ICT Briefing Note – 2022/23 Budget Scrutiny

Background

In December 2010 Blaby DC delegated responsibility for the ICT service to Hinckley & Bosworth Borough Council (HBBC) who outsourced the delivery to Steria. In 2016 the contract was retendered and after a difficult process was awarded to Sopra Steria for a period of 5 years. The contract with Sopra Steria ceased to exist from 31 December 2021 and the service was brought back in house for HBBC to manage directly.

Melton, Oadby & Wigston and Blaby DC had delegated their ICT service to HBBC and a partnership called Leicestershire Information Communication Technology Partnership (LICTP) was formed (not a legal Partnership). Oadby & Wigston have since decided and have now left the partnership.

In December 2020 Melton took a report to their cabinet setting out options and finances to gain approval to continue with the delegation but with HBBC delivering the service directly. In January 2021 HBBC took a report through their governance processes requesting the service be brought back in house detailing costs and options for the inhouse service. The Monitoring Officer at the time advised it was not necessary to take a report through Council outlining the insourcing arrangement and financial implications due to delegations and budget processes already in place.

The insourced delivery model was supported by an options appraisal exercise which identified this as the best way forward for member Councils of the current partnership. The rationale for this model is that it is affordable, is straightforward to understand, will bring back more control to the partners, will enable partners to build better resilience than through any go it alone option and will allow a much greater degree of innovation and focus on the digital strategy. In addition, a review undertaken by SOCITM (Society for Innovation, Technology and Modernisation) in 2018 highlighted the lack of market interest should the partnership wish to consider continuing to outsource the service.

Current position

The contract with Sopra Steria came back in house to HBBC on the 1st January 2022 which means that HBBC now have the direct responsibility for providing our ICT service. Blaby sits on the partnerships Executive Board through the Strategic Director and on the Strategic Board through the Interim Communications and ICT Manager. The insourcing has been completed with software purchased, staff TUPE'd and the new ICT service arrangements now underway.

Financial Position

Due to the insourcing the basis of the financial arrangement has been revisited and the contract costs for Blaby from 2022/23 will increase to £505,000 a year (which includes web services). This is due to an agreement made at the Executive Board to apportion the costs based on the active directory/active users. It appears that Blaby have been paying less per active user than the other authorities for a number of years.

Although the new contract results in an increase of around £92,000 in 2022/23, compared with the 2021/22 Approved Budget, savings have been found within the separate Supplies and Services ICT budget which means that there will be no increase in the overall ICT budget costs for 2022/23. These costs have been included within the proposed budgets for scrutiny as they are normally agreed as part of the normal budget setting process every year.

The increased pro-rata costs for the remainder of 2021/22 (Jan-Mar) can also be accommodated within the 2021/22 ICT budgets.

For information the contract with HBBC states that to leave the delegated service a period of 12 months' notice is required to leave on 31st March in the following year. It is also worth noting that in the SOCITM report it stated that the new total cost for all 3 partner authorities of £1,371,000 is well below the lower quartile benchmark cost for 3 District Councils of around £4m.

The benefits of in-sourcing

A larger technical team, 3 Additional technical staff over current levels • 2 Business Systems Analysts (BSA's), Project Manager Hybrids • Dedicated Systems Engineer to work alongside the BSA's • Direct Team management with a flatter management structure • Our own Service Desk Management System tailored to partners needs • Our own SLA tailored to partners needs in the operating context • Our own Service designed for our needs and not a 3rd parties Outsourced Citrix Management • Outsourced network management • Journey to Windows 10 • Journey to Android • Technology roadmap • Our own Software Asset Management system • Overtime to ensure Out Of Hours work can continue

What can Blaby expect

The initial focus for HBBC and the ICT Partnership Manager has been the insourcing of the ICT service and setting up the new operating framework for the partnership (which included the off-boarding of OWBC). There is a lot of 'putting the house in order' work to be completed initially including Active-Active Data Centres, replacement LAN infrastructure and replacement WAN with Dynamic routing that will then allow the focus to be on the 'value added' ICT elements. Blaby can expect;

- A better skilled team, a larger team and more responsive
- A service centre that will aim for 1st time fix but staff upskilling required first
- Business system analysts that will use data to inform system developments
- A Cloud 1st approach but noting the trend is a hybrid for resilience and security
- A move to Office 365 and sharepoint/one drive rather than file share
- A consolidation of contracts for efficiencies and support
- The industry statistic is 40% of officer time is spent searching for information, the Partnership will look to reduce this by 10%

- LICTP will look to harmonise where possible and by default but will deliver Blaby DC specific solutions when required

Transforming Services (work has already taken place on the following)

Modern Workplace – future operating model is MS Teams, voice, video and chat. To follow - Office365 implementation in 2022, SharePoint and workflows to streamline business processes, promote ease of finding information and enabling staff to create solutions to their own business challenges in a flexible agile way

Productivity and Service – Data Centre replacement, LAN infrastructure projects taking place in early 2022. To follow - WAN replacement, Dynamic Routing, saleable Private Cloud capability

People and Development – training budget in place for development of staff and service offering, as well as on digital upskilling staff. To follow - Supporting councils with minimising Digital poverty, developing staff and community ICT skills

Security and Compliance – PSN compliance, Cyber Essentials, Artificial Intelligent Threat monitoring. To follow - PCI-DSS compliance, SOC (Security Operations Centre)

Digital Citizen Journey –Webchat and Chatbot development, Attend Anywhere (Lightbulb). To follow - build people and premises centric processes based on data and analytics, looking at linking complex needs across services and service areas.

Macro ICT – To follow - Smart bins, digital wayfaring, Autonomous vehicles, 5G, Fibre and connectivity infrastructure, supporting creative sectors outside of cities, creating Smart Towns by digitally connecting infrastructure (Edge technologies as they're described) also engaging a digital solutions architect to help partners navigate the future of technologies, such as IoT, smart buildings, autonomous service delivery by triggering engagement of service areas on data analytics, making sure we expend energies on those technologies that are most likely to be relevant to district and borough councils over the next decade.

Next Steps to be completed before 31 March 2022

- re-visit the benchmarking of ICT costs
- review the Active Users data to ensure validity
- ensure the draft SLA's reflect Blabys aspirations and separate out ICT infrastructure from Web Services and potentially Digital Services
- clarify web services delivery
- further review the supplies and services budget covering equipment, licences and various other items
- roadmap for transformation to be developed

Other items to note

Capital expenditure of £288,000 was approved at Council in November to purchase equipment to move all staff to Agile Working predominantly through the deployment of laptops. Equipment has now been ordered and will be rolled out early in 2022.