



**Joint Committee of the London  
Boroughs of Brent, Lewisham and  
Southwark**

3 March 2020

**Report from the Managing Director  
of Shared Service**

**Shared ICT Service Update**

<b>Wards Affected:</b>	N/A
<b>Key or Non-Key Decision:</b>	N/A
<b>Open or Part/Fully Exempt:</b> (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	N/A
<b>No. of Appendices:</b>	Two: Appendix A: Shared ICT Services Performance Pack Appendix B: Major Incident Process Appendix C: Licensing Audit Review
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> (Name, Title, Contact Details)	Fabio Negro Managing Director of Shared Service <a href="mailto:Fabio.Negro@brent.gov.uk">Fabio.Negro@brent.gov.uk</a>

1.1 This report provides an update on the Shared ICT Service.

**2 Recommendation(s)**

2.1 The Shared ICT Service Joint Committee is asked to:

- (a) Note the actions being taken in Section 3 – Detail
- (b) Note the contents of the Performance Pack as attached in Appendix A

**3 Detail**

**Summary**

3.1 Over the period since the Joint Committee last met, there have been 27 priority 1 incidents of which 23 were resolved within the service level agreement. This

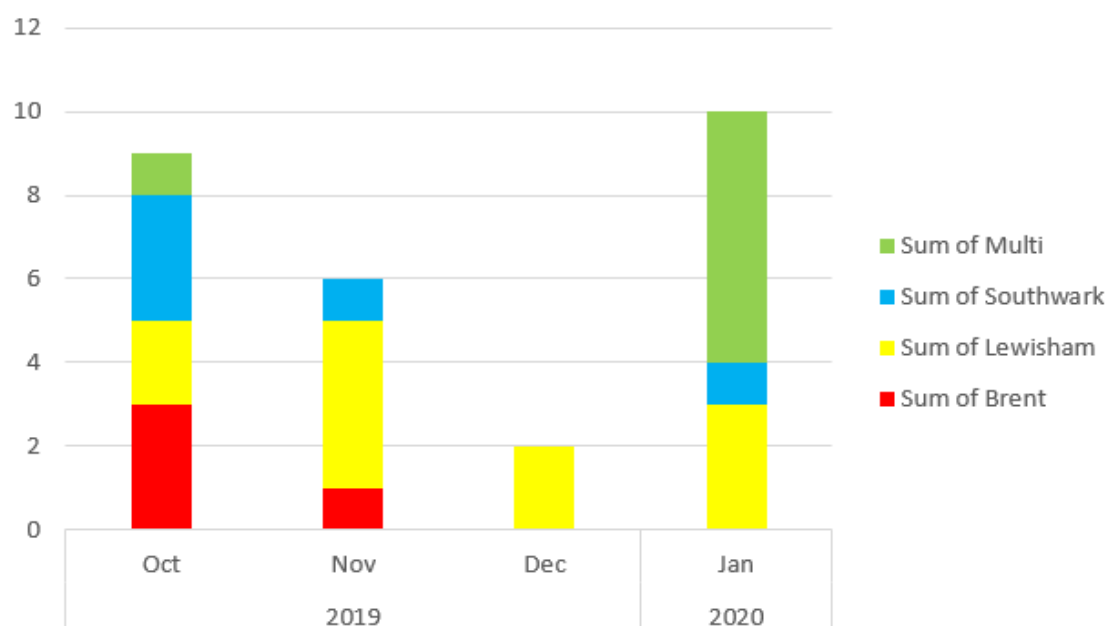
- is down from the previous period (60 priority 1 incidents), work continues in this area to reduce these numbers.
- 3.2 We have seen a reduction in security incidents as we continue to harden our infrastructure. A review around our controls is underway and we have identified several areas for improvement.
- 3.3 The Shared ICT Service Strategy was formally signed off on 9<sup>th</sup> January by all participating organisations. This strategy sets out the direction of travel for the service and it indicates the expectation of delivery from the partner organisations.
- 3.4 Appointments for the Shared ICT Services Senior Leadership Team have been made.
- 3.5 The Shared ICT Service is forecasting an underspend of £70,376 for 2019 – 2020 financial year, against a total budget of £14,669,240. The underspend is primarily due to investment cases being formally approved and funding being made available to cover identified revenue pressures.

### **Service Performance**

- 3.6 The shared service logged 44,444 tickets between 1<sup>st</sup> October and 31<sup>st</sup> January, these tickets were made up of issues and service requests.

This is broken down by:

- Shared ICT Services - 29,099
  - Brent - 10,528
  - Lewisham - 3,120
  - Southwark - 806 (some of Southwark applications are within the business)
  - Other - 891
- 3.7 Over the period since the Joint Committee last met, there have been 27 priority 1 incidents of which 23 were resolved within the service level agreement. This is a reduction from the previous period (60 priority 1 incidents), work continues in this area to reduce these numbers.
- 3.8 The average time taken to resolve priority 1 incidents during this period is 3 hours and 14 minutes.



- 3.9 Numbers of priority 1 incidents is consistently reducing. We saw a large number of incidents in January, this was mainly due to third party failures.
- 3.10 We have introduced a Major Incident Process to ensure that our teams respond and communicate appropriately, please see Appendix B for detail.
- 3.11 Priority 2 and 3 incidents remain an area of concern. We see an average of 47% and 66% compliance with the service level agreements. Service improvement activities are being undertaken in this area to reduce the level of incidents being received.
- 3.12 The previous Joint Committee requested further detail as to the categorisation of the P2 and P3. The Service Desk have been unable to introduce a categorisation due to technical issues with the automation of raising tickets. This is being worked on with our ticketing provider and we aim to introduce that at the next Joint Committee.
- 3.13 Priority 4 service requests have a 76% compliance with the service level agreements.
- 3.14 There has been a drive to reduce the numbers of open tickets and staff have been carrying out overtime in efforts to reduce the volume.
- 3.15 Due to the specific focus we have put on resolving ticket that are older than 3 months, we are seeing a negative effect on the statistics being produced for this period. As we close the tickets down, (which we are doing to ensure the service is operating on current issues), we will see an improvement in these statistics.

- 3.16 To develop more customer and outcome focused service, the shared service has become a member of the Service Desk Institute (SDI). The membership to SDI will provide us with access to benchmarking data across public sector and best practice guidelines.
- 3.17 To reduce resolution times and avoid repeat calls, focus is being put on the quality and the content of the calls being raised.
- 3.18 We have a few inconsistencies with reporting, we have been working with the provider of the ticketing system to resolve this.
- 3.19 Development of dynamic dashboards is underway with our ticketing provider. We will be overlaying the dashboards with Microsoft Power BI to ensure that we have a consistent approach to reviewing performance across the three councils.
- 3.20 We plan to produce a service status dashboard for all staff. We will attempt to embed it into the intranets of the council for ease of access.

### **Cyber Security**

- 3.21 We have seen a reduction in security incidents as we continue to harden our infrastructure. A review around our controls is underway and we have identified several areas for improvement.
- 3.22 We have 942 devices across all three councils, mainly servers that are in need of upgrading. This is due to the fact that they have, or are about to, fall out of support. Most of the servers will be upgraded within the next 12 months as a part of the Cloud Programme. There is a project in place to ensure the resolution of the remaining numbers.
- 3.23 In March, the three councils are going to renew their compliance statuses with the Public Service Network (PSN). This allows the councils to connect to other government networks such as the NHS and DWP.
- 3.24 In March, Brent and Lewisham are going to conduct a Cyber Penetration test for their certification of the Payment Card Industry (PCI). Southwark Council do not conduct payment transactions, they are carried out by a third party.
- 3.25 Brent and Southwark are about to undertake their Data Security Protection Toolkit Assessment (DSP), which enables partnership working with the NHS. This is scheduled for March, Lewisham's renewal is scheduled for June.
- 3.26 Brent and Lewisham have an old smartphone estate which is being scheduled for upgrade. These devices are falling below current compliance levels.
- 3.27 A review is underway to centralise our cyber protection tools. Investment cases will be brought forward to purchase tools which will enable the shared service to continue to be proactive around cyber threats.

## Service Improvement Plan

3.28 Since October the following items included in the Continual Service Improvement Plan (CSIP) have been completed and communicated to members of the Operational Management Board:

- Agreed the vision, mission and objectives which forms part of the Shared ICT Service Strategy
- Shared ICT Service Strategy was agreed at Joint Management Board January 2020
- External review of the Target Operating Model
- Inter Authority Agreement (IAA) has been signed off and agreed
- Change Advisory Board in place (CAB)
- All partners represented at CAB
- Problem Management process/board in place
- Improved communications to customers during major incidents
- 2019-20 budget agreed
- Weekly meeting with finance leads
- Clear and transparent financial reporting now in place
- First year of operating within budget
- Process agreed for additional funding to come from investment cases
- Better split of financial information
- Development of confidence has seen less service procuring IT systems out of the IT Service
- Proof of concept for Microsoft Teams (collaboration toolset)
- Completed core network and SAN upgrade to provide a stable platform
- Tabletop disaster recovery exercise for SICTS completed
- Implemented Forcepoint Cloud Proxy Service
- Completed Windows 10 build for laptop roll out
- Implementation of GovRoam across all sites

3.29 Further improvements expected over the remainder of the year include:

- Refresh of the Continual Service Improvement Plan
- Develop the Technology Roadmap for 2020/23
- Implement Target Operating Model
- Restructure following on from the TOM
- Align shared service IT audits across the three boroughs
- Review Service Management toolset
- Improved monitoring tools to provide an enhanced and more-targeted proactive alerting
- Review and refine the transition of projects back to business as usual
- Reduction in outages
- Reduction in tickets being logged with a focus on reducing repeat calls
- Introduction of new project management controls
- Continue refining, developing and embedding the work we have achieved to date to improve the delivery and success of the current project pipeline
- Undertake a strategic review to develop the case for a Shared ICT Service Programme Management Office (PMO), this will include resourcing (funding, skills, staff)

- Creation of a roadmap for SICTS projects, aligning where possible with the three councils.
- Continuation of the hardening of our cyber defences

## **Audits**

3.30 The following audits are being undertaken:

- Brent - IT Governance Review Audit. This audit is to ensure that appropriate financial, decision-making and portfolio management structures are in place so that IT can enable the Council to deliver on its objectives and mandate.
- Brent - IT Platform Review Audit. This is to ensure that IT platforms (Microsoft Windows) have appropriate governance, operational and security controls and that the security configurations are maintained and kept updated.
- Lewisham - IT General Controls Audit. This focuses on Oracle, Academy, Resource Link & network security.
- Southwark - Shared ICT Service Audit. This focuses on governance and performance, issue resolution and future planning.

3.31 The 2020/21 audits are yet to be agreed by all three boroughs.

## **Road Map**

3.32 The Shared ICT Service Strategy was formally signed off on 9<sup>th</sup> January by all participating organisations. This strategy sets out the direction of travel for the service and it indicates the expectation of delivery from the partner organisations.

3.33 The strategy sets out our mission, “The Shared ICT Service provides secure, reliable and integrated technology solutions in alignment with the business goals, while delivering excellence in customer service.” The service continues to operate with this as a fundamental.

3.34 The ambition of the road map is to produce a sustainable infrastructure layer which is flexible and agile for councils to deliver its front line service.

3.35 Focus will be given to lifecycle management of infrastructure. Given that all councils have areas of legacy equipment, additional capacity will be considered in areas with expected growth.

3.36 There will be a reduction in incidents and issues as a result of the roadmap.

3.37 Cyber protection will be implemented across all aspects of the roadmap.

3.38 The 3 Year roadmap will be integral for the design of the future target operating model.

## **Target Operating Model**

- 3.39 Appointments for the Shared ICT Services Senior Leadership Team have been made;
- Fabio Negro, Managing Director started 7<sup>th</sup> of January.
  - Kevin Ginn, Head of Operations. Kevin was an internal appointment and formally started his role 1<sup>st</sup> of January.
  - Jo Barker, Head of Programmes and IT Transformation, start date to be confirmed. Jo Barker is currently working for the shared service as a temporary appointment.
- 3.40 The apportionment model of the shared service continues to operate as Brent 30%, Lewisham 25% and Southwark 45%.
- 3.41 The shared service will carry out on benchmarking exercises to ensure that we are performing cost effectively. This will be considered in the creation of the Target Operating Model TOM.
- 3.42 The TOM will be focused on making sure that we develop a centre of excellence and operate an exemplar shared service.
- 3.43 We are in discussions with Lewisham Homes around a possible return to Lewisham for their ICT Support, an options paper will be taken to the Joint Management Board.
- 3.44 An investment case was approved in February by the Operational Management Board to bring in a Programme Manager to deliver workshops and design TOM.
- 3.45 A high-level timescale has been created for the delivery of the TOM and the restructure that will follow with an anticipated completion of Q1 2021.
- 3.46 Initial funding for an increase in capacity has been identified as 1.1 million from the predesign work carried out by Methods consulting. It was recommended to increase the FTE by an additional 32 posts.
- 3.47 It is proposed that as a part of the TOM workshops, we continue to refine the Inter Authority Agreement.

## **Project Updates**

- 3.48 We are working with colleagues to develop better forward-plans for both SICTS-lead projects (such as infrastructure and core-networks) and council-lead projects with technical requirements (such as application changes based on business re-organisation). This includes the development of a managed timeline of projects and programmes that are in progress, alongside the estimated pipeline of forthcoming and future projects; it is currently in the very early stages of development and we intend to share it more widely as we develop it further.

- 3.49 All projects within our wider-portfolio are being re-baselined with better understanding of need and purpose; enabling us to better accommodate the scale and scope of work needed and to plan and schedule resources (both established staff and ad-hoc) with higher degrees of certainty for both our own and our partner's ongoing developments.
- 3.50 We are embarking on a process of re-design for project principles – engaging with both SICTS and wider-councils' teams to develop a unified and agreed view how projects are identified, how we avoid allowing tasks which are *not* projects (such as business-as-usual or minor change) to become enmeshed in the programme portfolio, classified, resourced, reported, delivered and closed/archived.
- 3.51 The governance structures within the SICTS programme and projects team are being actively reviewed and enhanced so that management have fuller and more wide-ranging oversight of work that is in progress, planned, and delayed or at risk.
- 3.52 We are strengthening and improving our project and programme management capabilities. This has included making our own Project Management Office (PMO) more central to the management processes around projects; starting to create bonds between the PMO's of each council and our own so that shared understanding of priorities and needs can shape the future programme and portfolio of work. We will continue to develop these capabilities in order to provide a strong foundation as the whole organisation considers its Target Operating Model for the Shared ICT Service.
- 3.53 The Cloud Programme is continuing to develop and progress. The purpose of this programme is to move towards more digital and cloud-enabled technologies across all of our ICT estates (for example the redesign and relocation of data-centres, the provision of Microsoft/Office365, online document storage, better and more agile access to systems for people who don't work in at a fixed location). As part of the work to move our environments, Infosys have been awarded a contract to work alongside both SICTS and the councils to develop robust technical and service designs that can be costed, timed, agreed and implemented successfully. We expect that work with the supplier will commence very shortly and are working with both Infosys and colleagues from across the service and councils to facilitate and enable that work.

Current estimates provide that the foundational stages for Southwark's data centre moves – designing and assessing – should be completed by the early summer of 2020 with migration commencing thereafter and being completed by the end of the 2020-2021 financial year. The development of other cloud platforms and services will be, as far as is practical, designed to run alongside this work.

- 3.54 Our Portfolio:



In 2019 we completed (to closure) 26 projects.

As at today, we have a total of 49 open projects:

- a) 15 for Brent (of which 3 are green (indicating that they are on track), 10 amber (indicating some delay or change) and 2 red (indicating significant concerns).
- b) 12 for Lewisham (1 green, 11 amber, 0 red)
- c) 15 for Southwark (4 green, 11 amber, 0 red)
- d) 2 covering multiple partners (0 green, 1 amber, 1 red)

Where a project is tracking as Amber increased scrutiny is being added by senior managers from SICTS in partnership with senior stakeholders from the affected councils. Project Managers are being required to provide higher standard and more frequent reporting and mitigation plans must be provided to offset or respond to issues and delays. When tracked as Red, additional further support is being provided by senior colleagues to ensure that issues are clearly defined and can be addressed with a range of options.

## **Procurement Updates**

- 3.55 We have awarded InfoSys to act as our partner for the Cloud Programme, the value of this contract is £1.4m.
- 3.56 We have renewed F-Secure contract for cyber protection at a cost of £170k for the year, this was a direct award using the G-Cloud Framework.
- 3.57 The mobile services contract for Southwark was awarded to O2 for the value of £300k for the year, this was awarded under the CCS Network Services Framework.
- 3.58 Lewisham have renewed its Microsoft agreement to the value of £1.5m with Bytes under the Kent County Council Framework.

## **4. Financial Implications**

- 4.1 The Shared ICT Service is forecasting an underspend of £70,376 for 2019 – 2020 financial year, against a total budget of £14,669,240. The underspend is primarily due to investment cases being formally approved and funding being made available to cover identified revenue pressures.
- 4.2 The total budget of £14.67m is a combination of non-controllable expenditure of £8.33m and controllable expenditure (staffing and consultancy) of £6.34m. The year to date (period 10) expenditure is £12.8m, which leave £1.85m in the budget for the remaining financial year. The remaining budget accounts for £2.32m consumable recharges across the whole of the shared service.
- 4.3 One of the key components of the £70k underspend is the £2.76m in investment cases that has enabled the shared service to forecast an immaterial slack budgetary outturn position for this financial year.

4.4 This favourable financial position has developed due to a number of improved practices:

- Financial reporting – monthly budget review meetings with all partners
- Clarity around licencing costs – material licences have been identified and have been built into the core 2020/21 budget
- The Microsoft settlement being finalised, and funding being made available to cover this (note 4.5 provides more detail)
- Capital costs being correctly identified and treated taking away any revenue pressures
- Identifying all consumables through a new internal reporting process, this has allowed year to date £2.32m recharges to be stripped out the core financial position
  - This practice also allows project costs to be better tracked and managed

4.5 A negotiated deal was agreed with Microsoft to enable both the cloud migration and the licence deficit to be resolved. A brief update on the outcome of the audit and management response has been provided in Appendix C. The SICTS will pay £3,573,231 over three years to resolve this deficit position. All partners have agreed this, and the first instalment was settled in July 2019.

## **5 Legal Implications**

5.1 This report is for noting. Therefore, no specific legal implications arise from the report at this stage.

5.2 Brent Council hosts the Shared ICT Service, pursuant to the Local Government Act 1972, the Local Government Act 2000, the Localism Act 2011 and the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012. These provisions allow one council to delegate one of its functions to another council as well as allowing two or more councils to discharge their functions jointly with the option of establishing a joint committee. Joint committees can in turn delegate functions to one or more officers of the councils concerned.

5.3 Decisions of joint committees are binding on the participating councils. However, subject to the terms of the arrangement, the council retains the ability to discharge that function itself.

## **6 Equality Implications**

6.1 No equality implications arising from this report.

## **7 Consultation with Ward Members and Stakeholders**

7.1 There are none.

## **8 Human Resources/Property Implications (if appropriate)**

- 8.1 The Target Operating Model will indicate the need for a future restructure of the service, this will be presented with a business case by the Managing Director.

**Report sign off:**

**PETER GADSDON**

Strategic Director of Customer &  
Digital Services