

**HAMPSHIRE COUNTY COUNCIL****Report**

<b>Committee:</b>	Policy and Resources Select Committee
<b>Date:</b>	20 January 2017
<b>Title:</b>	Annual IT Update
<b>Reference:</b>	8077
<b>Report From:</b>	Director of Corporate Resources

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### **1. Purpose of Report**

1.1. This report is the annual IT update. It considers the main IT activity over the past year and summaries the priorities ahead.

### **2. Contextual Information**

2.1. As well as underpinning day-to-day business operations, IT activity has focussed on supporting the major transformational programmes of the County Council. In particular, the Digital programme, consolidating the technology underpinning the Integrated Business Centre (IBC), and supporting major initiatives in Children's Services (TITCH) and Adult Health and Care (Swift upgrade and mobile client)

2.2. A new Head of IT Operations was appointed from external industry, and joined the council in May 2016.

2.3. IT Services has a T2017 savings target of £2.35m which has already been delivered.

2.4. IT Services are currently supporting the planned move by Hampshire Fire & Rescue Services (HFRS) and Havant & East Hampshire District Councils (H&EH) as they take back responsibility for their IT services over 2017/18

2.5. Delivery of IT to schools in Hampshire is a significant source of external income, although we are beginning to see the market deliver increased competition.

2.6. IT Security remains a key focus with Central Government launching a new National Cyber Security Strategy.

### **3. Consultation and Equalities**

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

#### 4. IT Finance

4.1. The following table summaries the main cost elements which make up the IT internal cash limit budget:

	2015/16 actuals	2016/17 budget
	£000	£000
Total Employee Costs	17,732	18,747
Premises Related Expenditure	276	205
Transport Related Expenditure	132	174
Supplies and Services	17,652	18,082
Support Services	46	24
<b>Total Expenditure</b>	<b>35,839</b>	<b>37,232</b>
External Income	-4,107	-4,130
Dept Income	-2,067	-1,054
Trading Unit Income	-1,092	-903
Schools Income	-9,840	-9,498
Non-Schools HPSN Income	-1,219	-941
Corporate Project Funding	-0	-1,953
<b>Total Income</b>	<b>-18,325</b>	<b>-18,479</b>
<b>Net Expenditure = Cash Limit</b>	<b>17,513</b>	<b>18,753</b>

4.2. Some key points of note on the variance between 15/16 actuals and 16/17 budget are:

- 15/16 Employee actuals reflect a natural recruitment lag during the filling of vacancies
- 16/17 Employee budget includes £1.9m of early T17 savings. These will come out of 17/18 budget
- 16/17 Employee budget includes £0.2m of addition contractor funding from Adult Services. Other increases due to NI rate changes and 16/17 pay settlement
- 16/17 Supplies and Services budget includes £420k of early T17 savings. These will come out of 17/18 budget
- The Corporate Project Funding reflects focus on Digital for this financial year

4.3. £3m has been added to the cash-limit for next year (FY 17/18) to remove the need to charge for corporately prioritised projects.

#### 5. IT Performance Metrics

5.1. 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:

- 5.2. There are approximately 377 FTE, mostly permanent employees but some contractors. The resource utilisation between BaU and projects is 58% to 42%
- 5.3. The Helpdesk has now transitioned to being a Service Desk, delivering a single point of access for both support and new services.
- 5.4. Service Desk hours will reduce to 07:30 am to 5 pm from January as call volume outside these hours does not justify the cost to resource extended hours.
- 5.5. Service Desk is closing nearly 2,300 calls each week, with an average wait time for a call to be answer of less than 30 seconds. 1,500+ calls are solved at first point of contact and there has been a significant increase in take up of self service with over 30% incidents raised this way.
- 5.6. There has been a reduction of 5.4 FTE first & second level support staff and plans for greater automation and self service will further reduce the overheads of this service over the coming year.
- 5.7. 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.
- 5.8. The number of projects in which IT are engaged is stable from last year at around 50-60 IT projects at any one time. Some are IT infrastructure projects.
- 5.9. In the year to date, with the introduction of better planned projects, over 95% of projects delivered and rated by the customer have been rated as 'Good' or 'Excellent'.

## **6. Main IT activities over the last 12 months**

- 6.1. IT initiatives from the last 12 months are too numerous to list in detail. However the following are listed by way of examples:
  - Significant progress made in the Digital Programme (see section 8)
  - 20 projects have been completed including some significant infrastructure upgrades
  - IT over-delivered T17 savings target – delivering an extra £146k
  - The IT management team has been stabilised with a new Head of IT Operations, and a new Head of Applications and Development
  - A continuous improvement initiative called 'mosaic' has been introduced to drive activity in the maturity of IT, and provide clarity across IT on the areas of focus
  - A new portfolio prioritisation process has been embedded, providing clearer governance for the initiation of new projects

- The Hosted Schools Service (HSS) has reduced slightly. However, significant reshaping of cost model, restructure & training of account management team has shown recent improvement in success rate of winning & retaining business. Buy back for other school services e.g. SIMS remains high at well over 90%
- IT Services has been re-accredited against the following national and international standards:
  - Public Service Network (PSN)
  - ISO2000 – International standard for IT Service Management
  - ISO27001 - International standard for Information Security Management
  - Payment Card Industry Data Security Standard (PCI DSS)

## **7. Main Activities Looking Forward**

7.1. 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:

- Completing phase 1 of the Digital Programme and shaping of phase 2
- Building a delivery plan in support of departmental Transformation to 2019 initiatives, and mobilising priority departmental and cross-cutting projects
- The delivery of savings within IT to achieve Transformation to 2019
- The implementation of a new corporate wireless network service
- The delivery of a replacement to the HantsFile electronic records management system

## **8. Digital Programme Update**

8.1. The implementation phase of HCC's digital project began in April 2016 and runs to the April 2017; it was designed to help departments deliver their Tt2017 savings and to provide a platform for future service improvement.

8.2. By October 2016, new core systems were in place for the council's website (the Sitecore web content management system replacing the long-standing WPS) and for Hantsdirect (the cloud-based SAP C4C replacing the aging Lagan customer relationship management system). A new integration capability (Boomi) has also been delivered to provide a more robust means of sharing information across the council's IT landscape, and by spring 2017 a new security capability will also be in place to protect customer accounts. These new systems are more efficient, capable and secure and together provide a strong integrated platform to underpin the council's growing suite of digital services.

- 8.3. The project has been re-designing and transforming the council's web site; by the end of January 2017, 2300 of the council's most heavily-used web pages will have been migrated onto the new platform with significantly enhanced design, style and wording, giving the public much faster and clearer access to HCC information and services. A further 1300 will be transformed by the end of the project.
- 8.4. The project is on track to deliver at the end of January 2017 a new customer registration service which will underpin the provision of sensitive and personal information; the initial deployment will be used by Adults' Health & Care for a self-service questionnaire which helps inform members of the public as to whether they are likely to be eligible for services from the council and where alternative provision may be found.
- 8.5. A wider suite of Adults' Health & Care services will be available in March 2017, including appointment booking and the management of reviews, referrals and customer accounts. This will be followed in April by further digital services relating to on-line payments, concessionary travel, memberships libraries and children's services, as well as capabilities for the council to use marketing technologies, social media and web-chat.
- 8.6. A Members briefing session is being held on 9<sup>th</sup> February 2017 at 10:00 – 10:45 in the Mitchell Room, and Members are encouraged to attend in order to hear and see more detail regarding the delivery from Digital.

## **9. Recommendation**

- 9.1. That the Policy and Resources Select Committee notes this report.

**CORPORATE OR LEGAL INFORMATION:****Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	Yes
Corporate Improvement plan link number (if appropriate):	
<b>Maximising well-being:</b>	No
Corporate Improvement plan link number (if appropriate):	
<b>Enhancing our quality of place:</b>	No
Corporate Improvement plan link number (if appropriate):	
<b>OR</b>	
<b>This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because:</b>	

## **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 disproportionately low.

### **Equalities Impact Assessment:**

1.2. Impact assessments are undertaken in advance of any formal executive decision. Information about those impact assessments will be set out in the appendices to the relevant decision making reports. This report is an update to the Select Committee and is not proposing any change or decision, therefore impact assessments have not been undertaken.

### **2. Impact on Crime and Disorder:**

2.1. Impact assessments are undertaken in advance of any formal executive decision. Information about those impact assessments will be set out in the appendices to the relevant decision making reports. This report is an update to the Select Committee and is not proposing any change or decision, therefore impact assessments have not been undertaken.

### **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?

Impact assessments are undertaken in advance of any formal executive decision. Information about those impact assessments will be set out in the appendices to the relevant decision making reports. This report is an update to the Select Committee and is not proposing any change or decision, therefore impact assessments have not been undertaken.