fi enabled, making Hampshire one of the first Library authorities to offer this free service.
- Relaunch of an upgraded Hantsweb Shop with new features. In March 2013 sales of £18K, a three fold increase in a year. Tickets for Legomania at Milestones were among the best sellers.
- Essential IT delivered successfully to enable the County Council to take management responsibility for IoW Children's Services including Hantsdirect, Social Care system and infrastructure changes.
- Over 360 terminals for 'Go-online', the new public IT solution for public libraries, were successfully rolled out to over 50 libraries in 2 months.
- A mobile device management solution has been piloted for Highways, which enables remote management, monitoring of usage and performance, and improved security.
- The 'Big Theme' website for the Museum service has been developed to enable Arts & Museum Services in Hampshire, Southampton and Winchester. The first Big Theme commemorates the centenary of the First World War and was launched to coincide with Armistice Day 2013.
- Supporting IT to enable the co-location of health and social care staff and the provision of integrated health and social care services.
- WiFi capability delivered to our residential care homes, and new systems successfully introduced to support the new social care charging policy.

5. Information Assurance and Data Security

- 5.1. Protecting the Council's information assets from the increasing threats of abuse, malicious attacks and unintended disclosure is a growing risk, as it is for all organisation's public information. IT solutions seek to balance protection with flexibility.
- 5.2. Hampshire IT has a solid level of protection, with full ISO 27001 accreditation retained for a decade and audited externally on a regular basis. The importance of this is evidenced by the number of external attacks on our systems:

System Attacks Recorded in December 2013

Nature of attack	Est. No. of attacks	No. of Incidents	Outcome/Impact
Emails e.g. phishing, spam, embedded malware, etc.	8,248,156 inc 9,826 virus attacks	35	3 responses to phishing emails
Viruses from devices/USB sticks	10	10	All deleted
Viruses etc. from visited websites	6,162,458	32	All deleted
Unauthorised connections e.g. 'Denial of service', hacking etc.	22,345,533	1	1 (unauthorised changes to website content for NFDC)*

* Vulnerability lay in NFDC not keeping software updated & unpatched – HCC only host

5.3 Considerable work is underway to address the new national Public Services Network (PSN) compliance standards (a recent briefing was given to HIOWLA). The PSN aims to ensure a common level of information security across the Public Sector to protect confidentiality, privacy and security of systems by setting common standards. Nationally, UK government systems have been subject to an increasing number of cyber threats. However, central and local government threats are different – e.g. the main risks locally tend to be human error and paper, not international cyber attacks. Hampshire Council Council is working closely with other Councils to ensure a pragmatic approach to PSN security for local government.

6. Shared and Sold Services

- 6.1. IT shared services have continued to grow, though at a slower pace (8% in 2012 and 3% in 2013). There are a number of reasons for this, including challenges in the marketplace, IT resource constraints in key areas (being addressed) and the current priority of internal programmes such as the IBC which must take precedence. Higher growth is expected in 2014.
- 6.2. Notably, over the last 12 months the following has been achieved within existing or new partnerships:

Partnership:	Achievement:
Havant and East Hampshire	<ul style="list-style-type: none"> • Implementation of a fully managed IT service for East Hampshire District Council.
Oxfordshire County Council	<ul style="list-style-type: none"> • Growing support for SAP services with positive feedback. • Consideration of IBC Services. • Consideration being given to a hosted GIS service.
Dorset County Council	<ul style="list-style-type: none"> • Enhanced IT Disaster Recovery facilities. • Joint Public IT Service launched.
Age Concern	<ul style="list-style-type: none"> • Implementation of a managed IT service.
The Hosted School Service	<ul style="list-style-type: none"> • Continued roll-out, now approaching 100 schools using the service.
Health Service	<ul style="list-style-type: none"> • Southern Health Foundation Trust has joined the HPSN2 Partnership.
Hampshire Fire & Rescue Service	<ul style="list-style-type: none"> • Consideration of deeper shared IT Service.

- 6.3. Income from external organisations for 2013/14 is now estimated to be c. £16m pa. The main growth in 2013 is from additional schools using the Hosted Schools Service (approx. £1m pa increase) and the implementation of the managed service for East Hants District Council (approx. £300k pa).
- 6.4. IT now provides IT in part or full for over 1600 organisations. For many this is simple web hosting for small community organisations, but it also includes services to over 520 schools and all the boroughs, districts and unitary councils use the HPSN2 network. Significant new income will be targeted in 2014. The value is however much more than income generation – IT can open the door to much wider information sharing and joint working.

7. Technology and Innovation

- 7.1. Development of new IT solutions and services has been heavily focussed on the need of the Council to increase efficiency through deeper IT adoption. Investment in new SAP tools for the IBC, for example, will allow self service for every employee, with simple and easy access mostly on mobile devices, such as smart phones.
- 7.2. Other technology improvements and developments during 2013 have included:
- Corporate email and the entire Hantsnet system were upgraded to the latest versions of software and hardware with increased capacity, allowing for example video to be delivered where appropriate desktop

equipment is available. This was achieved with minimal or no disruption.

- International certification for IT management and security practices were re-audited and retained (ISO20000 and ISO270001).
- The Hosted School Service (HSS), a nationally unique fully hosted curriculum and administrative IT service was fully launched following a pilot in 2012. We are on target to reach 100 schools by the end of 2013/14 – over 30,000 pupils and teachers and 10,000 PCs and Laptops supported.
- HPSN2 core capacity has been increased to meet growing demands for internet use and time invested in achieving compliance with the government computing standards – Public Services Network –expected to be achieved during 2014.

- 7.3. Future technology changes in 2014 will focus on further automation of IT service and system management tools to reduce IT costs as part of the IT efficiency programme. From the building of servers and desktop devices, to the management of the help desk, upgraded software tools will enable more consistent and faster building and fixing processes, using less staff resources. This in turn will enable support of new consumer technologies in the future.

8. Priorities Looking Ahead

- 8.1. The priorities for the coming year are much the same as 2013 – helping the Council and its partners to maximise efficiency and productivity through the best use of IT. The biggest programmes of engagement include:

- The successful launch of the IBC.
- Joint working with HFRS and Hampshire Constabulary.
- The Children's Services Transformation programme.

- 8.2. There will also be a greater focus on become a truly 'digital' council. This means delivering everyone online that can be delivered online to reduce costs and allow easy access to information and services to meet the needs of the public and those delivering services.

9. Recommendations

- 9.1. That this report be noted.

CORPORATE OR LEGAL INFORMATION:

Links to the Corporate Strategy

Hampshire safer and more secure for all:	no
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	no
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	no
Corporate Improvement plan link number (if appropriate):	
OR	
This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because:	
It is a requested update on IT activity, and IT affects every aspect of the County Council's functions, as well as being a major expenditure heading.	

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. Equalities Impact Assessment:

- 1.1. IT has a key part to play in equalities and diversity. For example, ICT literacy work with staff, the public and silver surfers for which Hampshire County Council IT has won awards in the past.

2. Impact on Crime and Disorder:

- 2.1. N/a.

3. Climate Change:

- 3.1. Over the years IT has won numerous awards for its sustainable and green technology. In 2011 the County Council was commended in the Government Business Awards for its public sector energy category, and in late 2010 won the Data Centre Europe Awards for the best European sustainable data centre design.
- 3.2. Hampshire IT will continue to build on its low carbon base using 'thin client' technologies (lower carbon to manufacture, use and disposal). Hampshire Workstyle (shared green printing – PrintSmart) and a variety of mobile and flexible working reducing dependency on travel (video conferencing, home working, support for personal devices on the move).