

EAST HERTS COUNCIL

COUNCIL – 18TH DECEMBER 2019

REPORT BY THE EXECUTIVE MEMBER FOR FINANCIAL SUSTAINABILITY

ICT Partnership Strategy 2019/20 – 2021/22

WARD(S) AFFECTED: None

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**Purpose/Summary of Report**

- To present and seek approval of the ICT Partnership Strategy 2019/20 – 2021/22 which sets out the joint approach proposed between East Herts Council and Stevenage Borough Council.

<b><u>RECOMMENDATIONS:</u></b>	
<b>(A)</b>	<b>That the joint ICT Partnership Strategy 2019/20 – 2021/22 between East Herts Council and Stevenage Borough Council be approved; and</b>
<b>(B)</b>	<b>That delegated authority be granted to the Deputy Chief Executive, acting in consultation with the Executive Member for Financial Sustainability, to negotiate and agree a new ICT Shared Service Agreement with Stevenage Borough Council for period 2019/20 – 2021/22 .</b>

1.0 Background

1.1 The joint ICT Partnership Strategy was last published in 2015. The majority of recommendations and actions in the strategy have now been completed or superseded.

1.2 Following a series of independent reviews an ICT Improvement Plan was established in November 2017 to enable the ICT

Partnership to take immediate action to improve the foundations of the ICT service with a primary focus on strengthening the resilience and security of the ICT infrastructure and to enhance ICT governance and service management.

1.3 Key outcomes achieved since the adoption of the plan include:

- Decommissioning of legacy business applications and servers to improve the security of the Council's systems
- Closure of the Hertford Data Centre
- Improved power resilience through the installation of a new power generator at Daneshill House and new uninterruptible power supply units that contain batteries to maintain power to the Daneshill data centre in the event of a power surge or outage.
- Completion of the Microsoft Exchange 2013 Migration Project
- Implementation of mobile device management
- Public Sector Network Accreditation in May 2019 following over 100 actions being completed over the preceding 9 month period.
- Award of a packaged software contract to enable direct purchase of 'off the shelf' software products
- Appointment of an ICT Strategic Partnership Manager with the right level of technical ICT knowledge
- Establishment of a New Security and Networking Team to look after the security and performance of ICT systems and network
- Creation of a Programme Management Office (PMO) to drive forward key ICT projects
- Procurement of Microsoft 365 and Hosted Desktop licences (to be implemented and rolled out during 2019/20)
- Installation of enhanced telephony technology

1.4 Despite this progress being made the adoption of a new ICT Partnership Strategy for the ICT Partnership is critical and will ensure that the operational services across East Herts Council (EHC) and Stevenage Borough Council (SBC) are provided with

the appropriate technology, and that the technology is supportable, updated when needed, and that users are assisted in making the best use of it.

1.5 The Council's Corporate Plan relies on the efficient and effective operation of many services of a diverse nature. One factor that unites them all is a reliance on information technology. Technology continues to evolve at pace, and that means that user expectations are constantly changing, and so continual investment is required. The technology must not only be actively maintained, to keep it secure and fully operational, but regularly updated as older solutions become obsolete and unsupportable. It is important that this is done in a planned and coordinated way.

1.6 This approach extends beyond staff and Members to residents, who will need to be provided with the means to obtain many of their services online that is simpler, quicker and easier for them to use and cheaper for both authorities. This aligns closely with the Corporate Plans of SBC and EHC.

## 2.0 Report

2.1 In developing the ICT Partnership Strategy it has been necessary to take an incisive and realistic view of the current state of ICT across both SBC and EHC. This has helped determine how fit for purpose the existing infrastructure, applications and end user equipment is, how well the ICT Team serves the two organisations currently in terms of its structure, processes and relationships, and what shape the team is in to move things forward. Many ICT strategies focus only on the new and exciting projects to be done to move the organisation forward, but these must be built on a sound base if they are not to fail in the future, and an honest appraisal must be undertaken to understand what must be remedied, to underpin future success.

- 2.2 The relevant key ICT issues and challenges faced by the Council that have helped to inform the development of the new ICT Partnership Strategy include:
- 2.3 Changing customer expectations: The last decade has seen major changes to how customers engage with business, public services and each other, and the pace of change is increasing. It is vital that the Council exploits these channels to provide responsive engagement with its customers.
- 2.4 Digital Technology is now of even greater importance than 'traditional' ICT. Digital is disrupting everything and providing unprecedented opportunities, and we are living in a time of enormous change. It has been said that change is happening 10 times faster and at 300 times the scale of the first Industrial Revolution—and thus is having a major impact.
- 2.5 As Digital becomes ubiquitous, it is rewriting the way local authorities are delivering their corporate priorities and meeting business challenges. As local authorities continue to face austere times, the need for change has never been more important and the need for Digital transformation more relevant. It provides the opportunity to redesign the way in which the Council delivers services, to allow residents to have more control over how and when they access their services, to collaborate efficiently with communities and partners, and to support a culture of innovation. A Digital Strategy will need to be developed to demonstrate how the Council will effectively use new digital platforms and web based digital technologies to improve service delivery and help drive efficiencies.
- 2.6 An ageing Infrastructure: Following the creation of the ICT Shared Service in July 2013 between Stevenage Borough Council and East Herts Council, significant effort in the first couple of years went into the creation of ICT services that met the needs of both councils and delivered savings in the region of £400,000.

- 2.7 To this end the ICT Shared Service has delivered a shared network, data centres, corporate Wi-Fi, an ICT Service Desk and hosted desktops and delivered a range of projects from mobile working to customer payments. However over a period of several years, primarily due to austerity in the Public Sector, much of the technical infrastructure that supports the Council's ICT has been under-invested in, and become aged, unreliable, difficult to support operationally, and hard to maintain in a secure state. A substantial 'catch up' programme of work is now essential and needs to be built around sound strategic and architectural principles.
- 2.8 Cyber Security: the changing nature of cyber-attacks means that the ICT Partnership must manage the risk exposure of both councils and ensure that appropriate controls are in place to protect the information and data that is held.
- 2.9 ICT skills gap: Similarly to the ICT infrastructure until recently there has been a lack of investment in staff skills which has meant that the service has been lacking key technical capabilities to support the current infrastructure and the adoption of new technology. This has been addressed in part through the ICT Improvement Plan, however, there will be a need to permanently fund the additional capabilities and skills that have been recently recruited into the ICT Service.
- 2.10 A complex and inefficient business application landscape: Until recently ICT investments have been based on a bottom-up tactical approach, whereby operational teams within both councils have selected the technology solutions for their local area and presented these to the ICT team to implement. This approach has created a complex variety of systems, a lengthening list of outstanding requirements for new business applications, and a burgeoning need to update the supporting infrastructure technology. This has resulted in both a complex and inefficient application landscape (143+ applications across the ICT Partnership), a heavy burden on the ICT team to maintain them, heightened security risks (as keeping them all

fully patched and updated is a huge challenge), and insufficient free effort to address the ever-growing list of requested projects. Thus, the ICT Service has become a service that is both overloaded and often too busy to help, despite the best efforts of its dedicated staff, leading to reduced user satisfaction of services, the infrastructure receiving insufficient attention, and a significant degree of 'technical debt' accumulating.

- 2.11 The key considerations are that the underlying technical debt must be addressed, applications must be rationalised, the journey to the cloud must accelerate, governance must be further strengthened, and an overall strategic approach (as opposed to a reactive approach), in line with mandated principles of a new enterprise architecture that determines the type and number of business applications and systems, must be adopted. It is important that this is done in a strategically planned and co-ordinated way, to avoid unwise tactical investments in short term fixes, duplicated solutions, and the procurement of hard to manage systems. In addition the digital revolution is changing both the way that customers want to engage with council services and the consequent efficiencies and increases in productivity with which the council can achieve through the adoption and deployment of ICT and digital solutions.
- 2.12 The need for a strategic ICT approach: for the ICT Service to properly support both organisations, the ICT Partnership needs a sound ICT Partnership Strategy that matches and supports its strategic aims and enables both councils to keep in step with developing technology.
- 2.13 The Council is facing challenging financial circumstances over the next three financial years and one of the main challenges for the ICT Partnership will be how to harness the potential of ICT to help maintain priority services and enable changes to service delivery all within the context of reducing financial and

staffing resources. The contribution ICT will make to these endeavours is must be set out in future.

- 2.14 As part of the Council's integrated planning activities, a revised ICT Partnership Strategy in partnership with Stevenage Borough Council (SBC) has been prepared to cover the period 2019 to 2022. The ICT Partnership strategy is contained in ERP B.
- 2.15 Best practice, as encapsulated in the new ICT Partnership Strategy, requires that SBC and EHC jointly take a strategically-planned, top-down, approach to technology, which will represent a change to past practice.
- 2.16 The strategy has been developed in consultation with the ICT Team, Business Transformation teams, service teams, collaborative workshops, technological reviews, IT and service capability assessments and through an informal Executive session.
- 2.17 A series of independent reviews of the ICT service have also been undertaken over the last two financial years to help inform the new strategy, these have included:
- Socitm (Society of IT Managers in the Public Sector) Review and Security Assessment - 2018
  - SIAS Disaster Recovery Audit - 2018
  - Annual Public Sector Network Assessment (and associated independent health check)
  - Microsoft Navigator Discovery and Planning Sessions - 2018/19
  - Service Governance Review completed in May 2018

Socitm, Microsoft and other external partners have helped to also validate the strategical approach outlined within the strategy to delivering a resilient and secure ICT offer that meets the future requirements of both SBC and EHC. An examination of best practice in the sector, based on recently published ICT and digital strategies of other councils, along

with advice from Central Government, shows that the Council is strategically aligned with others. The vital importance of a sound ICT infrastructure is universally recognised and the technical approaches (Enterprise Architecture, Digital Strategy, Software as a Service, a focus on cyber security, etc.) have been widely adopted.

### 3. Aim and Vision

- 3.1 The ICT Partnership Strategy articulates the ICT vision and objectives now and in the future. The Partnership vision is to create a modern and transformational ICT service that drives and supports delivery of joined up services to customers through the effective use of technology.
- 3.2 Ensuring residents and businesses can access key transactional services and information 24 hours, 7 days a week is a key priority of the Council.
- 3.3 The Council is committed to develop and publish a Digital Strategy during 2020 and to redefine/refresh the Digital East Herts Programme, aimed primarily at streamlining the way customers interact with the Council, but also seeking to achieve internal efficiency improvements. There is an opportunity to do this in partnership with SBC and/or align digital programmes and projects in the future that benefit both councils.
- 3.4 The current estate of 143+ applications is extreme and best practice elsewhere indicates that an estate across SBC and EHC of 100 or so applications is a realistic goal to aim for. This may require some compromises, but will be overall far more efficient and cost effective for the ICT Partnership as a whole, will allow applications to be properly supported, and will assist in the provision of training and recruitment of local super users. Any future investments in business applications must be based on full business cases, approved through the ICT governance structure, and incorporating planned benefits



realisation, metrics and the recouping of planned financial savings. This has already commenced with the formation of the IT Steering Group, which has been meeting regularly since September 2018.

- 3.5 The ICT Partnership will build a culture of innovation where SBC and EHC make the best use of the creative talents of staff, Members, partners and customers to improve working practices and processes. The ICT Partnership will provide mobile ICT and digital services and tools that allow staff and Members to work anywhere at any time.
- 3.6 A strong project management approach will be taken to ensure the delivery of the plan. The intention of the ICT Partnership Board is for iterations of work programmes to be developed, each of which will be published with a corresponding implementation plan or roadmap. The plans will be submitted for approval in line with the ICT Partnership governance arrangements, culminating in an evolving ICT Partnership Strategy. These plans in future will include, a new Enterprise Architecture that incorporates the consolidation, simplification and standardisation of business systems, the Digital Strategy and finally business priority led delivery projects such as the replacement of Geographical Information Systems.
- 3.7 The Council entered into an ICT Shared Service Agreement for an initial five years with Stevenage Borough Council in 2013. The recommendation is that the Council should enter into a further 3 year partnership agreement to coincide with the lifespan of the proposed ICT Partnership Strategy. Both councils through the delivery of the strategy will continually look to achieve maximum value for money from their ICT investments. The success of the shared ICT Partnership Strategy depends on close working between SBC and EHC. This includes exploiting and promoting common software and hardware solutions across organisations.

3.27 It is therefore recommended that delegated authority should be given to the Deputy Chief Executive, who is the appointed EHC representative on the ICT Partnership Board to negotiate and agree a new 3 year Partnership Agreement and funding model in consultation with the Executive Member for Financial Sustainability.

#### 4 Options

4.1 Do Nothing: Failure to adopt the ICT Partnership Strategy will result in increasingly poor levels of service, and the risk that the Council will not be able to deliver its services effectively.

4.2 Propose spot fixes and short term extra resource: Spending additional funds by increasing the size of the ICT team short term, and adopting solutions that have been proposed to meet limited local needs would be an expensive way of propping up a fundamentally flawed ICT landscape, and would lead to spiralling costs and further declines in service quality. Such an approach would not be sustainable and would likely lead to the growth of 'shadow IT', with departments seeking their own solutions from external providers without the involvement of the ICT team, thereby risking overall security, achieving poor value for money for the Council, and limiting the Council's ability to make best use of its data.

4.3 Adopt a strategic approach: recommended. ICT exists only to support the needs and successful operation of the organisations, and an ICT Partnership Strategy must operate top down if it is to achieve this. The approach recommended provides a logical flow from corporate to operational needs, examines relevant technology trends and best practice, examines where the ICT Partnership's current provision is and where it falls short, paints a vision of a desirable and achievable future state, and proposes how to get there, in the context of improved organisational governance. It is recommended that this approach is adopted. The ICT Partnership Strategy and to follow a Digital Strategy will be

significant enablers for the Council to meet its strategic needs, both will ensure that the present 'log jam' of poor service, frustrated users and a difficult to maintain ICT landscape is resolved.

4.4 The draft ICT Partnership Strategy has been considered and approved by members at Stevenage Borough Council in October 2019 and if now also approved by East Herts Council ICT Partnership Strategy a public facing digital document summarising the key ambitions and ICT projects will be produced and placed onto the Council's website. The ICT Partnership Strategy has also been captured as a 'plan on a page' as an easy reference document for staff and members and can be seen in ERP C.

## 5.0 Implications/Consultations

5.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

5.2 Finance: The Head of Strategic Finance and Property has confirmed that all budget requirements arising from adoption of the ICT Partnership Strategy have already been included in the MTFP.

### Background Papers

ERP B – Strategy

ERP C – One Page Plan

ERP D – Implementation Plan

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