

**Blaby District Council
Council**

Date of Meeting	18 April 2023
Title of Report	Leicestershire ICT Partnership - Future Governance arrangements This is a Key Decision and not on the Forward Plan
Lead Member	Cllr. Ben Taylor - Planning Delivery and Enforcement & Corporate Transformation
Report Author	Executive Director
Corporate Priority	A Place to Work

1. What is this report about?

- 1.1 This report proposes to end the Leicestershire ICT Partnership (LICTP) delegation entered into by Council in 2006 and move to a new form of service delivery with Hinckley & Bosworth Borough Council (HBBC).

2. Recommendation(s) to Council

- 2.1 To end the existing delegation of Blaby District Councils ICT service to Hinckley & Bosworth Borough Council and simultaneously enter a new service delivery arrangement.
- 2.2 Give delegated authority to the Executive Director (S151) in consultation with the appropriate Portfolio Holder to finalise and conclude the necessary contractual arrangements and enter a service delivery agreement with Hinckley & Bosworth Borough Council for the provision of ICT services.

3. Reason for Decisions Recommended

- 3.1 A new arrangement for the provision of ICT services is considered the most appropriate way forward to provide an increased level of influence and Member oversight to meet Blaby District Councils ambition for its ongoing transformation of services.

4. Matters to consider

4.1 Background

The Council approved entering a delegated arrangement with HBBC at its meeting of 14 December 2010 under the provisions of section 101 of the Local Government Services Act 1972.

The delegated service, which HBBC outsourced to Sopra Steria, provided a reliable and consistent level of service to Blaby District Council and grew to include Melton Borough Council (MBC).

In January 2022, a report was brought to Council confirming that following a service review (conducted by the participating authorities) HBBC had, with the agreement of the participating authorities, insourced the LICTP from Sopra Steria who had been delivering the service since 2006. At the same time as insourcing the services Oadby & Wigston Borough Council exited the collaborative arrangement. HBBC formally commenced the in-house management of the service on 3 January 2022.

Running alongside this, Blaby as part of its approach to address future Medium Term Financial Strategy gaps, invested in staffing resources to focus on Transformation with a view to improving customer experiences, increasing the efficiency of services, implementing latest technological solutions but also reducing costs. Digital transformation will be a key component to many service changes.

To support successful delivery of Transformation plans Blaby needs to be able to influence and shape technologies of choice and at a time and pace to meet current and future service needs. It is understood by partnership authorities that these requirements may not always be the same as the other LICTP members.

As such it is felt that the best way forward for Blaby is to end the delegation and enter a new form of service delivery arrangement whereby the service model can allow for greater influence in decision making, and a model that allows for commissioning of work, alongside the provision of a core service, to meet the specific needs of Blaby and also each participating authority.

Blaby still wants to be part of the LICTP and work collaboratively with the other Councils (HBBC and MBC) who have both agreed in principle to move to a new service delivery model.

The benefits of being in the service delivery model along with other participating authorities still include economies of scale through purchasing, shared costs of auditing, procurement, data centres, service desk and access to specialist staffing. It also provides greater infrastructure resilience, greater security from cyber threats, improved Business Continuity systems and access to a larger staffing resource.

Blaby's ICT and Transformation related roadmap has included:

- The appointment of a Transformation Group Manager with responsibility for the LICTP to ensure the Councils Transformation plans are supported by the necessary ICT infrastructure and service provision.
- Agreement to appoint an ICT Programme Manager to be the day to day liaison with the LICTP and work with the Councils Service

Managers to develop a prioritised set of ICT projects to improve efficiency, customer service and cost.

- Seeking the agreement of the LICTP for the commissioning of a service diagnostic review which has identified that the service needs to prioritise resilience and stability for Blaby.
- Seeking support of LICTP participating authorities to change the governance model from delegation to one of service delivery to give greater influence and increased member involvement in decision making.

LICTP planned improvements include;

- Managed internet access at Blaby – Fibre Broadband. This forms part of the overall network resilience design providing Blaby with improved internet speed
- Resilience for Blaby file storage - this provides a solution to mitigate against the situation we experienced in December 2022 when the fileserver was unavailable for 3 working days.
- Broadband Lines Audit - to ensure network traffic is going through our fastest network links, is properly managed, and will improve the speed of some systems and the quality of Teams meetings/calls (voice/video)

Governance Arrangements:

A new governance model will be developed that is likely to include the existing Strategy Group and Executive Board meetings supplemented by meetings with elected Members. Blaby will be represented by the appropriate Portfolio Holder with Officer support. This will ensure decision-making sits with all local authorities where under the delegation this legally sat with HBBC.

Timescales:

It is the intention that the existing delegation will be ended and the new form of service agreement agreed and entered during Quarter 2 of 2023/24.

4.2 Proposal(s)

It is therefore proposed that:

- a) To end the existing delegation of Blaby District Councils ICT service to Hinckley & Bosworth Borough Council and simultaneously enter a new service delivery arrangement.
- b) Give delegated authority to the Executive Director (S151) in consultation with the appropriate Portfolio Holder to finalise and conclude the necessary contractual arrangements and enter a service delivery agreement with Hinckley & Bosworth Borough Council for the provision of ICT services.

4.3 Relevant Consultations

- Senior Leadership Team
- Member briefing held on Monday 13th March 2023

4.4 Significant Issues

A reliable, secure and efficient ICT service is critical to the Councils effective service delivery. Ensuring the most appropriate delivery and governance arrangement is a significant issue for the Council.

5. What will it cost and are there opportunities for savings?

- 5.1 There are currently no additional costs identified for entering into the new service level agreement.

6. What are the risks and how can they be reduced?

6.1

Risk	Actions to reduce the risks
A new service agreement cannot be finalised	All participating authorities have agreed in principle to enter into a new service agreement model. Legal teams will, subject to approval, develop the appropriate legal agreement.
HBBC no longer wish to provide the ICT services to Blaby	There is currently a 12-month notice period for both parties and this is expected to be continued within the new service delivery agreement. Working collaboratively currently offers the best financial arrangement for all participating authorities.
Costs increase	The ICT budget is currently being closely monitored and this will continue. Whilst there may be cost increases in the short term it is expected that the main benefit of working in collaboration is the longer-term financial economies of scale.
Stability issues and system downtime continues	Blaby will continue to work with participating authorities to identify and resolve the issues but will continue to have the ability to give 12 months' notice prior to the 31 st March on an annual basis.
Loss of key staff	It is expected that the same staffing structure will be required and as such no staff are planned to be lost through this change of service delivery model. Blaby are also recruiting a ICT Programme Manager to improve our organisational ICT knowledge.

7. Other options considered

7.1 Several other options have been considered prior to making this recommendation.

- Move to an In-house arrangement and staffing structure. It was not felt that this would offer Blaby the best way forward due to the benefits that working in collaboration with other authorities can offer. Blaby does not have any In-House ICT expertise and this option would create a higher level of risk to service provision.
- Working more closely with another District, City or County Council to form a shared service. Although there are a number of other organisations working on shared ICT proposals/arrangements, Blaby has a good working relationship with HBBC and MBC and efficiencies are being gained through this existing arrangement.
- Work with an alternative private sector organisation to provide a managed service. As above, although there are several private sector organisations who would be prepared to enter such an arrangement, however, the proposal to move to a partnership with HBBC offers continuity of delivery for Blaby and existing/proposed infrastructure developments.
- Continue with the current delegated arrangements. This option is not recommended as it does not provide Blaby with the required level of influence at a member and officer level to deliver the future Transformational changes that may be required.

8. Environmental impact

8.1 No environmental impacts have been identified as a result of this report.

9. Other significant issues

9.1 In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities, and Climate Local and there are no areas of concern.

10. Appendix

10.1 None.

11. Background paper(s)

11.1 Council Report (14 December 2010 – minute ref: 250)

12. Report author's contact details

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