

Review of Information, Communication & Technology (ICT) Services

Report by ICT Services'
Review Group – Nov 2008

For presentation to the
Strategic Monitoring
Committee –
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1. Chairman's Foreword

Having been a member of the Review Group for the previous Strategic Monitoring Committee (SMC) review of Information, Communication and Technology (ICT) Services in 2006, I was more than happy to accept the position of Chairman for the 2008 ICT Review.

During the course of this review, the group has investigated and challenged the service as a critical friend. I was aware of course that it had been an uncertain and difficult 2 years for ICT Services, given the negative publicity and subsequent independent report. The Group was therefore pleased to find not only a robust and thriving service, but also a team of dedicated, knowledgeable and loyal staff. This is further accentuated by the following statements made during the course of the review:-

"The recovery action and management of the financial position following the identification of a projected deficit in 2007/08 is an example to the rest of the authority."

David Powell – Head of Financial Services

"The relationship between ICT Services and Audit Services has improved considerably and is now one of openness and team working".

Tony Ford – Chief Internal Auditor

Whilst all this is excellent, the group has identified some very important issues during the course of this review and I would like to take this opportunity to emphasise just a few of these:-

It would appear that our data centre situated at Rotherwas is no longer fit for purpose. Therefore if some sort of major disaster were to occur at either of the Council's two data centres, the authority could be left with no ICT infrastructure. Not only does this have a huge impact in relation to data recovery and business continuity but could affect everything we do from bin collections to children at risk. It is absolutely vital therefore that a new data centre at Rotherwas is expedited without further delay. This new data centre should also be the core of a first class broadband provision for the whole of the Rotherwas Industrial Estate – something desperately needed for its continued development, improvement and commercial viability. It is also essential that the Council's web site is developed to ensure that it is responsive and provides, through a single access point, a reliable, accurate and readily accessible source of information.

The corporate identity of ICT Services has yet to be recognised across many areas of the authority. We must all accept that whether we like it or not, ICT is here to stay. Not only is it key to how we communicate, it is also essential to the Authorities business. It must no longer be viewed as a necessary evil but be given its proper standing within the authority. Whilst it is an expensive resource, it is not one we can do without and must therefore be treated with the respect it deserves and improvements must be made in relation to both training and security.

Finally, I cannot emphasise enough the importance of maintaining a strong leadership within ICT Services in order to ensure continued progress, improvement and development for the ICT provision across the County.

That just leaves me to issue a heartfelt thanks to my fellow Councillors, Councillor Terry James, Councillor Alan Seldon and Councillor Anna Toon who, along with myself, formed the Review Group for this review, as well as all the ICT staff and other interviewees. I would also like to extend a special thanks to Geoff Cole (Interim Head of Service), Sarah Thraves and Tim Brown. Their unstinting efforts, good humour and dedication were outstanding.

Councillor Sebastian Bowen

2. Executive Summary

Key Findings

The Review Group's key findings in response to the main issues identified in the Terms of Reference (*appendix I*) are:

- Since publication of the previous review of ICT Services in December 2006, Herefordshire Council has published its comprehensive Corporate ICT Strategy (CIS) 2007-2011. The strategy sets out the key aims and objectives for the provision of ICT Services to the authority set against the large number of challenges facing local government in the coming period. It also encapsulates the recommendations of the ICT Review carried out by the Members Scrutiny Review Group in 2006. (*Appendix VII*).
- The corporate network replacement project (otherwise known as the Community Network Upgrade or CNU) has been completed and has delivered the resilience required to ensure business continuity on a day to day basis and provide sufficient bandwidth to meet not only corporate requirements but also that required by schools in order to meet the Government regulations introduced in 2006.

It was recognised that the Council network was now fit to take on the demands of the Primary Care Trust (PCT) and that such a collaboration would provide substantial savings to both organisations. It was noted however, that for this to be a viable option the cultural differences between the two organisations would need to be addressed.

The Review Group recognised that whilst the CNU had delivered what had been required at the time, further development and therefore investment were fundamental in maintaining a secure infrastructure.

There were particular concerns over the location of the two data centres, (as already highlighted in the Corporate Risk Register). It is absolutely essential that the authority have in place two 'fit for purpose' data centres. The existing data centre at Rotherwas is not 'fit for purpose' and as such must be replaced as a matter of urgency.

Another concern is how the infrastructure is going to cope with the provision of the ever-growing bandwidth requirements of the education sector.

- ICT Services and Modern Records achieved the Information Security accreditation to the International Standard of ISO27001 in November 2007. This standard is mandated by central Government for information exchange and sharing between other Government organisations and therefore a pre-requisite for closer working with the Primary Care Trust.

It was recognised that more could be done to secure the safety of data across the Council and that all such measures should be addressed as a matter of urgency. The Review Group recognised that accreditation to ISO27001 would not in itself prevent mis-handling of data and that therefore it was necessary to effect a cultural change across the authority. A recognition of information management as a core business activity should be at the centre of this cultural change.

- ICT Services have been working closely with both Emergency Planning and other Directorates and Services in order to finalise and document all disaster recovery plans and significant progress has been made.

The Review Group noted that some service areas still hadn't fully accepted their responsibilities in this process and that without their input ICT Services were unable to guarantee them business continuity in any disaster recovery situation.

It was further noted that completion of the Herefordshire Connects programme should make this a far more efficient and effective process as having fewer systems to protect and recover will enable more effective use of resources. This is of course dependent on the Herefordshire Connects programme being properly resourced, as reflected in the report to Strategic Monitoring Committee on 16 July 2008.

- Key Performance Indicators/Benchmarking

ICT Services have adopted the Value for Money (VfM) performance indicators as developed by the UK Public Sector Audit Agencies and recommended by the Audit Commission for use in Local Authority ICT departments.

ICT Services was benchmarked against other ICT departments across a wide range of public sector organisations. The draft report from CIPFA (The Chartered Institute of Public Finance and Accountancy) found that in comparison to other ICT departments, Herefordshire Council ICT Services was efficient and value for money at a particular quality point.

They noted that the quality point was low when compared to other organisations within the benchmarking group and that this should be improved. One factor related to this was that overall investment and running costs for ICT were low when compared to other organisations within the benchmarking group. (Appendix V).

- "Value for Money"

Following the recommendations of the Crookall Report surrounding the value for money aspect of the Community Network Upgrade (CNU), an investigation and benchmarking exercise was carried out by the independent public sector consultancy Socitm Limited. This found the contract awarded to Siemens to be value for money but noted that Herefordshire Council was failing to incorporate ICT into their strategic planning processes across the wider organisation. Socitm stated that further value for money could be achieved by considering ICT as a strategic, corporate asset in organisational planning processes.

3. Introduction

The Strategic Monitoring Committee (SMC) completed a review of Information Communication and Technology (ICT) Services in December 2006. The Executive's response to the review's findings was reported to the Committee in March 2007, and a further progress report was made in September 2007.

At its meeting on 16th November 2007 the Audit and Corporate Governance Committee requested that Strategic Monitoring Committee revisit the review that had been carried out in respect of ICT.

A scoping statement for this work was approved by SMC on the 28th April 2008 and is shown at appendix I. It was envisaged that inherent within the review would be consideration of the ICT issues highlighted in the Council Risk Register, as noted by Strategic Monitoring Committee at its meeting of 20 March. 2008.

The purpose of the Review that took place in 2006 was to examine ICT Services' contribution to the provision of ICT for Herefordshire Council and its partners. Further, to understand whether the current service offered value for money and how a balance between the requirements for a robust corporate security and disaster recovery framework and the need for flexibility in our approach to the delivery of the authority's service needs was achieved.

Since publication of the Review in 2006, there have been some significant changes affecting ICT Services' including the creation of a joint management structure for both Herefordshire Council and Herefordshire Primary Care Trust; the appointment of an Interim Head of Service for ICT Services and publication of the Crookall report following various allegations and bad publicity concerning the management and business practices within ICT Services. It was within the context of this background that the Audit and Corporate Governance Committee requested that Strategic Monitoring Committee revisit the review that had been carried out in respect of ICT.

The Group was asked amongst other things to revisit the previous review of ICT services and review progress against the executive's action plan. Appendix 2 sets out the recommendations made, the executive's response and a detailed update on progress as at the end of September 2008.

As mentioned previously, since publication of the review in 2006 there have been some significant changes affecting ICT services. The Group has identified a number of areas covered by the original recommendations where the original recommendations need to be reinforced, strengthened or indeed added to, to reflect evidence considered during the review; some areas where work to implement the action plan is simply ongoing; and other areas where the Group considers the actions have been completed. The Review Group was disappointed by the lack of progress made in relation to a number of these recommendations.

The concluding sentence of each progress update in the appendix indicates the Group's view on progress against each action and cross-refers to this section of the report where relevant. **Recommendation a) identifies the recommendations which are outstanding from the ICT review of 2006 and recommends that they should be actioned without delay.**

Councillor Sebastian Bowen (Chairman), Councillor Terry James, Councillor Alan Seldon, and Councillor Anna Toon were appointed by the Strategic Monitoring Committee to serve on the ICT Services' Review Group 2008.

The Review was undertaken between April and August 2008. This report summarises the key findings of the Review and contains recommendations for Cabinet.

The Review Group would like to extend their thanks to the many interviewees, consultees and officers who submitted evidence during the Review. The Review Group is also very grateful for the assistance of Siemens plc, and to Geoff Cole, Interim Head of Information, Technology & Customer Services and his staff for their co-operation and assistance.

4. ICT Services

Data Centres

Herefordshire Council has two data centres. These data centres are linked by a high speed fibre optic cable as well as a BT line for resilience, the purpose being that if one data centre is out of action, the other will be able to, within a relatively short time, continue to provide key ICT services. Also, the data centres are used to store each other's back-ups.

The existing data centre at Rotherwas is not fit for purpose, as is clearly reflected in the Council Risk Register. Not only is it located in rented accommodation, but also the structure of the building makes the fitting of fire suppression a non-viable option and security is a high risk. As well as all this the existing power supply is insufficient to cope with any further demands being placed on it. It will be necessary to extend the existing fibre optic link across to the location of the new data centre but this is still by far the cheapest option.

Delivery of the Herefordshire Connects programme will vastly reduce the number of ICT systems in use across the Authority and whilst this will deliver many benefits, it also highlights the need for appropriate levels of availability, business continuity and disaster recovery. The ICT systems that the Council will rely upon over the next decade to deliver first class services to the citizens of Herefordshire will need to be highly available. There will be far more staff reliant on far fewer systems and therefore the consideration for a resilient ICT infrastructure means we need to follow best practice and spread the risk by maintaining the dual data centre architecture.

The investment in the extension of the fibre optic cable and the new data centre will provide an infrastructure capable of delivering a first class broadband provision to the Rotherwas Industrial Estate. This should be properly investigated as a matter of priority to see, for example if it might be possible to gain funding from a body such as Rotherwas Futures.

The Review Group is aware that these issues have been progressed during the course of the ICT Review. Cabinet approved a relocation project in September 2008 and acknowledged the potential to contribute towards economic regeneration by providing data centre facilities to Herefordshire businesses or a new wireless broadband service provider. This does not diminish the force of the Group's recommendation that the relocation project should be progressed as a priority and the potential of the new data centre explored.

- b) That the need for a fit for purpose, sustainable, secure and resilient replacement Data Centre at Rotherwas be addressed as a priority.**

- c) The necessary investment required in order to build a new data centre should be leveraged by investigating the possibilities of using the Community Network to provide increased broadband provision to the Rotherwas area.**

Information Security

The Review Group recognise that the principles of ISO27001 are integral to information security and that without having the necessary safeguards in place, data security is at risk. This in itself poses a huge risk to the authority as loss of data can attract huge publicity and significant financial penalties. Recommendation (d) urges the authority to promote this standard across all service areas, which will necessitate an investment in resources in the appointment of a nominated officer from each service area.

The loss of a laptop is a clear risk. It would be simple to encrypt all council owned laptops. Only Members laptops are currently encrypted. It currently costs in the region of £70 per laptop and there are approximately 800 laptops in use within the Council; a cost of approximately £56,000. The cost to the Council of lost data is not immediately quantifiable but could be disastrous. The Group considers the cost of encryption to be relatively inexpensive in this context and one worth meeting.

It is also possible to encrypt a memory stick which is also recommended along with a policy stating that only council supplied memory sticks should be used with council equipment and that any individual found in breach of this policy may be subject to disciplinary action as per the Council's Disciplinary Policy and Procedure. This should be backed up with remote tracking. It is understood that a policy entitled 'Managing Media Devices' is being developed and it is requested that this takes account of the Group's concerns in relation to memory sticks.

The Review Group was advised that there are some elements within the Council that have failed to recognise their responsibilities in relation to Disaster Recovery and Business Continuity. Without input from all service areas, it is not possible for full and detailed plans to be put in place and inevitably, it will be those service areas which fail to respond which will suffer the most in any disaster recovery situation.

- d) Principles of Information Security accreditation ISO27001 should be rolled out across the Council with certification being the eventual aim. Resource should be made available in each Directorate.**
- e) All Council owned laptops should be encrypted prior to commissioning.**
- f) Only Council approved and supplied memory sticks should be used on Council equipment and this policy should be enforced by the use of remote tracking.**
- g) The Executive is urged to ensure that all Directorates/Services are fully aware of their responsibilities and the subsequent consequences of not putting in place appropriate planning in respect of their IT requirements taking into account at all times Disaster Recovery and Business Continuity.**

The Community Network

The Review Group was advised that the new Council network was able to cope with the demands of the PCT and that the PCT were keen for this to happen. Therefore the Review Group urges the executive to promote this possibility with a view to sharing costs.

- h) Use of the Community Network by the PCT should be strongly encouraged and supported.**

Web and Information Management Services

Whilst customers are now able to find a great deal of information on the Herefordshire.gov web-site, it is not yet possible to complete and submit all Council forms on line. The ability to offer this functionality across the board would have a positive impact on efficiency as well as saving money for both customers and Council alike. All customer interfaces must be AA compliant to ensure that the Council continues to meet its obligations under the Disability Discrimination Act (and our Disability Equality Duty) and the European Union (EU) eAccessibility Directive. The guidance from government bodies is that the application of the W3C Web Content Accessibility Guidelines (WCAG) 1.0 'AA' standard is sufficient to meet the Disability Discrimination Act however the Council is committed to achieving 'AAA' wherever possible by taking a leadership role with suppliers and communities.

To ensure that all Council employees are able to access computer systems, the Council should ensure that where practical and reasonable all web-based software applications are AA Compliant. The Review Group does however recognise that this is not always possible due to the limited availability and increased costs. However, adding accessibility is costly and hard work. Software that is built to be accessible will be cheaper to maintain over time, is more likely to be compatible with web browsers and assistive technologies, and will provide a greater degree of future proofing as they are upgraded. If AA compliance is not considered appropriate at the time of purchase an action plan to improve accessibility should be agreed.

The Review Group recognises that the current intranet is neither user friendly nor terribly helpful. This in turn can lead to confusion as to current rules and guidelines as well as frustration and time wasting. All content on the intranet must be re-evaluated and an intelligent search-engine incorporated supporting the discovery of information. The intranet design should make it easy for officers and members to use and promote good practice through a reliable and timely knowledge base, supporting effective decision-making.

The Review Group have serious concerns as to the number of Herefordshire Council Education and school web sites there are. This inevitably creates confusion for the user and can result in the publication of conflicting advice. The Review Group would like there to be a clear route for all customers to be able to access information relating to education and schools. This could be achieved by the development of a mini-site within the Herefordshire.gov web site where all education providers feel confident and positive about promoting their services.

The Review Group recognises that if Herefordshire Council are to make the most of web technology to improve customer services then the appropriate resources and funding must be invested in Corporate ICT to enable the necessary development work to be undertaken, with an expectation of efficiency savings being made across the rest of the Authority.

- i) The web site should be improved making it transactional (i.e. the ability to complete and submit forms on-line). The customer interface should be AA compliant.**

- j) **Wherever practical and reasonable web-based software applications should be AA compliant. If not practical an action plan to improve accessibility should be agreed.**
- k) **The Council Intranet should be re-designed to make it easy for officers and members to use and promote good practice through a reliable and timely knowledge base, supporting effective decision-making.**
- l) **Education and school web sites should be consolidated.**
- m) **Corporate ICT capacity should be increased, on an 'Invest to Save' basis, to allow for development work e.g. web site, intranet.**

IT Procurement and Asset Management

It has come to light during the review that some service areas within the Council still procure IT equipment and software without recourse to Corporate ICT Services despite this being the subject of recommendation (e) made in the 2006 ICT Services scrutiny review. This has resulted in the procurement of software that utilises databases that cannot be supported by ICT Services. Also, it is currently possible for anyone to publish a web site to deliver council services without any regard to Council policy. In order to minimise incidents of this sort the Review Group recommend that Corporate ICT Services (WIMS) have final sign-off on all Council web sites prior to publication.

The Review Group also heard about the work being done in relation to asset management and the use of LANDesk in the monitoring and control of software licenses. This will enable ICT Services not only to identify the software installed on any PC but also to track usage. If a particular piece of software has not been used for some time then it can be removed from the PC and the licence re-distributed. This will enable the Council to save on licence costs and also to ensure that software is not being used illegally.

- n) **The Executive should make it clear across the authority that all ICT services and equipment must be procured either through or in consultation with ICT Services. This includes the development of all web sites, which will be used to deliver Council Information and services, to ensure compliance with Council and National Policies.**

IT Provision to Schools

The Review Group was very keen to re-visit this area due primarily to the negative feedback they themselves had received from schools.

All schools have the opportunity of subscribing to 5 separate services offered by ICT Services. These are:-

- SIMS Support (Schools Information Management System).
- Technical Support
- Whiteboard Support
- Email Support
- Broadband Support

(Both whiteboard support and Email support are options available within the Technical Support SLA.)

The Review Group heard that whilst all Herefordshire schools bar one took some level of support from the SIMS Team, only 22 signed up for Technical Support. Whilst the previous review had recommended that ICT Services should strive to become the preferred provider of services to schools, it was explained that this was unlikely to happen. Schools are increasingly responsible for their own budgets and as such can choose to spend their money where they like. External providers of technical support can provide this service with far less overheads, effectively making it impossible for the Council to compete financially. Those that did choose to take Technical Support from ICT Services, generally speaking, were those schools with little or no internal ICT expertise or those that wished to retain the security of the Council's support. It was noted that the expertise of the support provided by ICT Services was by and large, greater than that provided externally, due to the extensive training received by the Council's engineers.

All schools are currently able to benefit from the competitive rates the Council is able to negotiate for the supply of PC's and equipment regardless of whether or not they take Technical Support from the Council. This effectively means that competitors are being paid to install equipment provided by the Council at cost price. The Review Group therefore support the administration charge being applied to all ICT equipment purchased through ICT Services by schools who do not have a Technical Support agreement with ICT Services, with effect from September 2008.

Broadband Support has been provided to schools via an SLA from April this year. Prior to this broadband provision to schools had been funded via CYPD. The funding this year has gone directly to the schools and therefore there is a possibility for the schools once again to go to an alternative provider. This could prove detrimental not only to the schools that go down this route as their broadband provision could be seriously impaired, but also to those schools who choose to remain with the Council as all costs will still have to be met. It is important to note that an element of the Broadband SLA is the provision of WebSense. This is a web-filtering tool designed to restrict access to unsuitable web sites. This is installed locally at Secondary schools and centrally for Primary schools. This effectively means that Secondary schools are able to block or unblock web sites as they see fit whilst Primary schools must seek permission from CYPD who advise ICT Services accordingly. The Review Group felt that more could be done to protect children in relation to Internet access and have therefore recommended that this process be reviewed.

Another issue that the Review Group felt warranted further inspection was the schools approach to information security. The increasing independence that schools now have from the Council means that some policy areas that are rigorously imposed within the corporate structure do not necessarily find their way into the schools culture. The Review Group therefore urges the Executive to take immediate action to warn schools as to the consequences of losing electronic data and the fact that responsibility lies within the schools and is not borne by the Council. This issue and others could be partly addressed by mandating ICT induction for all school employees prior to them being given access to the network.

During the course of this review, ICT Services have been leading on a project, which has resulted in the Council signing up to JANET (The Joint Academic Network.) JANET provides a 1gb Internet feed into the Corporate Network at its source, compared to the existing BT feed of 100mb. Whilst it is not yet possible for the Council's infrastructure to harness the full power of JANET, phase two of this project will go some way to rectifying this, resulting in increased bandwidth to both schools and corporate users. This is being funded by a grant of £1.1million received from DCSF (Department for Children, Schools and Families). In the meantime, schools will have immediate access to a number of education services that JANET also provides.

An audit has recently been undertaken of the work carried out by Children's Services ICT by the internal audit service. This provides an independent assessment of the extent to which there is duplication and whether any of the work should be carried out by corporate ICT. The draft findings include the need for ICT and CYPD to carry out a joint exercise to provide a shared vision and a list of objectives for Educational Services; the formal transfer of web services and websites to Corporate ICT to administer; and that the training facility currently managed by CYPD is reviewed to see whether there would be efficiencies to be made in sharing existing IT Training Suites.

- o) The importance of Information Security and the consequences of non-compliance should be highlighted to all schools.**
- p) The link-up to JANET (The Joint Academic Network) is supported and it is urged that phase II of this project be completed as a priority.**
- q) It should be communicated to schools that there is an imminent major upgrade to their Broadband provision explaining the advantages that this will give them.**
- r) That a further review be undertaken of the current web site filtering process in place in schools.**
- s) It is strongly recommended that all school employees that connect to the Council network have to attend ICT Induction training as proposed for Council employees in recommendation (u).**
- t) Immediate action be taken to clarify the provision of ICT services to schools and that clear roles and responsibilities are identified between ICT and CYPD.**

IT Training

It is the Review Groups' considered opinion that not enough has been done to further the availability and promotion of IT Training across the authority. The Review Group also recognises that this provision must be centralised in order to provide consistency and adherence to ICT Policies and Procedures. It is now common practice across other organisations for new staff to be denied computer access until they have completed an IT Induction course thereby ensuring adherence to policies and basic IT know-how.

- u) All Council personnel and Members should have mandatory IT training at commencement of employment or taking up of office. Level of training required to be assessed and appropriate level of training identified. ICT Training should be a matter of Continuous Professional Development across the authority.**

Staff Recruitment and Retention

ICT Services remain unable to recruit into certain key positions and therefore continue to rely on Contractors to provide essential skills. In certain situations ICT Services end up paying more to a contractor than we would be if that particular post were adequately awarded. There needs to be a review of market supplements and whether or not this actually attracts suitable candidates to move to Herefordshire. Job Evaluation does not allow for certain key skills to be rewarded in excess of the line manager for that position. This again needs to be reviewed, as it is quite possible within the ICT arena for certain technical skills to warrant a salary in excess of a managerial post. Furthermore it is noted that the PCT pay scale for ICT staff is higher than that for similar posts in the Council,

which will inevitably mean that staff will be keen to take advantage of the better salaries on offer.

The length of time it takes to recruit into a vacant post can still necessitate the use of contractors in order to fill the gap left by the departing staff member and prevents the all important knowledge transfer between incoming and outgoing staff. A recent Butler Group report refers to a 'skills crisis' within the IT sector. This makes Herefordshire Council's ICT recruitment particularly difficult. Shortage of IT skills costs the Council money, not only from repeated recruitment costs but also hidden costs from postponed or delayed IT projects with detrimental affect on business areas and attempts to improve performance. The Butler Group urges employers to review their training and recruitment policies.

- v) Human Resources and Job Evaluation should revisit IT salary scales taking into account the relevant market forces as well as the financial consequences for the Council of not being able to recruit into key positions. The adoption of a pay scale for technical ICT staff may be appropriate.**
- w) Consideration should be given to a policy whereby staff are asked to reimburse to the Council a specified percentage of training costs if they decide to leave the Council's employment within a specified period of time from receiving the training.**

ICT Finance

The Review Group heard that a complete review of the ICT budget took place in August 2007, which looked at all expenditure and income in ICT. A balanced budget position was agreed for all areas, with the exception of the Community Network Upgrade (CNU), between the ICT Service Managers and Resources.

The main changes were as follows: -

- Several posts were removed from the establishment and all vacancies were put on hold until April 2008.
- The number of contractors was initially reduced from 34 to 7; there are currently 2 full-time contractors and 1 part-time contractor working within ICT Services and they all provide skills for which we are unable to recruit.
- All software and licence costs have been identified.
- Procedures have been put in place for checking expenses and authorising invoices.
- The ICT Finance team has transferred to Resources.
- The Head of Financial Services meets with the Interim Head of ICT Services fortnightly to review ICT budget.
- All service managers receive monthly budget monitoring statements and review with the Deputy Chief Executive Directorate Accountant, their monthly performance.
- Cedar and SAP are reconciled on a monthly basis and all financial budgets and data is equally available in Cedar and SAP.
- Recharging between ICT Departments has been stopped allowing complete clarity on the costs of each department.

As a result of these actions the ICT SLA cost was reduced by £220 per PC. In 06/07 1920 PC's were supported at a cost of £2,331,737; in 07/08 2391 PC's were supported at a cost of £2,376,643. ICT have not charged for support in relation to other equipment such as Smart Phones or Blackberry's.

Budget 2007/08 Outturn

	£
ICT Trading Account	(68,518)
Corporate Programmes	(4,755)
Corporate ICT Projects	(62,841)
Community Network	1,059,530

Overspend 923,416

The final position for 07/08 was an overspend of £923,416. However excluding the community network this would have been an under spend of £136,114. As a comparison, in 2006/07 the overspend was £85,000 on Corporate ICT Strategy and all trading costs were charged out to Directorates.

The current proposal is for Corporate ICT Services to be fully funded from base budget from April 2009. This will ensure that corporate ICT Services receives the same budget consideration as other services.

The 2008/09 Budget Summary can be found at appendix VIII.

- x) The Executive should ensure that the proposal that Corporate ICT Services be funded from base budget from April 2009, be properly reflected and taken account of in budget proposals.**

Audit Services

During the course of the review the group met twice with the Chief Internal Auditor who was keen to emphasise that the relationship between Internal Audit and ICT Services has vastly improved over the last 12 months. A full list of audits carried out in 2007/08, and the Herefordshire Council Audit Plan for 2008/09 can be found at appendix VI. All resulting actions are currently the subject of an audit of audits.

Risk Management

The Group wishes to emphasise that the Council risk register identifies the following three risks as high even after the mitigating measures have been taken into account.

They are:

- CR5 – inability to provide critical services due to the failure of ICT networks
- CR29 – potential loss of data centres
- CR30 – legacy systems out of support from vendors

The Group has highlighted these matters in its report and made appropriate recommendations to the Executive, noting that the Executive itself has recently taken decisions to address these risks.

The Group has not made any specific recommendations in respect of CR30 as this risk is being addressed as part of the Herefordshire Connects programme.

5. S.M.C. ICT Review 2008 - Recommendations

- a) That the following recommendations which are outstanding from the ICT Review of 2006 be actioned without further delay: (recommendation references are to the original 2006 report)

(a) Responsibility for the line management for all the authority's ICT staff should be placed within the ICT Services Division and implemented with immediate effect.

To be actioned in conjunction with new recommendation (t).

(c) A review of the financing of ICT Services is undertaken examining the way directorates account for ICT spend, base budget for ICT Services, as well as the corporate funding of ICT programmes.

To be actioned in conjunction with new recommendation (x).

(e) The existing ICT procurement policies and procedures, including taking positive action to address non-compliance, are enforced. Further that the appointment of the Strategic Procurement & Efficiency Review manager will progress the need to develop the council-wide procurement policy.

To be actioned in conjunction with new recommendation (n).

(h) The responsibility for providing ICT training and its procurement be centralised under the management of the ICT service. As part thereof, the identification of ICT training needs should be formalised as part of induction and recorded.

To be actioned in conjunction with new recommendations (s) and (u).

(l) A single website for all council services is developed ensuring consistent branding and access to services for all. Further that the website should consider the potential for a single, obvious directory of contacts for all council services.

To be actioned in conjunction with new recommendations (l) and (n).

(m) The options for "growing own talent" through training and the use of a form of "golden handcuffs", possibly by means of recouping the cost of training should the individual leave the authority within a given period, be explored by Human Resources.

To be actioned in conjunction with new recommendations (v) and (w).

- b) That the need for a fit for purpose, sustainable, secure and resilient replacement Data Centre at Rotherwas be addressed as a priority.
- c) The necessary investment required in order to build a new data centre should be leveraged by investigating the possibilities of using the Community Network to provide increased broadband provision to the Rotherwas area.

- d) Principles of Information Security accreditation ISO27001 should be rolled out across the Council with certification being the eventual aim. Resource should be made available in each Directorate.**
- e) All Council owned laptops should be encrypted prior to commissioning.**
- f) Only Council approved and supplied memory sticks should be used on Council equipment and this policy to be enforced by the use of remote tracking.**
- g) The Executive is urged to ensure that all Directorates/Services are fully aware of their responsibilities and the subsequent consequences of not putting in place appropriate planning in respect of their IT requirements taking into account at all times Disaster Recovery and Business Continuity.**
- h) Use of the Community Network by the PCT should be strongly encouraged and supported.**
- i) The web site must be improved making it transactional (i.e. the ability to complete and submit forms on-line.) The customer interface should be AA compliant.**
- j) Wherever practical and reasonable web-based software applications should be AA compliant. If not practical an action plan to improve accessibility should be agreed.**
- k) The Council Intranet should be re-designed to make it easy for officers and members to use and promote good practice through a reliable and timely knowledge base, supporting effective decision-making.**
- l) Education and school web sites should be consolidated.**
- m) Corporate ICT capacity should be increased, on an 'Invest to Save' basis, to allow for development work e.g. web site, intranet.**
- n) The Executive should make it clear across the authority that all ICT services and equipment should be procured either through or in consultation with ICT Services. This includes the development of all web sites, which will be used to deliver Council Information and services so as to ensure compliance to Council and National Policies.**
- o) The importance of Information Security and the consequences of non-compliance should be highlighted to all schools.**
- p) The link-up to JANET (The Joint Academic Network) is supported and it is urged that phase II of this project be completed as a priority.**
- q) It should be communicated to schools that there is an imminent major upgrade to Broadband provision explaining the advantages that this will give them.**
- r) That a further review be undertaken of the current web site filtering process in place in schools.**

- s) It is strongly recommended that all school employees that connect to the Council network have to attend ICT Induction training as proposed for Council employees in recommendation (u).**
- t) Immediate action be taken to clarify the provision of ICT services to schools and that clear roles and responsibilities are identified between ICT and CYPD.**
- u) All Council personnel and Members should have mandatory IT training at commencement of employment or on taking office. The level of training required should be assessed by use of questionnaire. ICT Training should be a matter of Continuous Professional Development across the authority.**
- v) Human Resources and Job Evaluation should revisit IT salary scales taking into account the relevant market forces as well as the financial consequences for the Council of not being able to recruit into key positions. The adoption of a pay scale for technical ICT staff may be appropriate.**
- w) Consideration should be given to a policy whereby staff are asked to reimburse to the Council a specified percentage of training costs if they decide to leave the Council's employment within a specified period of time from receiving the training.**
- x) The Executive should ensure that the proposal that Corporate ICT Services be funded from base budget from April 2009, be properly reflected and taken account of in budget proposals.**
- y) Subject to the Review being approved, the Executive's response to the Review, including an action plan, is reported to the first available meeting of the Committee after the Executive has approved its response.**
- z) A further report on progress with respect to the Review be made after six months with consideration then being given to the need for any further reports to be made.**

Appendix I

Scoping Document

REVIEW:	ICT SERVICES	
Committee:	Strategic Monitoring Committee	Chair: Councillor WLS Bowen
Lead support officer:	Geoff Cole – Interim Head of Information, Technology & Customer Services	

Terms of Reference

This review covers

- To revisit the scrutiny review of ICT Services completed in December 2006 and establish:
 - progress of the key corporate systems and projects, including the corporate network replacement project
 - progress of security incidents and resultant actions in period.
 - progress of disaster recovery plans.
 - progress of performance against key performance indicators
 - update regarding the “Value for Money” aspect of ICT service provision
- To review progress against the executive's action plan (published in March 2007) in response to the above.
- To make recommendations regarding the future direction of ICT services and possible improvements in the wider use of IT Technology to support improved outcomes in the county.

Desired outcomes

- To ensure that the ICT Service is providing value for money, and make recommendations to the executive as appropriate.
- To ensure that performance of the ICT service is improving, and make recommendations to the executive as appropriate.
- To ensure that the ICT service is fit for purpose to improved outcomes in the county, and make recommendations to the executive as appropriate.

Key questions

- To establish progress made against the executive action plan, service plan, and other improvement/action plans since December 2006.

Timetable

<i>Activity</i>	<i>Timescale</i>
Agree scope	April 2008

Assess currently available information	April 2008
Undertake publicity of the review, set option	28.04.08 S.M.C.
Final confirmation of interviews of witnesses	April/May 2008
Carry out programme of interviews	May 2008
Reference visit to another like authority	???
First draft report	Early June
Final analysis	Mid June
Recommendations	Late June
Present Final report to Strategic Monitoring Committee	16.07.08 S.M.C.

Members	Support Officers
Councillor WLS Bowen (Chairman)	Geoff Cole, Interim Head of Information, Technology, & Customer Services
Councillor T James	Sandra Dallimore, Technical Services Manager
Councillor A Seldon	Richard Beavan Pearson, Performance Improvement Manager
Councillor A Toon	Audrey Harris, Corporate & Customer services Accountant
	Sarah Thraves, ICT Support Analyst

Appendix II

Progress in relation to Previous Recommendations

Recommendations; Executive's Response; Progress Report

- (a) **Responsibility for the line management for all the authority's ICT staff should be placed within the ICT Services Division and implemented with immediate effect.**

Executive's Response:-

The Corporate Management Board has already agreed this position in principle. Although the recommendation makes specific reference to staffing in one directorate there is a need to separate out what is effectively service considerations and technical support and make adjustments to line management arrangements accordingly. In Children's and Young People's Services this implies a separation of curriculum and technical support. For each area of the Council where staff are involved in some technical activity this clarification needs to be sought and will form part of overall realignment through the Herefordshire Connects programme.

Progress Update – Sept 2008

Whilst it is acknowledged that both Herefordshire Connects and the PCT/HC shared working arrangement will have an impact on this recommendation, it is clear that there are still issues arising in relation to whom is responsible for the provision of IT resources and requirements from within the authority. Schools in particular have experienced difficulties where the overall IT provision is split between ICT Services, CYPD and external suppliers. An audit has been undertaken of the work carried out by Children's Services ICT by the internal audit service. This provides an independent assessment of the extent to which there is duplication and whether any of the work should be carried out by corporate ICT. It is also noted that regardless of the outcome, consideration must be given to the ownership of licences and software.

Action

This recommendation is ongoing and can be related to new recommendation (t).

- (b) **Consideration is given to the control for ICT expenditure being placed within the ICT Services Division subject to overall responsibility being held by the Director of Resources.**
- (c) **A review of the financing of ICT Services is undertaken examining the way directorates account for ICT spend subject to recommendation (b) above, base budget for ICT Services, as well as the corporate funding of ICT programmes.**

Executive's Response

Overall responsibility for management of the budget arrangements for the Council rests with the Director of Resources in her role as section 151 officer. Within that framework the Director of Corporate and Customer Services has overall responsibility for the budget contained within the directorate and under financial standing orders needs to manage those as a whole. The commitment to the Herefordshire Connects programme has already placed an embargo on any further ICT development and procurement activity (with the exception of desktops). There is an exceptions process, which has been overseen to date by the Herefordshire Connects Board and will shortly shift to the Information Policy Group. In future therefore the expenditure on ICT platforms and software will be subject to the same rigours as at present and signed off in a business case approach demonstrating clear benefits on how these will be realised. More specifically in relation to the ICT budgets – corporate ICT projects and the trading account, the Director of Corporate and Customer Services has agreed with the Director of Resources that a fresh look needs to be taken at how these are set out, managed and accounted for.

The ICT projects budget needs to be focussed on support to the implementation of the Herefordshire Connects programme. To date much of it has been used to supplement external funding for web services, to implement necessary email upgrades and to develop a corporate approach to GIS and to put in place server replacement capacity. A more fundamental review is required in respect of the trading account and there is an emerging view about insufficient investment in this area and the need for that is reflected in any revision of the medium term financial strategy. That work has already started.

Progress Update – Sept 2008

An Accountant from Financial Services within the Resources Directorate now supports ICT Finances. The post holder monitors budgets and provides financial support as required. The Accountant provides wider support to the Deputy Chief Executives Directorate. Accountant also holds line management responsibility for all former ICT Finance staff. This arrangement has now been in place for 18 months and has proven to be both workable and satisfactory for all concerned. The Corporate Programmes team transferred out of Information, Technical and Customer Services in June 2007 and all budget and funding arrangements transferred accordingly.

Work is currently underway to evaluate the possibility for ICT Services to be fully financed from corporate budgets thereby negating the necessity for internal charging and therefore management of a trading account.

Recommendation (b) is closed and responsibility for control of ICT expenditure sits with the Deputy Chief Executives Directorate Accountant.

Action

Recommendation (c) is ongoing and can be referred to new recommendation (x).

- (d) **A council-wide policy should be developed and implemented that provides for greater standardisation of desktops and server infrastructure and that ICT Services should have the responsibility for the management and control of this policy ensuring that it provides equipment and software to meet the requirements of the post rather than the wishes of the individual. Further, that this policy provides all ICT assets are corporate and not the possessions of individual services or staff. In effect this means that ICT assets will not be relocated with individuals but rather that individuals will be relocated to existing assets.**

Executive's Response

The authority needs to consider provision such as the community network and other infrastructure as a corporate asset and deal with it accordingly.

The call for greater standardisation for both servers and desktops is welcomed. The complexity of the server infrastructure and desktop configurations currently in use has long been a source of frustration and the support thereof takes up a disproportionate amount of capacity. The ICT Strategy also sets out the need to standardise. Work is already well advanced on server consolidation as referred to above. In terms of desktops, BT is currently conducting an eleven-week analysis of the requirements of specific job roles. This will not prescribe the technology to be used but will set out a range of options. Clearly the move to standardisation also involves consideration of the way in which ICT is financed in the future because, for a transitional period at least, there will be a 'gap', which needs to be managed and ultimately a rolling programme of replacement every three to four years. Again this will need to be picked up in conjunction with the funding review.

Progress Update – Sept 2008

A standardisation report was compiled and approved by Corporate Management Board (CMB) which accepted the need to move towards a four year refresh cycle for client side devices (including desktops PC's, laptops and tablets). This budget forecast for this has been concluded and will be centralized over the next 5 years.

CMB accepted the need that all PC assets should have their ownership transferred to a corporate repository rather than sitting within Directorates - this will facilitate flexible working and allow a managed cycle of PC replacement to take place over the next four years of the agreed refresh cycle.

CMB also accepted the need for a move towards Smartphone's away from Blackberries and PDA's as a mobile communications device where required. Software licence pooling for standard office software (specifically Adobe and Microsoft) was accepted as a way to better use the current licences in existence and reduce the spend by Directorates. These licences will therefore become corporate-owned rather than Directorate specific.

Action

This recommendation is considered closed and desktop standardisation is now being rolled out across the authority.

- (e) **The existing ICT procurement policies and procedures, including taking positive action to address non-compliance, are enforced. Further that the appointment of the Strategic Procurement & Efficiency Review manager will progress the need to develop the council-wide procurement policy.**

Executive's Response

The principle on non-compliance will require any proposals to purchase outside of agreed guidelines to be thrown back and to be the subject of action within the directorates. Since being appointed the Strategic Procurement and Efficiency Review Manager has already set about reviewing the council's procurement policies including that for ICT.

Progress Update – Sept 2008

Non-compliance will be reduced through on line ordering on a council wide basis with preferred suppliers loaded on to the system. These will be the only suppliers that can be bought from.

Though the acceptance of standardisation for client devices including PC's enforces control of procurement policies and procedures, other steps need to be taken by CMB to reinforce the single supplier status of ICT within the Council for all procurements - supported by the Resources Directorate through the Strategic Procurement and Efficiency Manager and their team.

All projects originating from ICT Services are subject to the same business case route now being enforced for all projects regardless of originating Directorate. All projects will be subject to a strict business case appraisal including sign-off of procurement and financial elements by the relevant departments within Resources.

Action

This recommendation is ongoing as per new recommendation (n).

- (f) **Consideration is given to dedicated public relations support to the Head of ICT and the means by which this might be delivered.**

Executive's Response

The Council has a corporate communications team, which increasingly offers support for specific directorates on the basis of an agreed communication strategy. This has already been implemented successfully within the Children and Young Peoples Directorate and a similar package is being deployed to ICT Services. There is also work to be done internally in improving communication from ICT to other customers, for example schools and members, and there are a number of mechanisms already in hand, for example ICT liaison meetings with schools and the review of ICT support to members which can assist this development.

Progress Update – Sept 2008

This is viewed as no longer being a requirement.

Action

This recommendation is closed with no further action.

- (g) **As part of the corporate review of SLAs the ICT Service ensures that the ICT SLAs are clearly worded, and describe clearly the range of services to be provided, charges and any relevant financial arrangements and are communicated to all relevant officers and issued no later than the start of each financial year moving forward.**

Executive's Response

CMB has commissioned a working group of SMT members to conduct a review of all SLA's within the authority. The interim report is expected in May and comprises representatives of not just the providers of support services through SLA's, but also the services that receive them.

Progress Update - March 2008

SLA's have been completed for 2008/09 as per the appropriate guidelines. The current status is that all Directors have received a copy, and 4 out of 7 have returned signed copies. We are chasing the outstanding documents.

Action

This recommendation is closed.

- (h) **The responsibility for providing ICT training and its procurement be centralised under the management of the ICT service. As part thereof, the identification of ICT training needs should be formalised as part of induction and recorded.**

Executive's Response

Identification of ICT training needs will be derived from a number of sources. In part there is expectation of the authority on officers to use the equipment they are provided with effectively and to set out clear levels that might be achieved. It is recommended that the induction programme for all new staff include a compulsory module on ICT, as it does for Diversity. It will also be a requirement to set out specific training programmes' to accompany the introduction of new hardware and software systems. This again will form a significant element in the implementation of Herefordshire Connects. It will also be necessary to review the training needs that arise as a result of SRD interviews and capture these across the Council so that appropriate remedial actions can be taken. ICT Services needs to work with the HR training and development function to identify and then provide a suitable response to the requirements.

Progress Update – Sept 2008

The ICT Training Team within ICT Services proactively manages corporate ICT training. Including ECDL provision as well as specific training programmes such as SAP - CRM training (Used in the Info shops), Outlook Calendar Training, Blackberry Devices and the Members ICT Induction. The ICT Training Officer has also been instrumental in developing and delivering the training required for the implementation of the new Social Care IT Solution. All of these courses have received very positive feedback and have been added to the range of services coordinated and delivered by the ICT Training Team. The ICT Training team also support and oversee the training activities of the other ICT departments providing support and examples of best practice.

ICT Training Resources - ICT Services have a fully equipped training facility able to cater for up to 24 learners at any one time. One full time ICT Training Officer and one full time ICT Training Coordinator are also in place.

Since November 2007, ICT Services have been giving a 20-minute presentation at Central Induction. The presentation provides an overview of the services that ICT Services provide,

demonstrates examples of best practice whilst also providing the opportunity for staff to ask questions directly.

More could be done to improve the provision of ICT Training with increased funding and more staff. This could include compulsory ICT induction for all staff and an increased programme for standard training opportunities. Such a service would increase our chances for gaining IIP (Investment in People) accreditation.

Action

This recommendation is ongoing and reflected in new recommendation (s) and (u).

- (i) The options for offering a variety of income generating services to local partners not covered under existing SLAs are explored.**

Executive's Response

The executive supports the view that in the future there may well be opportunities for income generation but this stage recommends attention be focussed on getting the 'ship in order' first.

Progress Update - Sept 2008

Work is being progressed with the PCT as a first step towards offering services to that organisation where needs can be met. This is subject to wider decisions taken about the scope and scale of Herefordshire Public Services.

Focus on 'getting the ship in order' has started with the first step being the Corporate ICT Strategy signed off in July 2007 by Cabinet. Improvements are being identified as part of a rolling programme of work to raise customer service levels and the performance of the ICT Services department.

Action

This recommendation is closed.

- (j) Improvement to the implementation of project management throughout the authority continues and the interface between Corporate Programmes and project delivery within Directorates is strengthened.**

Executive's Response

Since the ICT Review commenced the Council has implemented a set of governance arrangements for its transformation programme. This includes project boards to oversee key developments in accommodation, adult services, children and young people services, customer services, workforce strategy and Herefordshire Connects. All of these are allocated project managers and are being quality assured to make sure they meet principles of Prince2 project management. In addition CMB has endorsed the necessity for other projects to ensure adequate project management arrangements and this will form part of the project approval process. There is an issue of how this resource is financed in the future and consideration should be given to it being clearly identified as a cost in the project approval process.

Progress Update - Sept 2008

The Corporate Programmes service was repositioned in the Council in June 2007, transferring from the Information, Technology & Customer Services and reporting in its own right to the Director of Corporate & Customer Services. This was to ensure closer alignment with Herefordshire Connects and other projects and programmes in the Council. It reflected the continued and growing importance of business change and project management for the council and to make sure that the service was positioned as a 'corporate' resource. A principles paper recommending revisions to the team structure, reducing overall costs and ensuring greater alignment of Corporate Programmes to the corporate requirements and objectives of the Council has recently been prepared. Following full consultation these changes are being implemented as of October 1st, 2008.

A dedicated Project Assurance Manager is now in post. The main duties being; firstly, to ensure that Council's Programme and Projects portfolio is monitored and reported in accordance with recognised quality standards, procedures and policies. Secondly, to develop and implement best practice in the methods, processes and procedures used by the Corporate Programmes Service. This is already having a considerable beneficial impact on our work programme.

Frameworks on best practice developed in conjunction and consultation with Corporate Procurement, Audit and Finance include;

- Framework 01 PPM Reporting
- Framework 02 Project Procurement
- Framework 03 Product Based Planning
- Framework 04 Risk and Issue Management

Action

This recommendation is closed.

- (k) That the feedback from schools be analysed and an improvement plan prepared to address the many concerns identified, with a view to ICT Services becoming the preferred provider of services to schools funded and maintained by the Local Authority.**

Executive's Response

The Council has now implemented a series of ICT liaison meetings between representatives of the high schools and primary schools, Corporate and Customer Services (ICT Services) and the Children and Young Peoples Directorate. An independent satisfaction survey was commissioned through HEDRA and feedback provided to the high schools in early December. Feedback has recently been given to the primary schools. ICT Services had already implemented some of the recommendations including, for example, regular report back on incident reporting and set out a clear timetable for discussion of 07/08 SLA's with schools.

The other main focus of this activity to date has been on piloting a remote access solution required by the DFES by 2008, in a high school and a primary school. That is due to report back on the 20th March. There has been continued involvement from both pilot schools in that activity. In addition, the remainder of schools have been kept up to date directly with progress on the project.

The recommendations contained in chapter seven of the ICT review report has been shared with schools and a request made to work with the authority in building the improvement plan. This was agreed at the last meeting. Nonetheless it is important to recognise that the relationship with schools will never be a straightforward and easy one to pursue and that the Council will need to work hard to ensure that any communications to schools is effectively disseminated to all.

Progress Update – Sept 2008

Relationships between schools and ICT services have continued to improve through the regular liaison group meetings.

The CNU project has delivered a broadband service to schools throughout the county.

The Review Group recognises that provision of SIMS support is competitive however they recognise that ICT service cannot compete with other local service providers in relation to technical support.

Schools are often frustrated by the confusion which exists between the range of ICT services provided by CYPD and ICT services, as to which Council Directorate provides which service.

The recent Review of Computer Systems, Data, Applications and Skills in CYPD and ICT Services outlined several recommendations which included the creation of a joint shared vision and list of objectives for the provision of education services provided to by the council to schools between CYPD and ICT services.

Action

This recommendation is closed. New recommendations relating to schools are (o) through to (t).

- (l) A single website for all council services is developed ensuring consistent branding and access to services for all. Further that the website should consider the potential for a single, obvious directory of contacts for all council services.**

Executive's Response

This principle is already accepted and some websites have migrated. The executive accepts that this process needs to be speeded up and will request a timetable for completion of the exercise.

Progress Update – Sept 2008

Web links for the Council's A-Z of services were included in the April edition of Herefordshire Matters and have now been published on the Council's website.

At the moment the A-Z is based on a list of categories provided by central government which have been mapped to web content for different services on our website.

We are currently reviewing with the Records Manager and Head of Communications the new requirements for the Freedom of Information Publication Scheme regarding contact information, which need to be in place for the 1 January 2010.

The latest review lays out a number of recommendations around the provision of web enabled services and the need for central monitoring and co-ordination as well as further investment.

Action

This recommendation is ongoing and is reflected in new recommendations (l) and (n).

- (m) The options for “growing own talent” through training and the use of a form of “golden handcuffs”, possibly by means of recouping the cost of training should the individual leave the authority within a given period, be explored by Human Resources.**

Executive's Response

The review team was right to highlight the difficulty in recruiting to some posts in this area and the challenges faced in keeping staff once they have undertaken training and possess highly marketable and sometimes scarce skills. This is not unique to Herefordshire. Work is already underway between HR and ICT Services on developing a recruitment and retention strategy for ICT Services. This was highlighted in the workforce strategy priorities for 07/08.

Progress Update – Sept 2008

Nothing has been heard from HR as to the use of Golden Handcuffs although it is thought that there may be some legality issues around this initiative.

There are still many issues concerning the recruitment and retention of ICT staff, not least of all being that the PCT offer greater reward for the same skills. These issues have been taken forward in the new recommendation.

Action

This recommendation is ongoing as per new recommendation (v) and (w).

Appendix III

Information Gathering

A number of meetings were held between the Councillors' and a selection of interviewees.

- **ICT Services**

Representatives from each service area within ICT were invited to talk about the work carried out in their specific areas.

- **Audit Services**

The Chief Internal Auditor was interviewed in connection with recent audits carried out within ICT Services and the ongoing relationship between ICT Services and Audit Services.

- **Corporate ICT Strategy**

The project manager with responsibility for the Corporate ICT Strategy explained the background to, and the importance of this strategy.

- **Corporate Programmes**

The Corporate Programmes Manager was invited to discuss improvements made in Corporate Programmes across the authority.

- **ICT Finance**

Both the Head of Financial Services and the Accountant for Corporate & Customer Services were interviewed in relation to the current state of ICT Finance and future funding plans.

- **ICT Performance Management and Benchmarking**

The project manager with responsibility for the Public Service Trust and the Corporate ICT Strategy explained the new performance management measures and benchmarking processes that had been put in place to measure the effectiveness of ICT Services.

- **The Community Network Upgrade**

Representatives from Siemens plc gave a presentation showing the infrastructure of the new network, the benefits already realised and future possibilities for further development.

- **Children and Young People's Directorate**

The Director of Children's Services was invited to discuss ICT provision to schools.

- **ICT Procurement**

The Strategic Procurement and Efficiency Manager was invited to discuss improvements and controls relating to ICT Procurement and the awarding of ICT Contracts.

- **Herefordshire Connects**

The Programme Manager for Hereford Connects was interviewed in respect of the work currently ongoing within Social Services for the implementation of the new and sustainable IT solution.

From these interviews the Review Group were able to address each of the recommendations and progress made since the last review whilst also compiling a list of new recommendations for the consideration of Cabinet.

Appendix IV

Staff & Service Organisation

Head of Service

Geoff Cole was appointed as Interim Head of Information, Technology and Customer Services in April 2007. Since then significant progress has been made in stabilising the organisation and structure of ICT Services.

There had previously been significant reliance on the use of contractors, which, was not only expensive but also created a lack of continuity within the organisation. There is no question that these individuals helped the service to achieve the significant improvements made over the previous 4 years but on the other hand the continued reliance on this expensive resource had started to generate a lack of self-esteem amongst some employees and distrust amongst others. Within 6 months of taking up his new post, the Interim Head of Service was able to reduce this number considerably and therefore show a cost saving.

Technical Services Manager

Sandra Dallimore was appointed as Technical Services Manager in January 2008. In this role Sandra has assumed overall management of Networks, Desktops and Database activities with a staff of 26. Sandra has been an employee of Herefordshire Council ICT Services since 1999 and as such is a well-known face amongst staff and customers alike. Her previous role had been that of Desktop Support Team Leader, giving her first-hand knowledge of the pressures and difficulties facing that team. Prior to that she had been responsible for setting up and managing the Education Support Service team giving her intricate knowledge of the IT pressures facing the schools and the complexities involved in dealing with the Education sector.

Support and Development Manager

Adrienne Davies has been within local government since 1986 when she joined Hereford City Council. She has been in the role of Support and Development Manager since September 2005. In this role Adrienne has responsibility for ICT Support Services, Application Support and Development, SIMS (Schools Information Management Systems) Support, ICT Helpdesk, GIS (Geographical Information Systems) and the ICT Training Service; a total of 38 staff. Adrienne's background is as a computer programmer and she has held various team leader roles within this area, she is therefore ideally placed to manage this section of the Council's Corporate ICT functionality. She is very much a hands-on Manager and works closely with all her team leaders. Adrienne also sits on the Joint Corporate & Diversity Group.

Web Information Management Services Managers

Ellen Pawley was appointed to this new position at its conception in May 2007. The role was created by the amalgamation of Web and Information Management services and Ellen came to this role direct from her position as Knowledge Manager. Ellen has vast experience in web content management and is very knowledgeable about all related legislation. This is a fast growing area in the world of IT as more and more public services are being accessed through websites and as such Ellen is perfectly placed to ensure Herefordshire Council's continued success in this field. Ellen has worked for Herefordshire Council since January 2003 having transferred from the Herefordshire Health Authority.

Information Security and Data Centre Manager

John Pritchard was appointed to this position in 2007. In this role John is responsible for the maintenance and security of the corporate data centres as well as Information Security across the authority. Information security is currently receiving a great deal of coverage in the National Press and the consequences of any breaches can incur enormous fines. John

is very active in getting this information across to all council employees and Members as well as putting in as many safeguards as practically possible. As data centre manager John has prime responsibility for Disaster Recovery and Business Continuity. One of the biggest pressures currently in this area is the viability and longevity of the two corporate data centres currently situated at Thorn Office Centre and Plough Lane, both properties that are not owned by the authority.

John has worked for Herefordshire Council since March 1999.

ICT Client Account Managers

Lucy Ruck was appointed as ICT Client Account Manager Team Leader in January 2008. She originally joined the Council as an ICT Client Account Manager in September 2005 and is the first person to hold the senior role of Team Leader. The CAM's team is key for the future of ICT services, in order to increase the success of the Authority's approach to a more joined up working and the delivery of its business objectives supported by effective ICT. The creation of this managerial role reflects the growing importance played by this team also reflected by the fact that, including Lucy, they are now a team of 4.

Corporate Programmes

In June 2007 the Corporate Programmes service was repositioned in the Council from the Information, Technology and Customer service to the Director of Corporate & Customer Services and subsequently to the Deputy Chief Executive.

ICT Finance

The responsibility for ICT Finance reverted to the control of the Resources Directorate in April 2007. Audrey Harris as Accountant for the Deputy Chief Executive's Directorate, heads up the team and has been instrumental in providing clear and balanced figures for ICT Services and initiating the re-structure of ICT funding.

Public Sector Corporate Services VfM Indicators

ICT 2006/07

Document Ref: VfM-ICT-2006/07
Version: FINAL
Author: Institute of Public Finance
& Herefordshire Council
ICT Services

In association with



As recommended by



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1. Preface

1.1. Introduction from Institute of Public Finance (IPF)

The UK Audit Agencies (Audit Commission, NAO, Audit Wales, Audit Scotland and Northern Ireland Audit Office) combined together to develop a set of indicators to measure the value for money of support services across the public sector. KPMG, with IPF as a partner, was appointed to undertake the research and development work and the Audit Agencies published their report in May 2007.

The functions covered by the VfM indicators (Finance, HR, ICT, Property and Procurement) have been identified by the Government as a priority area for securing efficiency improvements and releasing resources for use in delivering front-line services. Although the Audit Agencies were keen for public sector bodies to use the indicators, they decided not to offer a benchmarking service themselves. IPF (supported by KPMG) has therefore undertaken to provide this service to the public sector. In this, the first year of operation, over 80 organisations have subscribed, and we expect that more bodies will participate once the value of this service becomes apparent.

I hope that you find the enclosed information useful, and more importantly that you use it in the spirit in which it is intended; this is not a “school report”, but instead is a tool to help you take a view on the value for money provided by your corporate support services, and provide some pointers as to how they might improve.

We have great plans for how to develop this service further and hope that it makes a real contribution to improving value for money in corporate services.

Julian Mund
Director, IPF

1.2. Supplementary Documents

The following documents should be read alongside this document as they provide additional background information and documentation provided by the Institute of Public Finance (IPF).

Ref.	Document	Description	Version
Appendix 1	Public Audit Forum - Press Release.pdf	Press release from Public Audit Forum launching the indicators.	1.0
Appendix 2	VfM - Full Report (May 2007).pdf	Detailed background on the indicator sets and the rationale behind creating them.	1.0
Appendix 3	IPF_VFM ICT08_Final.pdf	Herefordshire Council final report comparing ICT Services against all participants.	1.0
Appendix 4	IPF_VFM ICT08_Comps.pdf	Final report comparing ICT Service against benchmarking group.	1.0

2. ICT Services Indicators

2.1. Report Context

This is the first time the benchmarking service has been run by IPF and KPMG. As such the timescales originally proposed to the Council had to change. This meant a delay in returning our results to us and in the publication of this report.

The report cover all public sector organisations including Councils (unitary, metropolitan unitaries and district Councils), NHS agencies (PCT and hospital trusts), Police agencies (including regional forces and watchdog bodies),

2.2. Gathering The Data

The data was collected between November 2007 and January 2008 and submitted to IPF in early February. Data was required from a range of ICT and non-ICT sources.

All financial information was provided by Financial Services from the CEDAR accounting system.

Procurement information was provided by the ICT Services SAP back-office system.

The ICT survey carried out between November and January was conducted, managed and validated by the Research Team to ensure independence.

Project data collation and the calculation of that indicator were carried out by Corporate Programmes.

2.3. Choosing Comparators

Comparators for the benchmarking group were selected from the organisations who took up the service. IPF allowed up to 18 organisations to compare our results against.

These comparators were chosen on the basis of four key pieces of data:

- Organisational Running Costs – similar size
- ICT Cost – similar budgets in ICT Services
- Capital Spend – similar investment into ICT
- Workstations – similar number of computers across the organisation
- Organisation Type – unitaries and councils were favoured over other public sector bodies although NHS trusts and police organisations were included.

As the participants cover a wide range of public sector organisations, there were no direct comparators that matched in all four areas. Therefore, the selection was based on including all organisations that matched at least one of the above criteria.

The comparators organisations were chosen on the basis of similar figures for at least one of the criteria above. This information is not included with the report as we have been informed by the IPF not to include it. IPF has been advised that this data is exempt under Sections 41 and 43(2) of the Freedom of Information Act. Disclosure of this data would breach our confidentiality agreement with IPF and would prejudice IPF's commercial interests.

2.4. Interpreting the Results

The indicators fall into two broad categories, efficiency and effectiveness. Effectiveness is divided further into three sub-categories; impact on organisation, satisfaction and modernisation.

Type	Sub-Type	Explanation	Relevant Indicators	
			Primary	Secondary
Efficiency	-		1,3	1,2,6
Effectiveness	Impact on Organisation	Impact, in terms of how the output from ICT Services contributes to or influences corporate performance as a whole.	2,4,5	3,4,5
	Satisfaction	Satisfaction of users and senior managers, looking at how ICT Services are regarded by staff who use these services and also by the senior management who commission them.	7	
	Modernisation	Modernisation, to consider the extent to which an organisation has adopted management practices regarded as being innovative and forward looking.	6,8	

It is important that organisations interpret the results from the indicators as a set, taking into account the information they offer on their performance in respect of both efficiency and effectiveness.

For example, results for an efficiency measure such as primary indicator 1 (the cost of the ICT function as a percentage of organisational running costs) need to be interpreted alongside the results for effectiveness measures such as primary indicators 4 (the percentage of incidents resolved within agreed service levels), 7 (the commissioner and user satisfaction index) and 8 (the management practice indicator).

A well known benchmarking initiative for the ICT function in the public sector is provided by the Society of Information Technology Management (SOCITM) which is used in the local government sector. SOCITM has developed benchmarks for these indicators which were reviewed by ICT Services but found to be lacking in terms of available quality benchmarking data.

Half of the indicators are the same or similar to those used by SOCITM (primary indicators 2, 4, 5 and 7, and secondary indicators 1, 2, 3 and 6).

In addition IPF took into account detailed feedback from SOCITM in devising the indicator set.

Primary indicators 3, 4, 5 and 7 and secondary indicator 4 are closely aligned to those included in a recent pilot benchmarking initiative of the central government ICT function undertaken by PA and Gartner who used private sector benchmarks in their approach.

2.5. Publishing This Report

Two reports were published by IPF, document references:

- Appendix 3 (IPF_VFM ICT08_Final.pdf) – comparing Herefordshire Council against all participants
- Appendix 4 (IPF_VFM ICT08_Comps.pdf) – comparing Herefordshire Council against the comparator group.

The document you are now reading takes its figures from the comparator group report (Appendix 4) and adds context and follow-on actions to make the report a more useful tool to help ICT Services improve.

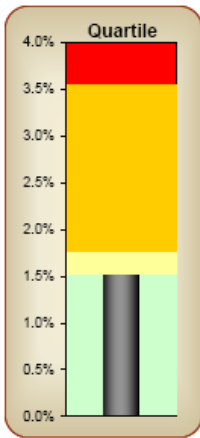
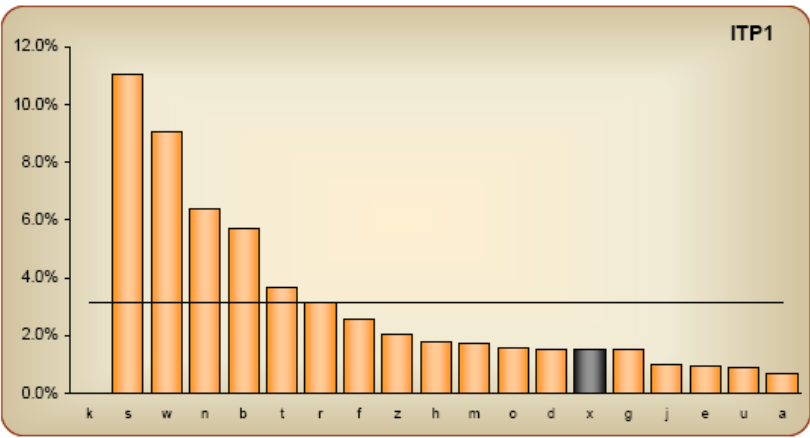
2.6. Moving Forward

The format of this report is deliberate. As with any benchmarking and performance management exercise there are follow-on actions. These have been set out in this report as two types of requirements for improving ICT Services:

- What we must do to improve and how we plan to do so
- How Herefordshire Council as a whole can help us to improve

3. ICT Services Performance 2006/07

3.1. Section 1 – Economy and Efficiency

ITP1	Cost of the ICT Function as a Percentage of Organisational Running Costs										
Rationale and Expected Behaviour											
<p>A headline indicator which looks at the cost effectiveness of the ICT function. In interpreting their achievement against this indicator, organisations should also take into account their performance against measures of effectiveness such as:</p> <ul style="list-style-type: none">ITP4 (Prompt resolution of incidents reported)ITP5 (Project governance and delivery index)ITP6 (Percentage of take-up of e-delivery channels)ITP7 (Commissioner and user satisfaction index)ITP8 (Management practice indicator). <p>Note: this indicator differs from ITP3 in that it measures the costs of running the IT Function / Department or equivalent (whilst ITP3 examines investment in the ICT infrastructure and systems across the organisation as a whole).</p>											
Results											
<div><div><div><div>Quartile</div></div><div><div>ITP1</div></div></div><div><table><tr><td>Herefordshire</td><td>Average</td><td>LQ</td><td>Median</td><td>UQ</td></tr><tr><td>1.5%</td><td>3.2%</td><td>1.5%</td><td>1.8%</td><td>3.5%</td></tr></table></div></div>		Herefordshire	Average	LQ	Median	UQ	1.5%	3.2%	1.5%	1.8%	3.5%
Herefordshire	Average	LQ	Median	UQ							
1.5%	3.2%	1.5%	1.8%	3.5%							



ITP1

Cost of the ICT Function as a Percentage of Organisational Running Costs

ICT COST/£'000 Organisation running costs 2006/07

For each benchmark two figures are given, the first being the organisation's cost and the second (in italics) is the group average.

	Staff	
	£8.48	£10.51
	IT	
	£2.28	£6.53
	Accommodation	
	£0.66	£1.00
	Supplies and Consumables	
	£0.54	£1.36
	Outsourcing	
	£3.28	£10.24
	Other	
	£0.00	£1.96
Total Cost		
£15.25	£31.60	

ITP3

Organisational ICT spend (investment in ICT infrastructure and hardware across the organisation)

Rationale and Expected Behaviour

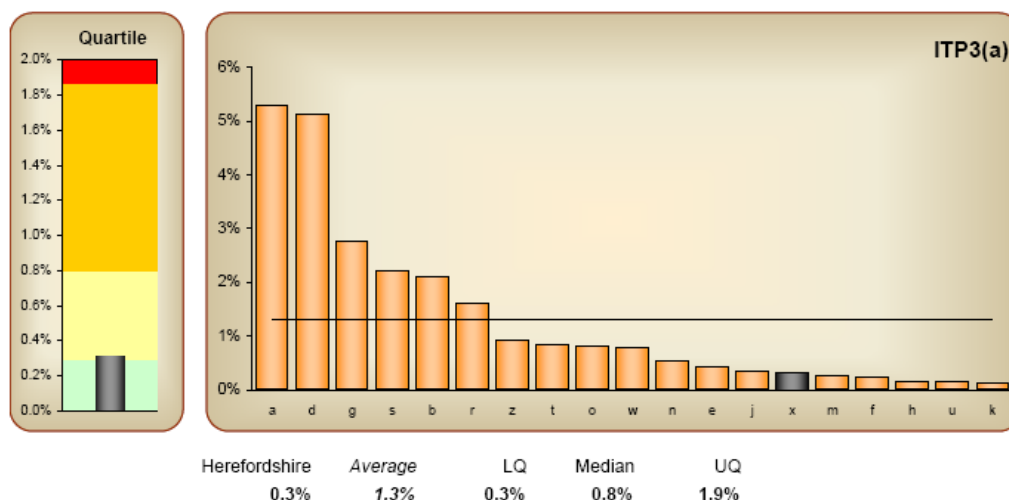
This indicator examines ICT spend to assess the level of new investment made in ICT by the organisation. Organisations should compare their spend to their peers, investigating whether there are good reasons for any significant differences. Organisations should interpret the results of this indicator alongside indicators of effectiveness, particularly:

- ITP5 (Project governance and delivery index)
- ITP7 (Satisfaction index)
- ITS3 (Unavailability of ICT services to users)
- ITS4 (Average number of support calls per user)

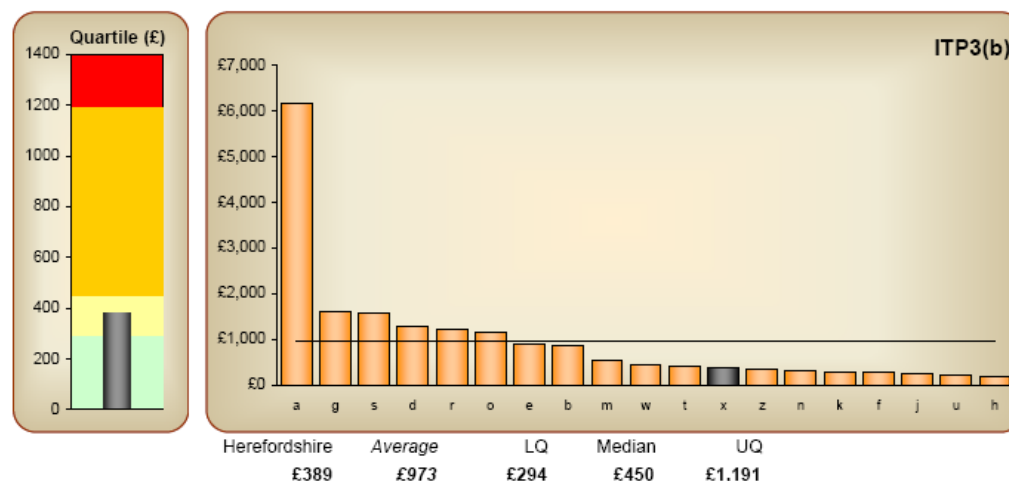
Note: This indicator differs from ITP1 which examines solely the cost of the ICT function.

Results

ITP 3(a) ICT spend as a percentage of organisational running costs



ITP 3(b) ICT spend per user



ITS 1 Cost of providing support

Rationale and Expected Behaviour

This indicator measures the cost-effectiveness of the provision of support. Organisations would usually aim to achieve a period-on period reduction in the unit cost of ICT support.

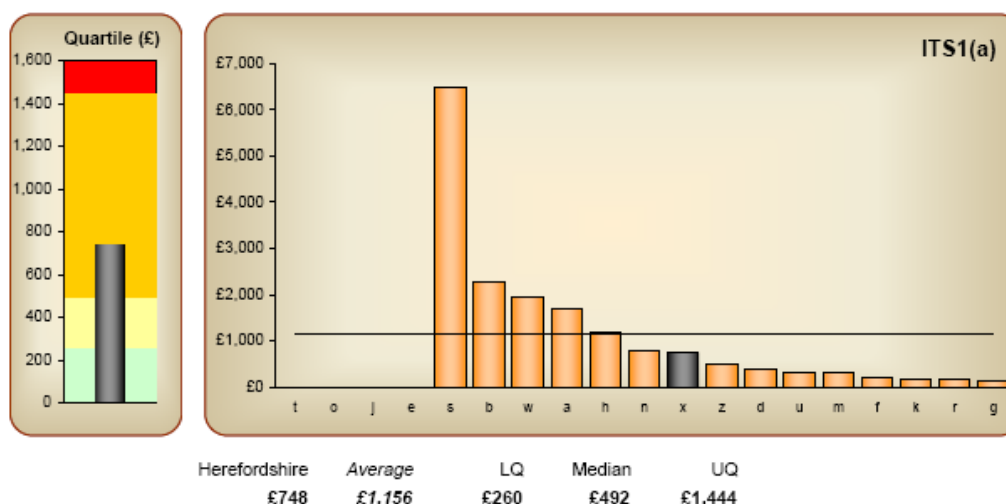
However organisations should interpret the results of this indicator alongside:

- ITP4 (Percentage of incidents resolved within agreed service levels)
- ITP7 (User satisfaction index)

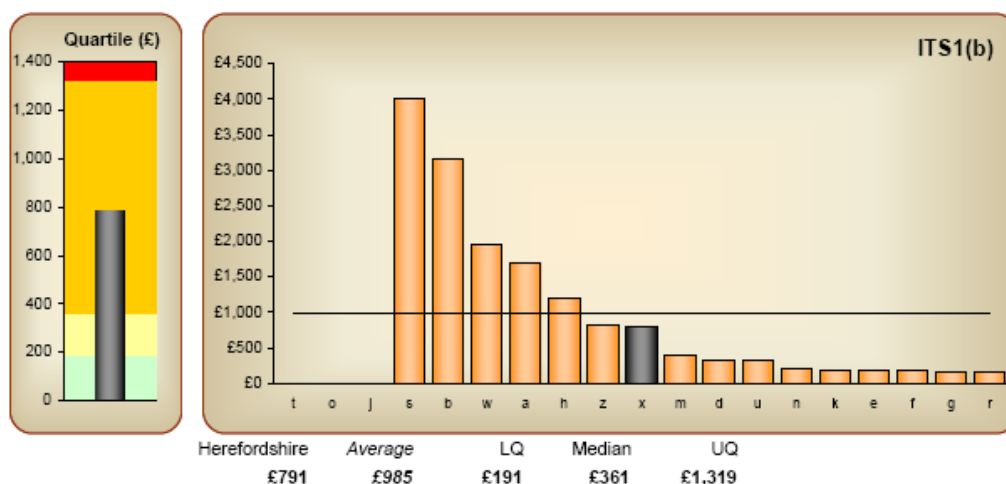
Note: A common measure adopted by organisations in this area is the ratio of user support staff to users. However where services are outsourced this indicator is not always easy to collect or useful.

Results

ITS 1(a) Cost of providing support per end user



ITS 1(b) Cost of providing support per workstation

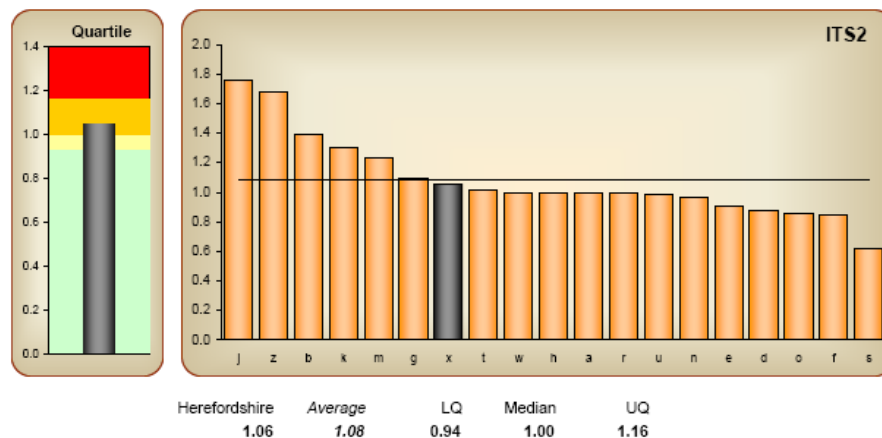


ITS2 End users per workstation

Rationale and Expected Behaviour

This indicator assesses access to ICT equipment by end users. Organisations should assess whether their achievement against this indicator is consistent with the tasks that their employees are required to do and should compare their result for this indicator with that achieved by their peers.

Results



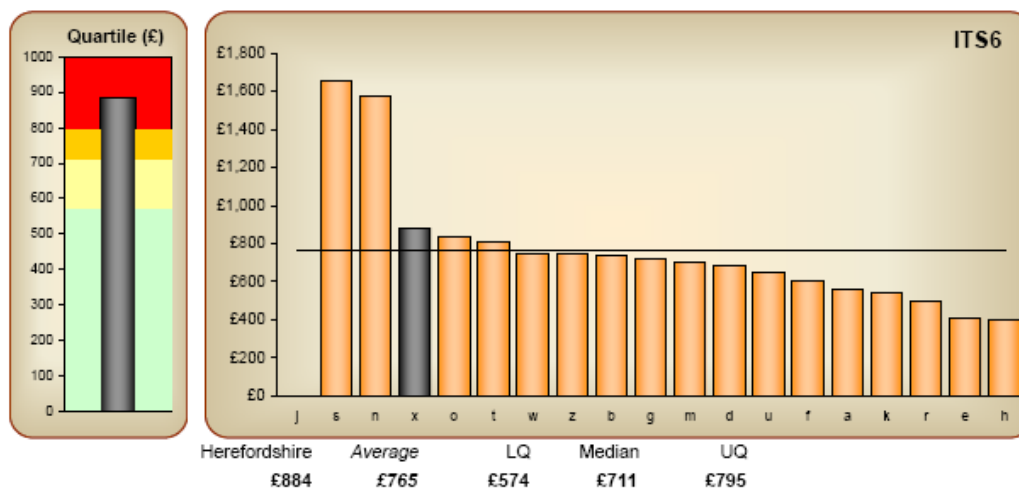


ITS6 Acquisition cost per workstation

Rationale and Expected Behaviour

This indicator examines the cost effectiveness of the organisation's procurement of workstations.

Results



3.2. Section 2 – Impact on organisation

ITP2

ICT competence of end users (average total score for all end users surveyed)

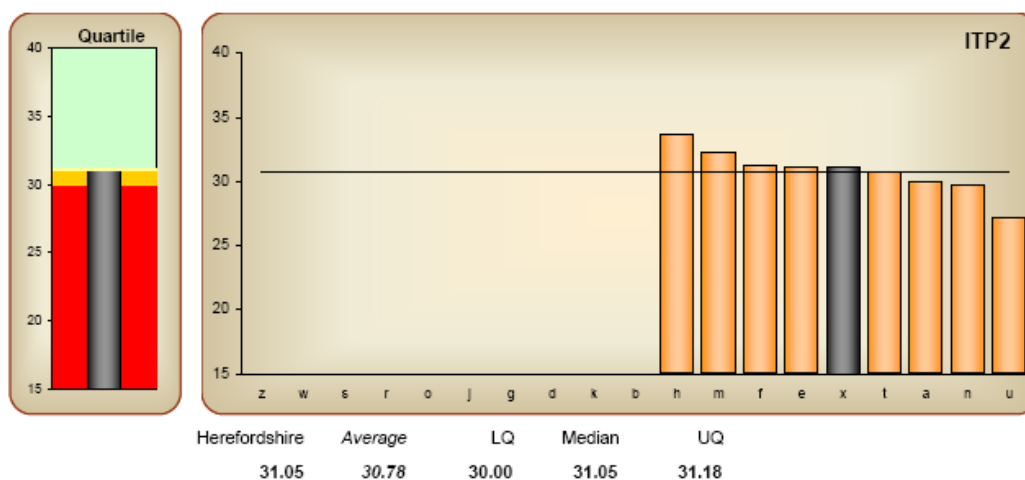
Rationale and Expected Behaviour

This indicator examines the ICT competency of users based upon a self-assessment against a framework of specific tasks. This enables organisations to assess their effectiveness in addressing the ICT training needs of users.

A competent, well trained workforce is an important factor in supporting e-enabled organisations. The scoring is based on 8 tasks with a maximum score of 5 and a minimum score of 1 for each task.

Organisations should aim to achieve a period-on-period increase in user competence.

Results



ITP4 Percentage of incidents resolved within agreed service levels

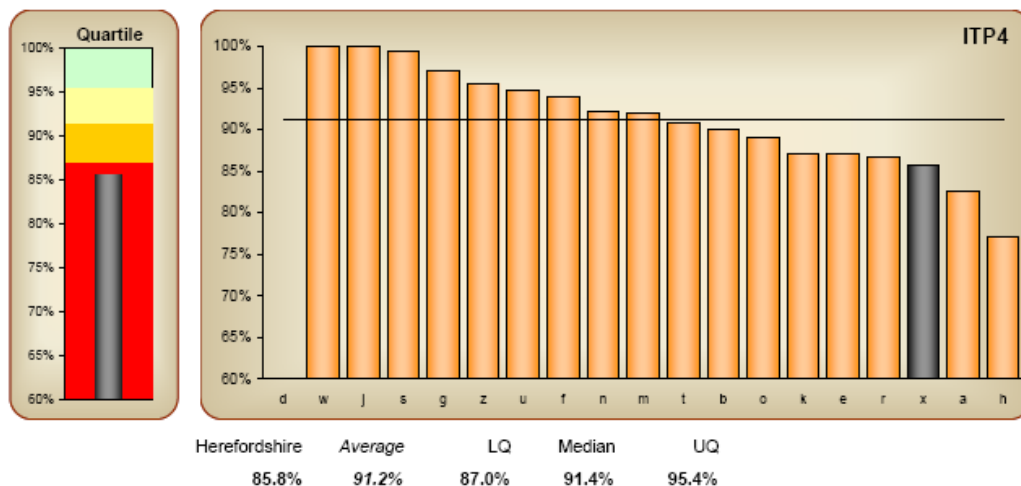
Rationale and Expected Behaviour

This indicator assesses the performance of the ICT function in restoring the service within an agreed timescale after an operational incident has been reported by a user.

Resolution within locally agreed service levels has been used rather than resolution within defined timeframes, in recognition that the service levels are likely to be specific across sectors and within organisations (for example some organisations will need 24 hour, 7 day cover and others will not).

Organisations would expect to achieve a period on period increase in the percentage of incidents resolved within agreed service levels.

Results



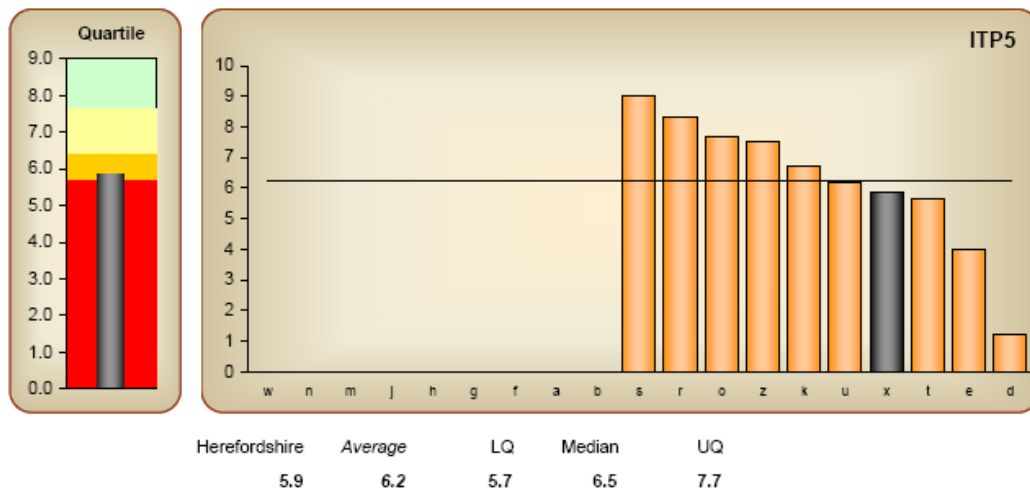
ITP5 Project governance and delivery index (average score)

Rationale and Expected Behaviour

This indicator assesses the effectiveness of the organisation's project management of ICT by assessing each project against a set of defined criteria.

Organisations should aim to secure a period-on-period increase in the average score achieved against the index.

Results



Context

- Note that as Corporate Programmes is no longer part of ICT Services, this indicator is not under the control of ICT Services. As such there are no follow on actions for this indicator.

ITS3

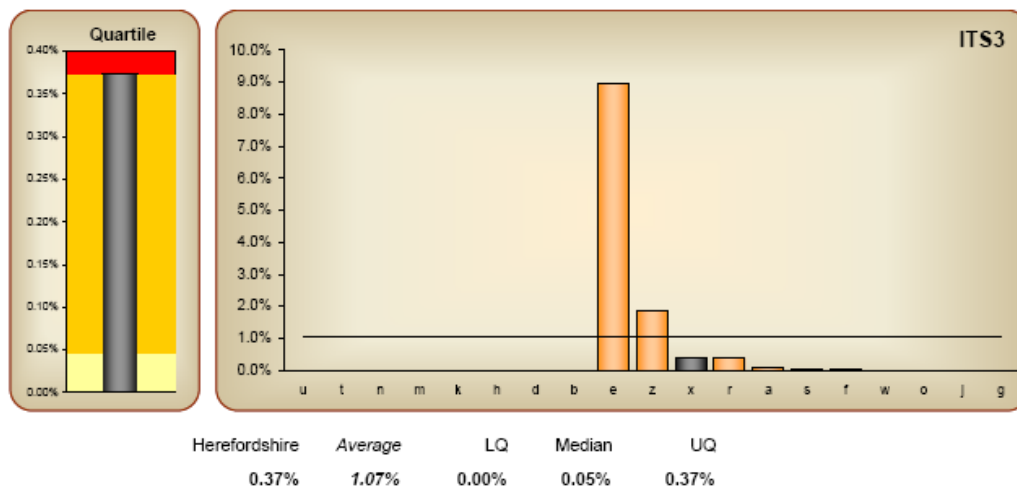
Unavailability of ICT services to users

Rationale and Expected Behaviour

This indicator assesses the reliability of the key ICT applications by measuring how often they are unavailable to users.

Organisations should to achieve a period-on-period reduction in the frequency of non-availability of ICT.

Results



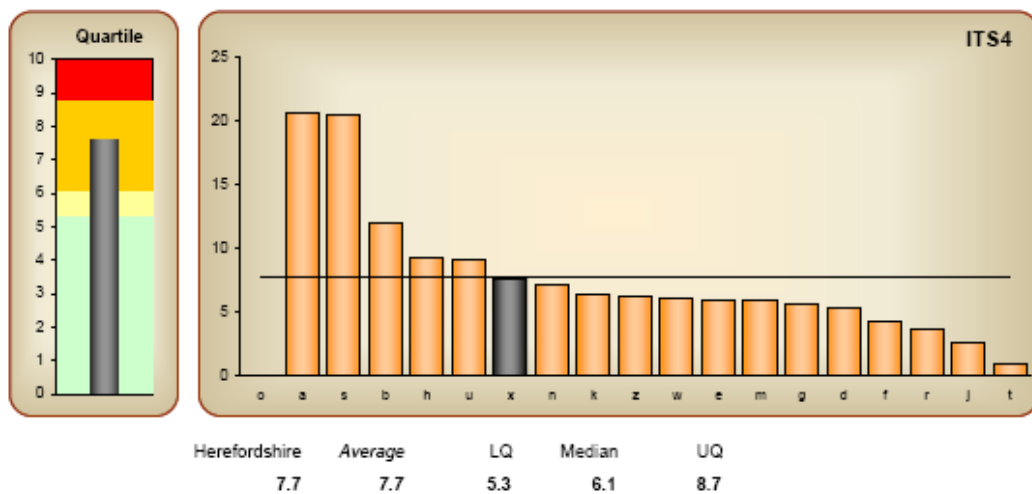
ITS4 Average number of support calls per end user

Rationale and Expected Behaviour

This indicator examines the effectiveness of the ICT function by measuring the number of support calls to assess user competence and reliability of ICT systems.

Organisations should seek to achieve a period on period reduction in the average number of support calls.

Results



ITS5

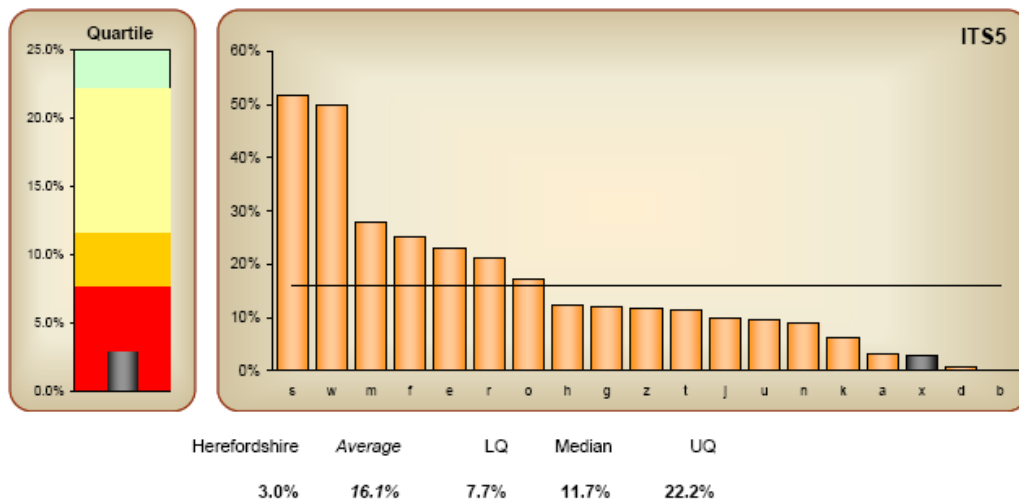
Percentage of end users who are able to access the network and systems remotely

Rationale and Expected Behaviour

This indicator examines the extent to which the organisation equips individuals to work more flexibly, in this case remotely. Organisations should compare their results against this indicator with those of peer organisations, investigating reasons for significant differences in provision of remote access.

Given the increasing trend to enable flexible working most organisations would expect to achieve a period on period increase in the percentage of users with remote access. However a high achievement against this indicator compared with a low achievement against primary indicator 2 (user competence) may indicate potential problems.

Results



3.3. Section 3 – Satisfaction

ITP7(a)

Commissioner satisfaction average score

Rationale and Expected Behaviour

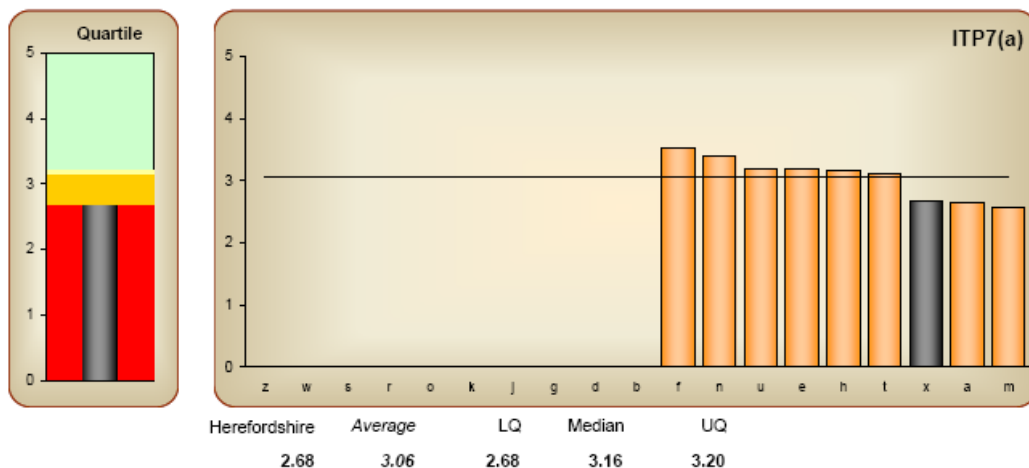
This indicator examines the effectiveness of the ICT function by assessing the perceptions of its commissioners.

Commissioners are defined as those Senior Managers who purchase services and projects from ICT Services.

The indicators have been identified because they are considered to indicate whether the function communicates effectively with its commissioners, and is responsive to the requirements of their service and the organisation as a whole.

Over time, organisations should aim to increase the proportion of commissioners agreeing with the statements.

Results

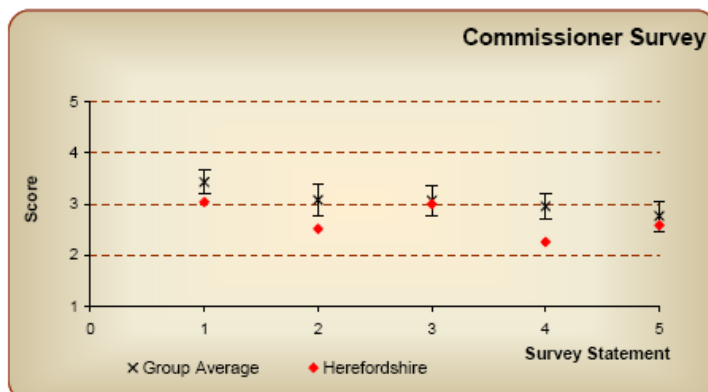


These charts show the average performance scores for all participants as black X's. The black error bars show one standard deviation either side of the mean. Approximately 65 - 70% of the organisations will fall within this range. The red diamond is the average score for your organisation.



ITP7(a)

Commissioner satisfaction average score



Scores

- 5 Strongly Agree
- 4 Agree
- 3 Neither
- 2 Disagree
- 1 Strongly Disagree

Survey Statements

- 1 • The ICT function effectively supports delivery of the organisation's strategic objectives.
- 2 • The ICT function is proactive and innovative in providing technological solutions to meet business needs.
- 3 • The ICT function manages the implementation, maintenance and enhancements of major business systems in a consistent, effective and timely manner.
- 4 • The ICT function provides excellent value for money.
- 5 • The ICT function has the capacity and capability to support major business transformation.

ITP7(b) User satisfaction average score

Rationale and Expected Behaviour

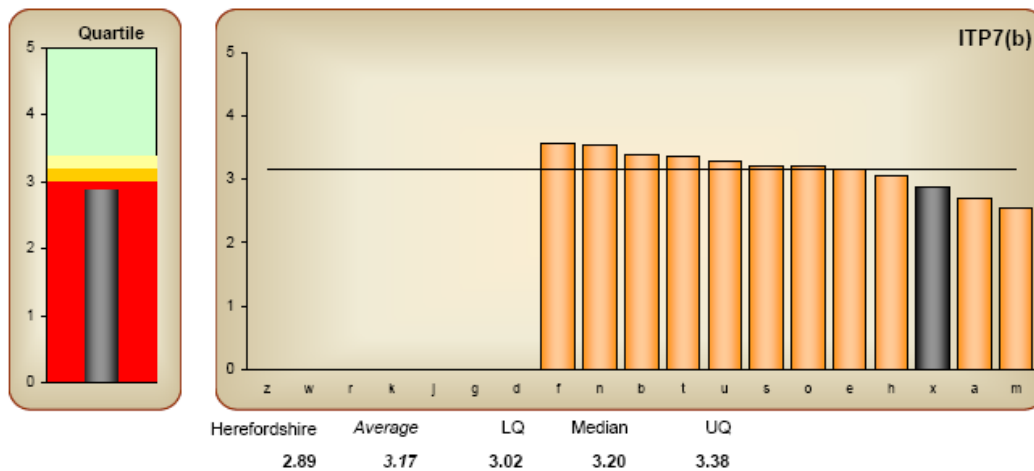
This indicator examines the effectiveness of the ICT function by assessing the perceptions of its users.

Users are defined as those staff who consume services from ICT Services, for example, all staff with access to a computer as part of their duties.

The indicators have been identified because they are considered to indicate whether the function communicates effectively with its users, and is responsive to the requirements of their service and the organisation as a whole.

Over time, organisations should aim to increase the proportion of users agreeing with the statements.

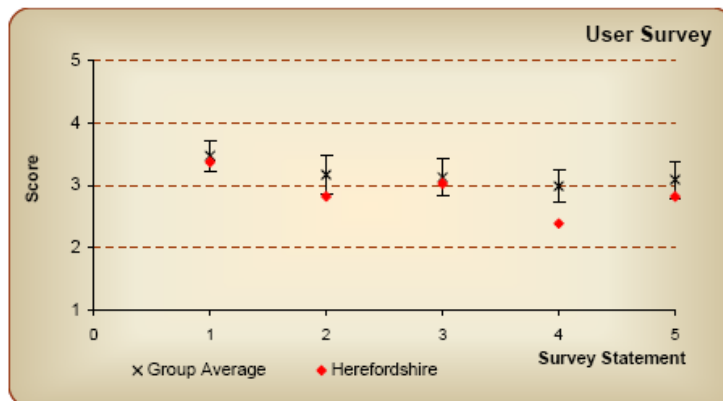
Results



These charts show the average performance scores for all participants as black X's. The black error bars show one standard deviation either side of the mean. Approximately 65 - 70% of the organisations will fall within this range. The red diamond is the average score for your organisation.



ITP7(b) User satisfaction average score



Scores

- 5 Strongly Agree
- 4 Agree
- 3 Neither
- 2 Disagree
- 1 Strongly Disagree

Survey Statements

- 1 • The ICT function responds within agreed service levels when I ask for help.
- 2 • ICT systems are robust and reliable.
- 3 • The support provided by ICT meets my needs effectively.
- 4 • The organisation makes full use of ICT to improve services.
- 5 • ICT systems provide me with the information I need when and where I need it.

3.4. Section 4 – Modernisation

ITP8 Management Practices Indicator

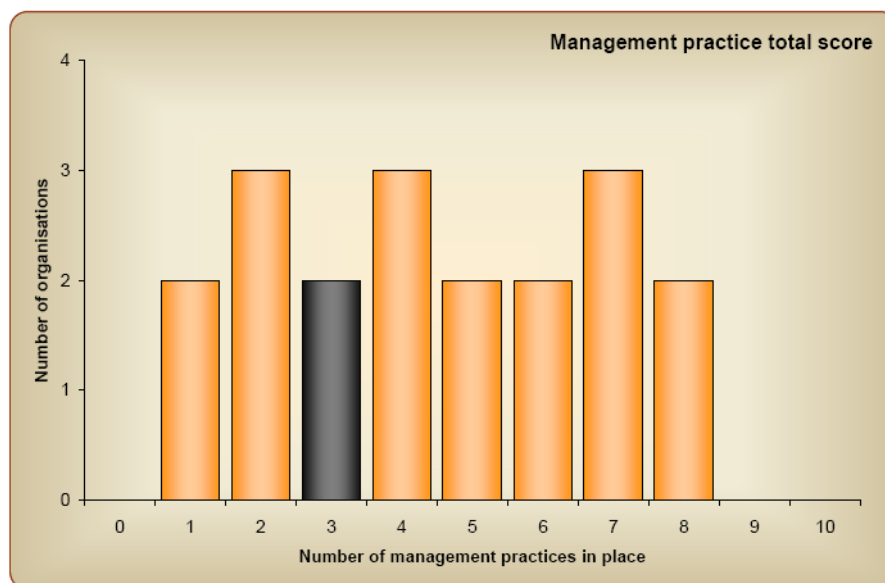
Rationale and Expected Behaviour

The aim of this indicator is to assess the extent to which the ICT function achieves a set of key management practices which will provide an indication of whether it is a well-run, modernised and mature function.

It is not anticipated that most organisations will have adopted all of the practices listed when first measuring themselves against this indicator set. However organisations should expect that the number of practices that they have adopted would increase over time.

(The list of practices will be updated, if appropriate, in future revisions of the indicator set).

Results



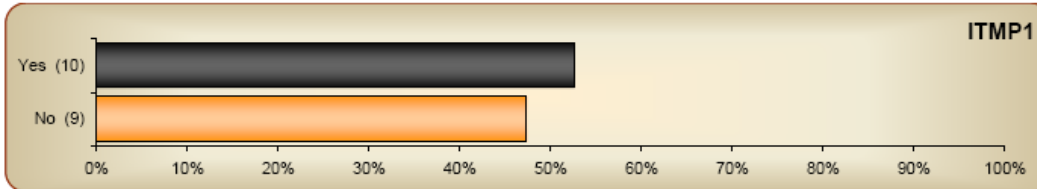
Herefordshire: 3.00
Average: 4.47
LQ: 2.50
Median: 4.00
UQ: 6.50

Herefordshire		Yes	No	% Yes	% No
MP1	Yes	10	9	52.6%	47.4%
MP2	No	10	9	52.6%	47.4%
MP3	Yes	2	17	10.5%	89.5%
MP4	No	12	7	63.2%	36.8%
MP5	No	12	7	63.2%	36.8%
MP6	Yes	16	3	84.2%	15.8%
MP7	No	3	16	15.8%	84.2%
MP8	No	3	16	15.8%	84.2%
MP9	No	9	10	47.4%	52.6%
MP10	No	8	11	42.1%	57.9%

ITP8 Management Practices Indicator

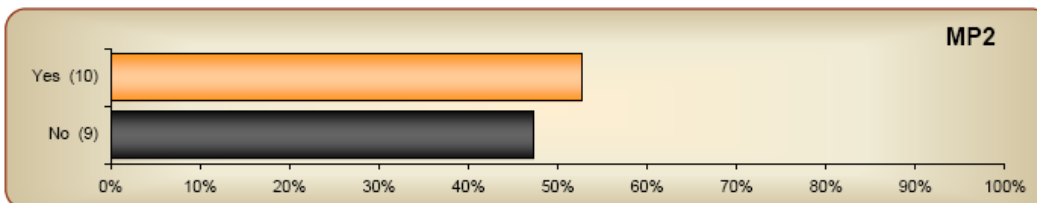
ITMP1

Formal Service Level Agreements are in place with key internal customers governing business requirements, with regular service review meetings held at agreed intervals



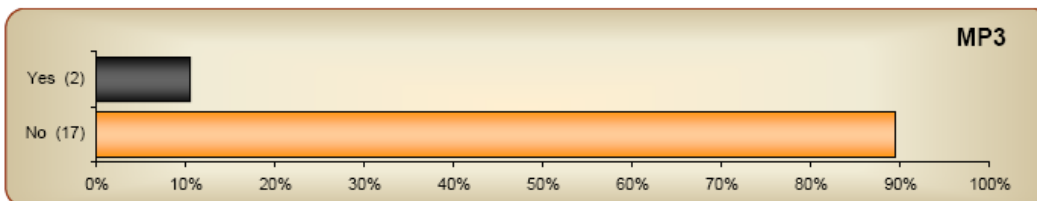
ITMP2

There are formal procedures in place supporting the operation of the ICT function, based upon good practice guidance such as COBIT (Control Objectives for Information and Related Technology), ITIL (IT Infrastructure Library) and/or other sector specific guidance / methods



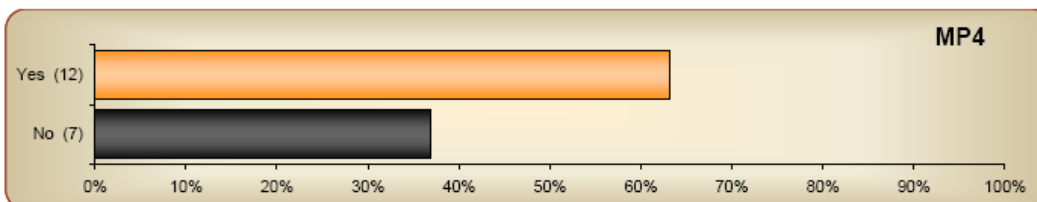
ITMP3

Information security management capability is in place with BS7799 / ISO 27001 accreditation already achieved



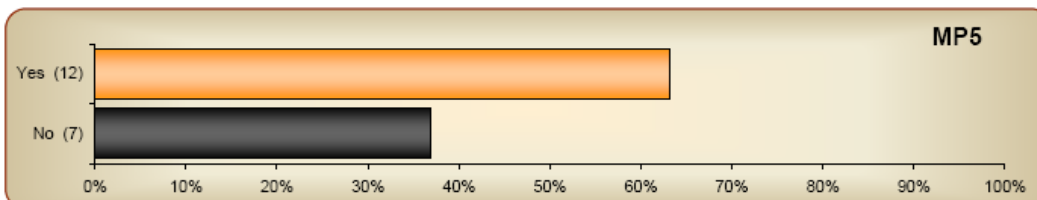
ITMP4

User satisfaction surveys are conducted at least bi-annually with results openly published, supported with improvement plans where necessary



ITMP5

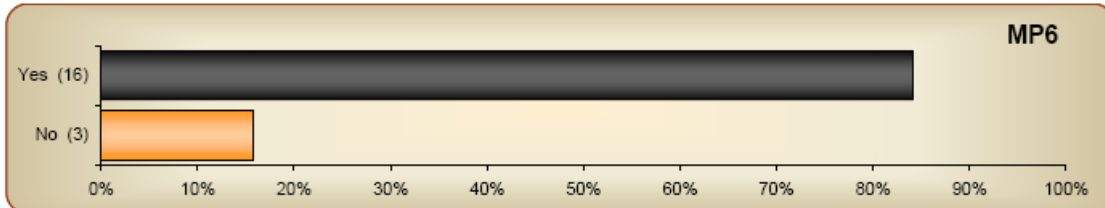
A short survey is undertaken upon resolution of all reported incidents and the data is collated and analysed at least monthly and used to drive service improvement



ITP8 Management Practices Indicator

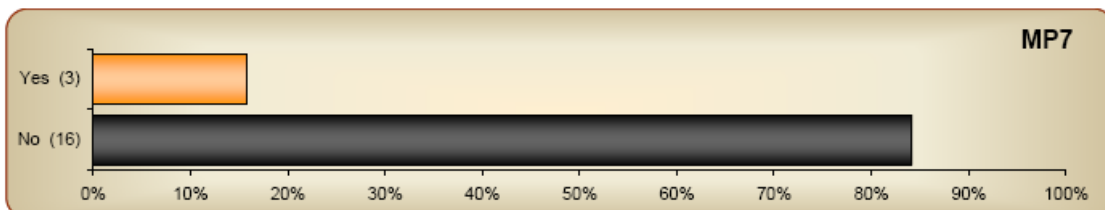
ITMP6

The most senior officer in the organisation with a dedicated ICT role has a direct report to the Executive / Corporate Management Team of the organisation



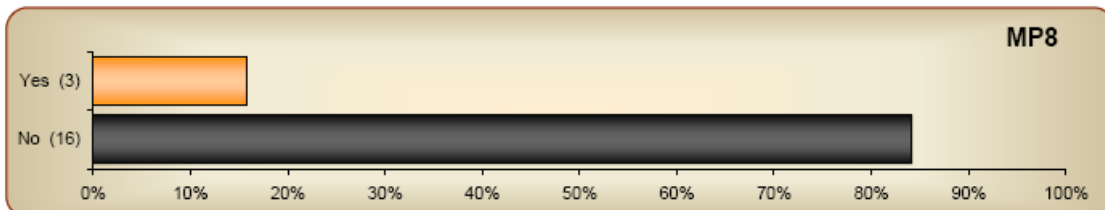
ITMP7

The organisation has a designated individual with the role of Chief Information Officer who has a seat on the board



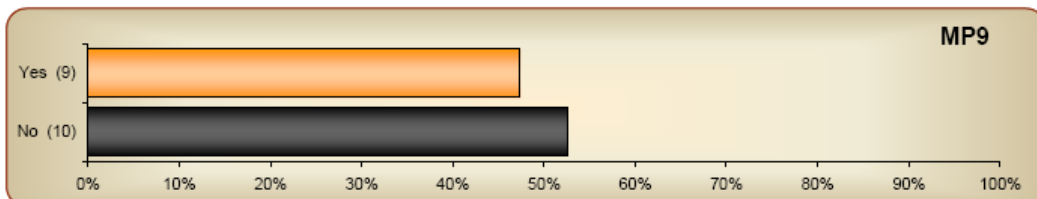
ITMP8

The organisation has assessed the ICT competence of end users within the last 12 months and put in place an appropriate training and development programme to address areas of weakness, and delivery of this programme is monitored on a quarterly basis



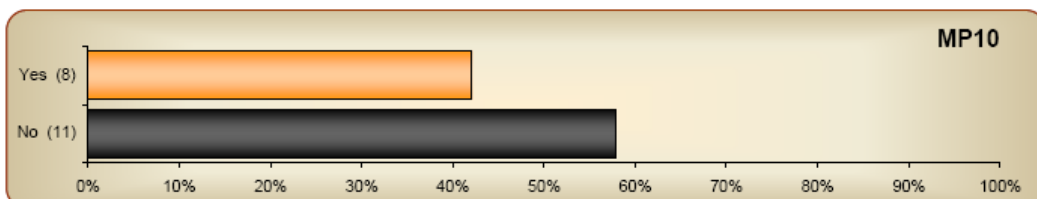
ITMP9

A comprehensive professional development programme is in place for ICT staff which ensures that they receive at least 5 days of continuing professional development (relevant accredited training) per annum, covering technical, management and business focused training



ITMP10

Business continuity management processes are in place to recover business and ICT services in the timescales as specified by the business. These processes are tested at least annually and are reviewed on a regular basis to confirm appropriateness



ITP6

Percentage of the top 5 transaction based activities which are made via e-enabled channels

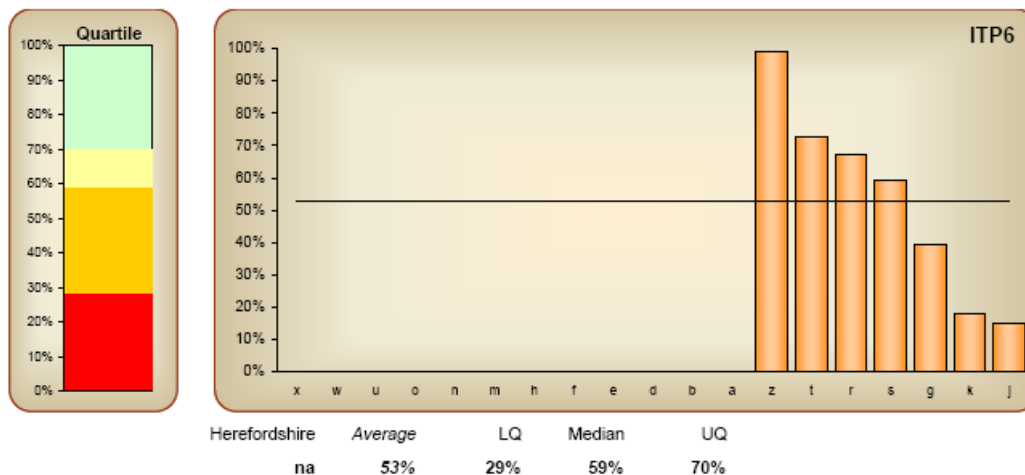
Rationale and Expected Behaviour

This indicator assesses the take-up by users of e-enabled channels to access public sector services. It compares online channels with traditional face-to-face and telephone based transactions.

Organisations should aim to achieve a period-on-period increase in the average percentage of transactions conducted via e-enabled channels.

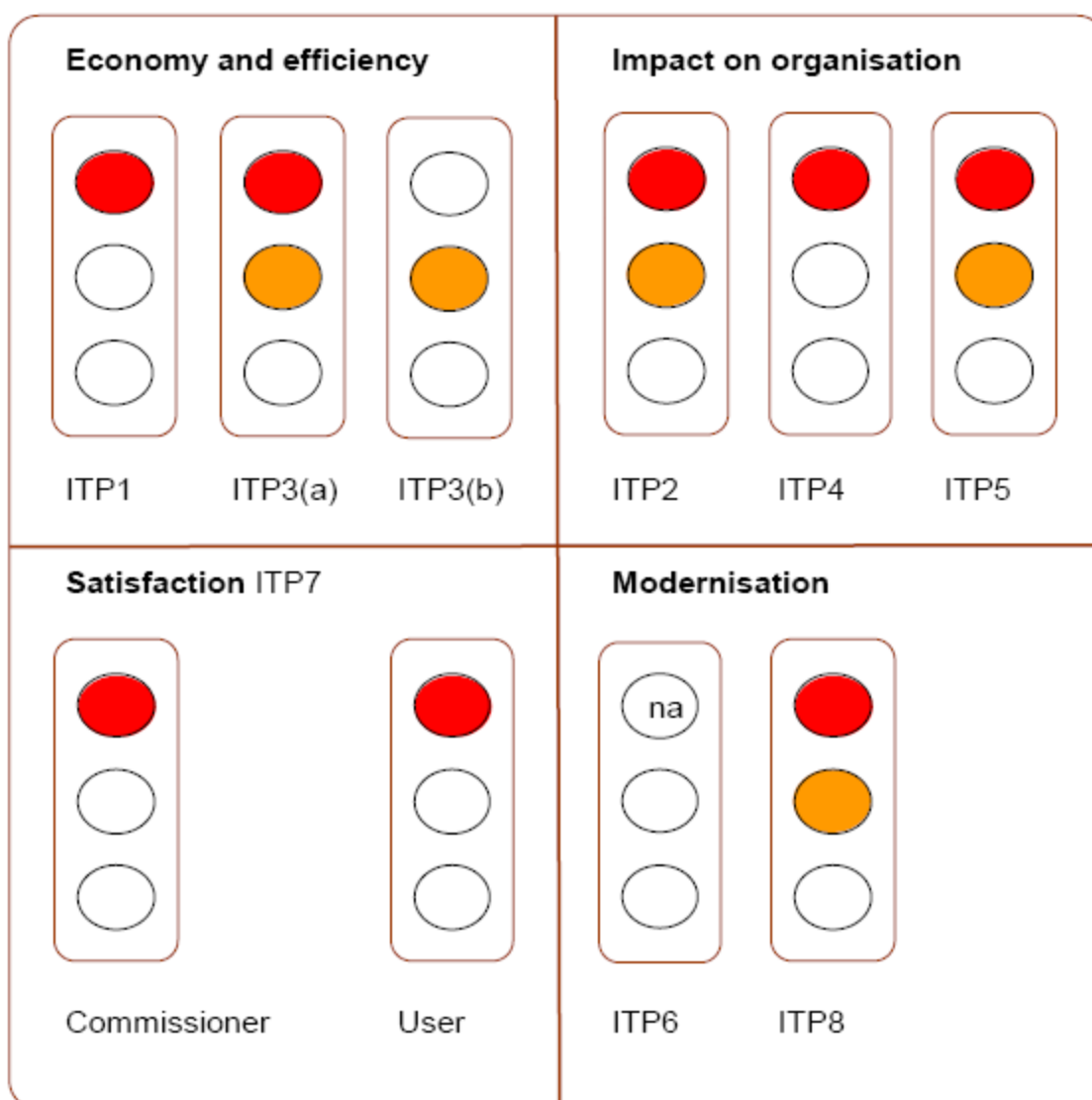
This indicator can cover internal (i.e. intranet based) and external (public facing Internet) services. For example, booking a room or paying Council tax online.

Results



3.5. Section 5 – Results on One Page

The Audit Agencies developed an approach to considering Value for Money for Corporate Services which had four dimensions. The overall results are shown below:



Notes:

- A green light indicates performance in the best quartile
- An amber light indicates performance between the median and best quartile; a red and amber light indicates performance between the median and worst quartile
- A red light indicates performance in the worst quartile for the purposes of this report, high cost and low productivity are considered poor.

However, we accept this is a generalisation and that in some circumstances organisations can choose to invest more in functions because they have under invested in the past or because they want to place particular emphasis on a function full descriptions of the indicators are shown in the remainder of this report.

**HEREFORDSHIRE COUNCIL
AUDIT PLAN 2008/09**

AUDIT AREA	DAYS
a. FUNDAMENTALS	
Asset Register	25
Treasury Management	25
Cash and Deposit	30
ICT FMS	30
Education FMS	30
Bank Reconciliation	30
Debtors	25
Creditors	30
FMS	30
Payroll Non Education	35
Payroll Education	35
NDR	35
Council Tax	35
Housing Benefit	40
Education Transport	25
Early Years	25
Supporting People	25
Amey Contract	30
Total Fundamentals	540
b. NON-FUNDAMENTALS	
Regeneration Directorate	
Section 106 Agreements	10
Resources Directorate	
Anti Money Laundering	5
Value added Tax	10
Industrial Estates Income	10
Children Services Directorate	
Revenue/Capital Grants	15
Sure Start	20
Instrumental Music	10
Decision Management Process	20
Environment and Culture Directorate	
Waste Contract Management	12
Income from Trade Waste/Domestic Waste	15
Penalty Charge Notice/Car Park Income	20
Integrated Commissioning Directorate	
Payments to Independent Providers	20

**HEREFORDSHIRE COUNCIL
AUDIT PLAN 2008/09**

AUDIT AREA	DAYS
Total Non-Fundamental Systems	167
c. GOVERNANCE AND ANTI FRAUD	
Anti Fraud	
Travel and Subsistence	15
Staff Register of Gifts	5
Regeneration Developments	15
National Fraud Imitative	15
Governance	
Environment and Culture Directorate	10
Resources Directorate	10
Deputy Chief Executive Directorate	10
Total Governance and Anti Fraud	80
d. OTHER KEY SYSTEMS	
Risk Management	20
Local Area Agreement	30
Use of Resources-Internal Control	20
Section 75 Agreements	30
Audit & Corporate Governance Committee	60
GEM Systems	10
Recruitment and Selection	20
Staff Review and Development	20
Project Management	25
Managing Attendance	25
Annual Governance Statement	25
Herefordshire Public Services	30
Member Register of Interests and Gifts	15
Total Other Key Systems	330
e. ICT PROTOCOLS AND CONTROLS (COUNCIL-WIDE)	
Herefordshire Connects	50
Corelogic/CLIX	10
Cedar Feeder Systems	5
ISO 27001 Consultancy	20
ISO 27001 Technical Compliance	25
ISO 27001 Physical Security	25
ISO 27001 3 rd Party Management	25
Security Arrangements- Remote Sites	20
IPG Group Quality Assurance	10
Cedar -Access Controls	3
Payroll System Access Controls	5
Council Tax/Housing Benefit/Non Domestic Rates	5

**HEREFORDSHIRE COUNCIL
AUDIT PLAN 2008/09**

AUDIT AREA	DAYS
Total ICT Protocols and Controls Council-Wide	203
f. ESTABLISHMENT VISITS	
Secondary Schools Toolkit Follow up	20
Primary Schools Toolkit (25)	250
Total Establishments Visits	270
g. VERIFICATION AND PROBITY	
Diversity Standard	10
Contract Letting	
Children Services	15
Environment and Cultural Directorate	15
Resources Directorate	15
Deputy Chief Executive Directorate	15
Total Verification and Probity	70
h. RECOMMENDATION FOLLOW UP	
ICT Use of Contractors, Audit Report,	10
Customer Relations Management System	5
Managed Learning, Platform/Virtual Learning Environment	5
Drugs Forum – Partnership Management	3
Drug Forum Management	3
ICT Petty Cash	2
Housing Performance Indicators	2
Household Waste Management Performance Indicator	3
Pedestrian Crossing Performance Indicator	3
Street Cleanliness Performance Indicator	3
Total Recommendation Follow Up	39
i. PERFORMANCE MANAGEMENT	
Performance Management	25
Performance Indicators (to be identified)	80
Total Performance Management	105
Total Contingency	196
TOTAL PLANNED DAYS	2000

STATUS OF AUDITS STARTED DURING THE YEAR 2007/08

Audit	Status	Audit Opinion
Fundamental Systems		
Bank Reconciliation	Final	Good
Housing Benefit	Draft	Satisfactory
Statement on Internal Control 2006/07	Final	Satisfactory
Payroll Non-Education	Final	Satisfactory
Main Accounting System	Final	Satisfactory
Council Tax	Draft	Satisfactory
Creditors	Final	Satisfactory
ICT Financial Management System	Final	Satisfactory
Debtors	Final	Satisfactory
Supporting People	Final	Satisfactory
Schools Transport	Final	Satisfactory
NDR	Final	Satisfactory
Cash and Deposit	Final	Satisfactory
Children Services – Early Years	Final	Satisfactory
Treasury Management	Final	Good
Asset Register	Final	Satisfactory
Salaries – Children and Young People's Services	Final	Marginal
Non Fundamental Systems		
Management of Property	Draft	Satisfactory
Lifelong Learning	Final	Good
Agency Payments – Adult Services	Final	Satisfactory
Anti Money Laundering	Final	Satisfactory
Governance		
Delegations Arrangements – Directors' Responsibilities	Final	N/a
National Fraud Initiative	Ongoing	N/a
Contract Letting & Monitoring – Learning Disabilities	Final	Satisfactory
Contract – Ross-on-Wye Flood Alleviation Scheme	Final	Satisfactory
ICT – Use of Contractors	Final	Unsound
Jarvis Contract	Final	N/a
Customer Relations Management System (CRM)	Draft	Unsound
Managed Learning Platform / Virtual Learning Environment.	Final	Unsatisfactory
Officer ICT Expenses	Final	N/a
ICT Contractors Expenses	Final	N/a
Performance Management		
Housing (BVPI 183a, 183b, 214 and HSSA Return)	Final	Marginal
Household Waste Management (BVPI 82a and 82b)	Final	Satisfactory
Pedestrian Crossings (BVPI 165)	Final	Marginal
Street Cleanliness (BVPI 199)	Final	Marginal

STATUS OF AUDITS STARTED DURING THE YEAR 2007/08

Audit	Status	Audit Opinion
Libraries – Cost per visit and Library Survey	Final	Satisfactory
Performance Management System	Draft	Satisfactory
Risk Management		
Risk Management Framework	Final	Satisfactory
ICT – Council wide		
ISO 27001 – Physical Security	Final	N/a
ISO 27001 – Team Compliance	Final	N/a
ISO 27001 – Third Party Management	Work in Progress	N/a
ISO 27001 – Risk Treatment	Final	N/a
ISO 27001 – Business Continuity	Final	N/a
E-Pop Cedar E-Purchasing	Work In Progress	To be determined following client feedback
Access Controls (Payroll / Creditors / CT / NDR / HB)	Draft	To be determined following client feedback
Establishment Audits		
Kingstone High School (DfES Standard)	Final	On target to be met in the short term
John Kyrle High School (DfES Standard)	Final	Standard met
Aylestone High (DfES Standard)	Final	On target to be met in the short term.
Wyebriidge Sports College (DfES Standard)	Final	On target to be met in the short term.
Weobley High (DfES Standard)	Final	On target to be met in the short term.
Lady Hawkins High (DfES Standard)	Final	On target to be met by July 08
Wigmore High (DfES Standard)	Final	Unlikely to be met in the short term.
Queen Elizabeth High (DfES Standard)	Final	Unlikely to be met in the short term.
St. Mary's High (DfES Standard)	Final	Standard met
Whitecross High (DfES Standard)	Final	Standard met
Fairfield High (DfES Standard)	Final	On target to be met in the short term
Minster College (DfES Standard)	Final	On target to be met in the short term
Bishop of Hereford Bluecoat (DfES Standard)	Final	Standard met
John Masefield High (DfES Standard)	Final	Standard met
Verification and Probity		
Drugs Forum – Partnership Management	Final	Unsatisfactory
Local Area Agreement – Grant	Final	N/a
Drugs Forum Management	Final	Unsatisfactory
ICT Petty Cash	Final	Marginal
Travel and Subsistence Claims	Work In Progress	To be ascertained
Whitecross High – School & Sports Co-ordinator Grant	Final	N/a
Minster College – School & Sports Co-ordinator Grant	Final	N/a
Good Environmental Management (GEM)	Final	N/a

STATUS OF AUDITS STARTED DURING THE YEAR 2007/08

Audit	Status	Audit Opinion
Recommendation Follow up		
Control of ID Cards	Final	N/a
ICT FMS 2006/07	Final	N/a
Car Loans	Final	N/a
Market Fees and Charges	Final	N/a
Community Access Points (CAPS)	Final	N/a
CLIX System	Final	N/a
TALIS System	Final	N/a
Home Point System	Final	N/a
MVM & Planning 20/20	Draft	N/a
Telephones	Final	N/a

Quantification and Classification of Internal Control Levels

Control Level	Definition
Good	A few minor recommendations (if any).
Satisfactory	Minimal risk; a few areas identified where changes would be beneficial.
Marginal	A number of areas have been identified for improvement.
Unsatisfactory	Unacceptable risks identified, changes should be made.
Unsound	Major risks identified; fundamental improvements are required.

The Audit Opinion is based on a number of factors including the number of Level 1 and, to a lesser extent, Level 2 recommendations. Weighting is given to different aspects of the Audit e.g. a high weighting for budgetary control. It is expected that larger systems and establishments will receive higher numbers of recommendations and allowance is made for this.

Programme Overview

Herefordshire Council's future success as an effective service provider relies extensively on how we as individuals, as teams and as an organisation are able to strategically manage, develop and apply ICT.

The Corporate ICT Strategy implementation programme aims to deliver an ICT Services organisation that cements Herefordshire's position as a vanguard authority in its use of technology to benefit citizens, communities, businesses, Members and partner organisations whilst ensuring a sustainable, efficient and proactive service.





Cabinet Member: Cllr. Philip Price

Senior Responsible Owner: Andrew Williams

Head of Service: Geoff Cole

Programme Manager: Rob Knowles

Programme Health

Area	Health	Detail
Financials		Operating within financial envelope.
Progress		2007/08 – 60% completion on critical projects 2008/09 – All projects on track
Capacity		Lack of information from other directorates / departments around 2008/09 projects mean capacity could be constrained within ICT Services.
Governance		Confirmation of governance structures moving forward required.

Programme Objectives

	Provide a fit-for-purpose support organisation to operate the Herefordshire Connects technical platform during and after the programme whilst ensuring interoperability within the organisation and across citizens, suppliers and partners
	Provide a clear development path for personnel to ensure ICT Services source and retain excellent individuals whose skills are maintained and used to best purpose
	Achieve financial savings after consideration of return on investment through reducing ICT maintenance and support overheads whilst maintaining or improving customer service quality
	Provide the effective allocation of resources, transparency of cost and ease the decision making process through accurate financial planning and performance management
	Source and provide appropriate technology and best practice to enable the benefits realisation of business transformation and the solution to business issues whilst maintaining the flexibility to adapt to legislative, national and local drivers
	Achieve risk reduction and increased information security in the provision of ICT Services whilst providing assurance of effective service continuity
	Build strong, lasting relationships with key technology suppliers to leverage their skills and knowledge to benefit the communities of Herefordshire
	Support the provision of ICT in accordance with the principles and objectives of the Good Environmental Management (GEM) initiative and the Diversity agenda

Progress Reports

2007/08 Progress

PID	Project	Status	Description
001	Management Activities	Ongoing	Programme management to support the Corporate ICT Strategy Programme.
002	LANDesk Upgrade	Complete	Improving the ability for ICT to report, manage, secure and support computers and ensuring software licence compliance across the 2500 desktops.
008	Server Virtualisation	Moved to 2008/09	Improving performance, stability and support for applications across the authority whilst decreasing ongoing infrastructure and disaster recovery costs.
004	Web/SPAM Filtering	Complete	Increasing security through improved SPAM email and internet site access monitoring and control systems across corporate and schools.
005	Web Architecture Migration	Merged: Internet Feed Upgrade and Server Virtualisation/DR	Improving the performance, management and service offerings to partners of the internet site hosting provided by the Council to partners (inc. PCT and schools).
006	Community Network Upgrade	Complete	Upgrading and combining the data and voice network across the county to provide a stable, performant network and a sound basis to develop further services and functionality for users.
007	Town Hall Move	Postponed	Decommissioning the Town Hall communications and server room and transferring equipment to the current secure data centres. Dependent upon 009 Libraries Infrastructure.
008	VRF Lite	Complete	Implementing network splitting on the network to allow multiple secure networks to be run over the single physical voice and data network. Allows schools the freedom they requested to implement services. Further allows the take-on of other partners onto the network to reduce infrastructure costs.
009	Libraries Infrastructure	Postponed	Updating and moving the systems and applications supporting Libraries. Delayed due to Libraries funding.
010	Herefordshire Connects Support	Ongoing	Providing support to Herefordshire Connects programme including social care system replacement (Corelogic Frameworki) and printer rationalisation.

2008/09 Planned (Current Projects)

PID	Project	Health	Status	Description	Lead Officer
001	Management Activities	G	Ongoing	Programme and portfolio management to support the Corporate ICT Strategy Programme and provide links across to Connects, the Accommodation Strategy, herefordshire Public Services and the Organisational Development work.	Rob Knowles
005	Web Architecture Migration	G	Merged: Internet Feed Upgrade, Server Virtualisation/DR, Intranet upgrade	Improving the performance, management and service offerings to partners of the internet site hosting provided by the Council to partners (inc. PCT and schools). Architecture now been incorporated into server virtualisation and Disaster recovery project, Internet feed upgrade and intranet upgrade.	Ellen Pawley
007	Town Hall Move		Postponed	Decommissioning the Town Hall communications and server room and transferring equipment to the current secure data centres. Dependent upon 009 Libraries Infrastructure.	John Pritchard
008	Server Virtualisation	G	Implementation	Improving performance, stability and support for applications across the authority whilst decreasing ongoing infrastructure and disaster recovery costs. Expected delivery date April 2009.	John Pritchard
009	Libraries Infrastructure		Postponed	Updating and moving the systems and applications supporting Libraries. Libraries working on Business Case and funding.	Lucy Marder
010	Herefordshire Connects Support	G	Ongoing	Providing support to Herefordshire Connects programme including social care system replacement (Corelogic Framework) and printer rationalisation. Providing support to the software selection process and restart of Connects.	John Pritchard
025	Standardisation	G	Procurement	Standardisation of IT client devices including Personal Computers (PC's), laptops, tablets, smart phones, Blackberries and Personal Digital Assistants (PDA's) to contribute £200k annual efficiency savings, improve user experience and improve quality of service.	Sandra Dallimore
031	Secure Email	G	Awaiting Implementation	Connection to the Government secure intranet to provide secure emails services and secure data transfer between the authority and Central Government.	Sandra Dallimore

PID	Project	Health	Status	Description	Lead Officer
033	Data Centre Replacement	G	Initiation	Planning to migrate both current data centres to purpose built and shared facilities by end of 2010. First phase main data centre build to be complete by July 2009 in Rotherwas.	John Pritchard
040	GIS: Positional Accuracy	G	Implementation	Data cleansing across current Geographic Information Systems inline with Government legislation. Business case approved, beginning project initiation phase.	Duncan Trumper
044	Herefordshire Public Services	G	Ongoing	Support and develop the formation of Herefordshire Public Services and explore possibilities for joint service delivery with the Primary Care Trust.	Geoff Cole
045	Internet Feed Upgrade	G	Procurement	Increase the bandwidth and performance of the current Internet feed. Procurement underway, expected implementation to begin November. Utilising JA.Net high speed education network.	John Pritchard
046	Network Contract Renewal	G	Initiation	Current contract with Siemens expires December 2009. Scoping required to start now for exit strategy from contract and procurement process to renew.	Geoff Cole / Rob Knowles
047	Laptop Encryption	A	Business Case	Providing hard disk encryption for laptops to ensure that data cannot be accessed in the event of loss or theft. Awaiting confirmation of remaining budget for laptop encryption.	Simon Mehigan / Darren Low
048	Intranet Upgrade	G	Initiation	Replacing the current intranet. Initially plan to replace InfoLibrary to increase usability for all staff and Members. Part of wider initiative to upgrade and replace the web platform across both intranet and Internet to increase the usefulness of the site to the citizens and allow online transactions. Also to reduce operational cost and offer further services to all departments.	Ellen Pawley

Appendix VIII

ICT Finance 2008/09 Budget Summary

2008/09 Budget Summary

ICT Trading Account	£
Expenditure	
Direct Staff (83 employees)	2,873,742
Contractors (5 contractors)	231,870
Indirect Staff Costs	153,840
Accommodation	211,342
Operating Costs	132,468
Software & Licenses	839,385
Total Expenditure	<u>4,442,647</u>
Income	
SLA - recharge to Directorate	2,378,364
SLA - SIMS recharge to schools	252,999
SLA - desktop recharge to schools	70,765
SAP for INFO	197,822
Chargeable Services	461,745
Base Budget Funded	1,080,952
Total Income	<u>4,442,647</u>

Corporate ICT Strategy	£
Corporate Internet Feed	31,000
PC Standardisation	300,000
Printer Standardisation	40,000
It Services	310,276
Consultancy Support	83,000
E Gateway Phase I	20,000
Community Network	1,100,000
	<u>1,884,276</u>

The Corporate ICT Strategy is funded from Revenue. In 2008/09 the budget for the strategy was increased by £247k and this will be increasing again in 2009/10 by an additional £400k. This level of funding shows the Councils ongoing commitment to continue its investment in IT.

Appendix IX

Glossary of Terms Used in this Document and generally within ICT and Herefordshire Council.

SMC Strategic Monitoring Committee	ICT Information, Communication, Technology
CIS Corporate ICT Strategy	CNU Community Network Upgrade
PCT Primary Care Trust	VfM Value for Money (indicators)
CIPFA Chartered Institute of Public Finance and Accountancy	W3C The World Wide Web Consortium
WCAG Web Content Accessibility Guidelines	'AA' (standard) A claim of 'conformance' to 'Double-A' standard of the W3C WCAG 1
'AAA' A claim of 'conformance' to 'Triple-A' standard of the W3C WCAG 1	WIMS Web Information Management Services
LANDesk The remote access tool used by Herefordshire Council ICT Services to assist in the resolution of faults/support requests thus decreasing the need for second line support engineers to carry out site visits.	PC Personal Computer
SIMS Schools Information Management System	SLA Service Level Agreement
CYPD Children and Young People's Directorate	JANET Joint Academic Network
BT British Telecommunications	DCSF Department for Children, Schools & Families
Cedar The Corporate Finance System	SAP Global Provider of Business Software Solutions
CMB Corporate Management Board	PDA Personal Digital Assistant
ECDL European Community Driving Licence	CRM Customer Relationship Management
DfES Department for Education and Skills	GIS Geographical Information Systems
CAM Client Account Manager	UPS Uninterruptible Power Supply
HIT Herefordshire in Touch	IEG Implementing Electronic Government
GEM Good Environmental Management	VoIP Voice over Internet Protocol
PACE Police and Criminal Evidence Act	HR Human Resources
LLPG Local Land and Property Gazetteer	SOCITM Society of Information Technology Managers
CPA Corporate Performance Assessment	SRD Staff Review and Development
ISEB Independent Schools Examination Board	AAT Association of Accounting Technicians
CIMA Chartered Institute of Management Accountants	