

Meeting:	Cabinet
Date:	23 October 2008
Subject:	Corporate IT Strategy
Key Decision:	Yes
Responsible Officer:	Mahesh Patel, Divisional Director IT
Portfolio Holder:	Cllr David Ashton, Leader and Portfolio Holder for Strategy, Partnership and Finance
Exempt:	No
Enclosures:	Corporate IT Strategy 2008 - 2013

Section 1 – Summary and Recommendations

1.1 This report sets out a vision for the use of technology to improve customer and community services and improve business efficiency over the next five years. It has been developed following a full review of IT across the council. The report sets out a framework of principles for the IT strategy and actions to start delivering the strategy and associated benefits of service improvement and reduced costs.

Recommendations:

1.2 Cabinet is requested to approve the Corporate IT Strategy 2008 – 2013 and the proposed actions for its delivery

Reason:

1.3 An IT strategy is required to ensure that investment in technology is aligned with the council's future direction and agreed priorities. Delivery of an IT strategy is part of the Improvement Plan. A strategy is required now as the previous one is out of date.

Section 2 – Report

2.1 Introduction

- 2.1.1 The council is becoming increasingly dependent on technology to facilitate and support the agenda for improving customer services and business efficiency. It is essential that the council has an IT strategy that aligns the investment in technology with the priorities for service improvement and the delivery of value for money processes and modern working practices across front and back office activities. The IT Strategy sets out a vision for how technology will transform customers services and the efficient running of the council over the next five years. The strategy identifies a framework of principles within which technology will be applied to achieve the vision. Against each principle, a number of actions have been identified to begin the delivery of the strategy.
- 2.1.2 The strategy links with the council's key priorities and in particular will make a significant contribution to 'Improving the way the council works for its residents'. The delivery of value for money services and efficient ways of working are central to the strategy and will support the council achieving a higher rating for this category in the Use of Resources assessment.

2.2 Options considered

- 2.2.1 The IT strategy is an output of a review of IT across the council. As part of the review, a range of options were explored regarding governance, organisational models, how best to establish strategies for applications, the technical infrastructure and information management along with how to develop a workforce with competent IT skills. Much of the focus was on whether IT services should be in-house or outsourced and, where they are retained within the council, whether a central or devolved approach is best.

2.3 Current Situation

- 2.3.1 The council's revenue expenditure of £7.5m per annum is in line with the average for other London boroughs. A fragmented structure for IT is in place with the Business Transformation Partnership driving the development of the corporate applications architecture (those IT systems used across the council like SAP), departments looking after their individual business applications and Harrow IT Services (HITS) providing a shrinking level of support in this area. HITS has predominantly a purely operational role in managing the technical infrastructure, which includes - the telecommunications network (voice and data); the Service Desk to organise help to resolve users' IT problems; managing the server computers that run applications and store and manipulate information; and supporting workstations (PCs) that staff use to access systems and undertake administrative duties.
- 2.3.2 The strategic partnership introduced in 2005 has enabled the council to make improvements in customer services and business efficiency

through end to end business process review and the implementation of SAP for corporate business applications and Customer Relationship Management. The platform implemented has provided the capability to:

- Deliver a new transactional web site
- Deliver Enterprise Resource Planning through SAP (Finance, HR, Procurement, Customer Relationship Management, Management Information)
- Integrate council systems to allow the sharing of information and data
- Create a single view of the customer

2.3.3 Performance of the infrastructure is sound and meets the performance targets set. Customer satisfaction is low and there is a lack of confidence in IT. An assessment against the national IT e-Service Delivery Standards shows Harrow to be meeting the minimum standard.

2.3.4 The lack of IT leadership and corporate governance, along with the dispersed responsibility for IT, has resulted in a lack of ownership of IT within the council; this has led to technical difficulties and unexpected costs when new systems are implemented. It has also resulted in there being no clear strategic technical direction and IT staff across the council working to different procedures and practices. The lack of cohesion, and the difficulties involved in IT and the business transformation programme forming a strong working relationship, has hindered the progression of IT and the building of customer confidence.

2.3.5 There are clear gaps in the functionality expected in a modern local authority IT structure. These include the IT client function which should address security, technical strategy development, commissioning and contract management and business engagement. A corporate approach to information management is also missing in an environment where information sharing with partners, security and document management is becoming increasingly important. Partnership working is generally lacking along with customer focus.

2.3.6 IT literacy amongst staff across the council is generally low.

2.3.7 There is considerable room for improvement of IT services and implementation of this strategy will move the council to excellence with regard ICT e-Service Standards by mid-2010.

2.4 Why a change is needed

2.4.1 Change is needed in order to:

- Ensure IT investment is aligned with corporate priorities
- Deliver professional IT services with improved customer satisfaction and achieving excellence for the e-Service IT Delivery Standards
- Deliver improved IT governance to ensure that all IT projects are agreed corporately, have the necessary management and budget arrangements in place and deliver clear benefits and efficiencies

- Deliver an IT service with all the functions necessary to support a modern local authority
- Improve the IT skills of the workforce
- Deliver value for money IT services through improving the quality of services but with savings against existing budgets

2.5 Recommendation

2.5.1 Cabinet is requested to approve the Corporate IT Strategy 2008 – 2013 and the proposed actions for its delivery as presented in the paper attached.

2.6 Resources and Costs

2.6.1 Where the required skills exist in-house, they will be used to take forward the implementation of the strategy. Posts will be back-filled as necessary. Where new or additional skills are required permanent staff, external consultants or contractors will be appointed to the projects. Decisions regarding whether to appoint staff or contractors will be based on the benefits of permanent recruitment against the need to retain flexibility to accommodate future changes. The cost of staff will be managed within existing resources.

2.7 Staffing/workforce

2.7.1 Delivery of the implementation plan will be managed through the IT Programme Office. Project teams will be a mix of contractors and Harrow staff.

2.8 Equalities impact

2.8.1 Equalities is a key theme that runs throughout the strategy. Implementation of the strategy will be achieved through a programme of projects. Each project will undertake an Equalities Impact Assessment in order to ensure that there is no negative impact from the equalities perspective.

2.9 Legal comments

2.10 Community safety

2.10.1 Not applicable

2.11 Financial Implications

2.11.1 All the projects in the implementation plan can be delivered within the existing capital and revenue budgets. Each project will have a defined budget, project manager and detailed brief. Projects will not commence until they have been agreed through the governance structure or, in the intervening period while this is established, by the Corporate Director of Finance.

2.11.2 Some financial savings are anticipated through devolving applications support staff to departments. Further work is required with departments to determine the scale of savings but it is unlikely to be less than £50k per annum. Initial soundings with potential suppliers regarding the business case for outsourcing all/part of IT Operations suggest that annual savings of around 10% of the budget may be achievable.

2.12 Performance Issues

2.12.1 Although the strategy will have no direct impact on improving national indicators, it will result in better IT systems and support for departments which will help with the improvement of services and the quality of performance monitoring. The strategy will deliver value for money which will contribute to improving the Use of Resources score as part of the Comprehensive Area Assessment. The council will assess its progress in this area by participating in the annual CIPFA benchmarking of value for money indicators for IT.

2.12.2 Implementation of the IT strategy will, however, improve a range of local performance indicators including:

- A move from the current minimum rating in the ICT e-Service Delivery Standards to Excellence by mid-2010
- Benchmarking against other public and private sector organisations showing continuous improvement reaching upper quartile performance by mid-2010
- Customer satisfaction rating continuously improving to reach >5.5 (out of 7) by early 2010
- Targets for all local Service Level Standards met

2.12.3 Monthly reporting of IT performance against a selection of SOCITM key performance indicators will continue and will be published on the Intranet. Selected details of current performance are covered in the IT strategy document.

2.13 Risk Management Implications

2.13.1 Risk included on Directorate risk register? Yes

Separate risk register in place? Yes

2.13.2 A risk register for the strategy has been prepared. Each project associated with the implementation of the strategy will have its own risk assessment. Key headline risks are identified below:

Risk	Mitigation
<ul style="list-style-type: none"> • A lack of senior management support • A lack of resources to deliver all projects • Expected improvements in the quality and efficiency of IT services are not achieved 	<ul style="list-style-type: none"> • Regular involvement of Members & CSB • Develop a clear business case for all projects • Strong programme management & alignment of implementation with the budget setting process

<ul style="list-style-type: none"> • Failure of the governance structure through lack of focus & commitment 	<ul style="list-style-type: none"> • Demonstrate the benefits to nominated managers
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Section 3 - Statutory Officer Clearance

Name: Myfanwy Barrett	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 19 September 2008		
Name: Hugh Peart	<input checked="" type="checkbox"/>	Monitoring Officer
Date: 19 September 2008		

Section 4 – Performance Officer Clearance

Name: Tom Whiting	<input checked="" type="checkbox"/>	on behalf of the Divisional Director (Strategy and Improvement)
Date: 24 September 2008		

Section 5 - Contact Details and Background Papers

Contact: Mahesh Patel, Divisional Director IT Services; Ext 6465

Background Papers:

Corporate IT Strategy 2008 - 2013
SOCITM Benchmark Review 2006
Presentation Papers to IT Review Team