Shared Services Joint Committee

Date of Meeting: 2nd August 2019

Report of: Gareth Pawlett – Chief Information Officer (Cheshire East)
Laurence Ainsworth – Director of Public Service Reform
(Cheshire West and Chester)

Subject/Title: Joint Council ICT Services Update Report

Portfolio Holder: Councillor Amanda Stott – Cheshire East Council,
Councillor Carol Gahan – Cheshire West and Chester
Council

1. Report Summary

1.1.   The purpose of this report is to provide a progress update in relation to
ICT Shared Services, focussing on Evolution (Infrastructure Investment
programme) and implementation of a Target Operating Model (TOM).

2. Recommendations

2.1.   Note the progress to date and upcoming planned activity.

2.2   Note the benefits of the ICT Investment programme (Evolution), the
mobilisation of the programme and progress to date.

3. Background

3.1.   At SSJC on the 24th March 2017 the Committee noted that an
independent and holistic ICT review, supported by both Councils, was
required to ensure ICT in its entirety, enabled both Councils to achieve
their objectives.

3.2.   At SSJC on the 19th May 2017 the Committee noted that Ernst &
Young LLP (EY) were to conduct an independent review to provide
assurance and to determine the optimum alignment of the IT delivery
model to meet both councils' future requirements. It was agreed that
the outputs from the phases of work would be brought to SSJC.

3.3.   At SSJC on the 22nd November 2017 the Committee supported the EY
recommendations made through the jointly commissioned review of
ICT. These are now actively being implemented.

4. Evolution Programme Update

4.1.	The Evolution Programme is a transformational investment programme which will enable both Councils to modernise, ensure compliance and deliver a flexible environment to underpin delivery. It will contribute to achieving the strategic objectives of both Councils in their mission to deliver high quality services to the residents and people of Cheshire. A key delivery principle is that both councils will fully engage with the Programme whilst adhering to the Programme core principles of standardise, simplify and share.

4.2.	Moving all our users of ICT to a more modern experience is a key output for the programme, putting in place Windows 10 and Office 365 will be some of the more noticeable changes and will form a strong secure foundation to support new digital ways of working. These will include increased and simplified flexible working for all staff and in particular social care, collaboration opportunities with wider services and with partners through Microsoft Teams and a general improvement in performance for everyone.

4.3.	Evolution will modernise how both councils use ICT as every single user will see some significant changes, with a large change management and adoption approach being adopted across both Councils joining up with other major change programmes.

4.4.	The Evolution Programme will modernise all of the aged and end of life infrastructure (i.e. servers and network) on which all of the Councils supporting systems sit.

4.5.	The programme will look to follow best practice and move both councils to a mixture of Cloud storage for the majority of the Councils needs and updating our Data Centre to a more modern environment for the rest.

4.6.	Benefits and aims of the programme are:
1)	Enable significant financial benefits for both Councils and ICT Services,
2)	Engage strategic cloud enablement partners as required,
3)	Provide a stable technology platform and meet the essential replacement needs of both Councils, ensuring compliance and security,
4)	Update the remaining data centre / on premise components,
5)	Create a modern and performing environment, through a hybrid cloud model,
6)	Assess each application and inform it is hosted in the most cost effective manner with the aim to migrate viable applications or products to the cloud,
7)	Support both Councils through this change:

- With planning for application decommissioning and rationalisation (elements such as data migration are not in scope of this programme),
- reducing impacts of change and helping councils to make best use of new capabilities,

8) Introduce an improved level of resilience and disaster recovery capability,

9) Deliver the necessary tools and processes to enable ICT to be more efficient and effective,

10) Deliver a new updated Product Catalogue that outlines services and associated capabilities for both Councils,

11) Enable both Councils to work in more agile and flexible ways in line with their existing ambitions for Flexible Mobile Working.

4.7. The programme has delivered the following:

1) An agreed Single Desktop Strategy for CEC and CWAC

2) The design and roll out of standardised desktop solution in CWAC which started in November 2018.

3) A reduction in Major Incidents from 146 in 2016/17, 60 in 2017/18 and 35 in 18/19.

4) Engagement of Microsoft as a strategic partner for Desktop/End User Computing.

5) New, more secure Remote Access service in place enabling the removal of legacy non-compliant remote access solutions and providing essential hybrid cloud security and management capability.

6) Implementation of a secure, compliant evergreen mobile device management solution, removing the need for frequent costly upgrades, exploiting the benefits of cloud, reducing on premise infrastructure and providing significant improvements in management and reporting. For the first time our mobile estate is now up to date and compliant.

7) Implementation of hybrid cloud server infrastructure (Azure cloud, Amazon VMC and on premise Hyper Converged) technically available, replacing aging Citrix and VMWare hardware, a significant step in addressing issues affecting service availability, whilst enabling both Councils to become cloud ready organisations.

8) Key Line of Business (KLOB) App Decommissioning – 45 applications decommissioned to date, with a further 66 applications in the pipeline, equating to 22% of KLOBs.

9) Backup and storage – procurement complete.

10) Next Generation Wan – Jointly developed cabinet paper. Approved at Cheshire East Cabinet in July 2019. Procurement

will support operational delivery of WAN plus strategic requirements from both Councils around Digital/Smart Cities/5G.

11) Quarterly IT Health Checks underway (moved from annual), significantly reducing the risk of cyber-attack and other emerging cyber security threats, enabling ICT Services to become more proactive and less reactive in managing security threats and issues.

12) McAfee security suite end client upgrades providing enhanced protection against zero day threats e.g. ransomware attacks.

13) PSN certification achieved for both councils.

14) Migration from Exchange Server 2007 to Exchange Server 2013, ensuring compliance. Legacy Exchange 2007 servers powered down as part of decommissioning activity.

15) O365 - Exchange Online targeted migration resumed in preparation for an organisation wide rollout in 2019/20.

16) An agreed rationalisation, simplification and decommissioning process.

17) Improved cyber security intelligence (migrated from Google to Central Government service).

18) Reduced the threat of security vulnerabilities by the removal of old and non-compliant server software.

4.8.   Finance

1) The financial case for Evolution outlines £19.8m investment is needed over 3 years between both Councils with a large proportion of the investment (£9.8m) to support essential replacement to ensure we are compliant and stable for our needs now. This investment was agreed through both Council's budget setting process with decisions made at Full Council meetings on 23 February 2017 for Cheshire East Council and 2 March 2017 for Cheshire West and Chester Council. The Business Case for this was supported in principle by both Councils Section 151 officers and will be monitored tightly through robust programme governance.

2) Expenditure for the programme in 2017/18 was £4.8m and in 2018/19 was £7.1m. The current spend for 2019/20 is £1.4m.

3) The programme is within budget and the spend profile is being managed by the Joint Strategic Board.

4.9.   Challenges

The scale and pace of this programme is not without its challenges which through joint working and the support of strategic partners we are managing, below is an overview of our key challenges:

Challenge	What we are doing
Complexity of the estate	Landscape Simplification is a core programme within Evolution which will provide information on our existing estate. The Councils have adopted the principles of standard, simple and shared which will be applied when considering any new requirements
Affordability	Robust financial management within the budget envelope. Programme governance will consider options and prioritisation. Review of Cost Model for ICT including and analysis of the impact of moving from capex to opex for service/utility based provision rather than traditional hardware/software procurement.
Introducing new ways of working to both Councils	Established an agreed approach to Adoption and Change Management ensuring alignment with the Councils wider change programmes.

5. Target Operating Model (TOM) Update

5.1. The TOM will define the components required to deliver the ICT outcomes for both councils and the ICT service. It will provide a high level representation of how the ICT Service can be best organised to more efficiently and effectively deliver its objectives. Importantly, the TOM will enable stakeholders to visualise the end state and also to understand the impact that changes will have on the councils, the ICT Service and other affected parties (e.g. Partner organisations).

5.2. The TOM is not radically different from the way the organisations are structured and operate at present, but does implement necessary improvements to capability, governance, medium term planning, trust and ways of working where these are required.

5.3. The benefits of implementing the changes for the Councils are :
1) Financial transparency,
2) Effective programme and project delivery,
3) Application and infrastructure consolidation,
4) More effective vendor and contract management, and
5) Improved staff capability and staffing mix (including reductions in contract staff).

5.4.   A Joint Strategic ICT Board has been established with responsibility for oversight, direction setting and decision making to ensure all elements of ICT change and Business As Usual (BAU) services are understood and fit in with both Councils needs and direction.

5.5.   Work is continuing on the definition and delivery of the Target Operating Model (TOM) through 2 governance groups supporting the Joint Strategic Board:
- Joint Business Design Authority, and
- Joint Service Improvement Board

5.6.   The key areas that the TOM will help evolve include clear roles and responsibilities, embedding a Brighter Future culture, career development opportunities, apprenticeships, brokerage models and commodity ICT.

6. Next Steps

6.1.   Review Evolution deliverables, refresh Evolution business case and undertake a prioritisation/acceleration plan where appropriate – August 2019.

6.2.   Pilot Office 365 and Windows 10 with small group of users – August 2019

6.3.   Procurement of Next Generation WAN – July to October 2019

6.4.   Extend Pilot phase with additional users – September 2019

6.5.   Early Adopter rollout of Win10/O365 – October 2019

6.6.   Main deployment commences of Win10/O365 – October/November 2019

6.7.   Next Generation WAN delivery – December 2019 to February 2021

7. Wards Affected and Local Ward Members

7.1.   All wards

8. Implications of Recommendations

8.1   Policy Implications

Strategic policy implications are limited and likely to be more pronounced at an operational level.

8.2   Legal Implications

Legal will be fully involved in developing the revised agreements, governance approach and any subsequent appointments of specialist teams or third party contracts required for the transformational programme.

8.3 Financial Implications

The programme is within budget and the spend profile is being managed by the Joint Strategic Board.

8.4 Equality Implications
There are no equality implications

8.5 Rural Community Implications

There are no impacts on the rural community

8.6 Human Resources Implications

Implicaions on Human Resources are not know at this time and will be fully set out once a full business case is produced.

8.7 Health and Wellbeing Implications

There are no known impications on Health and Wellbeing at this time

8.8 Implications for Children and Young People
There are no implications of Children and Young People

8.9 Overview and Scrutiny Committee Implications
There are no known specific impacts at this time.

8.10 Other Implications (Please Specify)

None

9 Risk Management

9.1 The Programme actively maintains a risk log which is reviewed and acted upon through governance.

10 Access to Information

10.1 Previous ICT update reports which set out the background are available publically.

11 Contact Information

Contact details for this report are as follows:

Name:	**Gareth Pawlett**
Designation:	**Chief Information Officer, Cheshire East Council**
Tel. No.:	**01270 686166**
Email:	**gareth.pawlett@cheshireeast.gov.uk**