

**Subject:** Information and Communication Technology Strategy **Status:** For Publication

**Report to:** Cabinet **Date:** 18<sup>th</sup> October 2006

**Report of:** Acting Head of Customer Services and e-Government

**Portfolio**

**Holder:** Cabinet Member for Customer Services

**Key Decision:** YES

Forward Plan  General Exception  Special Urgency  "X" In  
*Relevant Box*

**1. PURPOSE OF REPORT**

1.1 To approve the Information and Communication Technology Strategy strategy.

**2. CORPORATE PRIORITIES**

2.1 The matters discussed in this report are linked to and support the following corporate priorities:

- Finance and risk management. *Through reducing the Council's risk exposure, allowing access to efficiency enhancing tools, and improving management of an existing contract.*
- Member development. *Through providing members with more appropriate tools to support their work.*
- Human resources *Through providing tools that are fit for purpose and supporting their introduction with relevant training programmes.*
- Customer Services. *Through implementing tools which will allow the Council to join up currently disparate data and thus be able to respond better to customers.*
- Revenues and Benefits Partnership. *Through leveraging the contract to address key risk issues related to business continuity and disaster recovery.*

### 3. RISK ASSESSMENT IMPLICATIONS

31. All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:

- *Financial Risks exist in that some of the figures included later in this report in relation to the costs of implementation are estimates. Given the nature of the work this is inevitable. However, this has been mitigated through use of figures at the upper end of the range provided.*
- *People risks exist in relation to the availability of sufficiently skilled on site resource within Sungard Vivista to implement the new technologies within the ICT Strategy. This is being mitigated through ongoing dialogue with the Company's management and through the nature of some of the products being procured which are hosted by other expert providers.*
- *The Council faces significant operational risks from the current situation. Failure to implement the new ICT strategy will result in an increase in the current problems being experienced by users and ultimately a complete loss of system availability along with the significant financial and non financial costs and customer impacts associated with system down time.*
- *The Council also faces significant regulatory risks if it does not deliver certain key ICT related projects such as the Local Land and Property Gazetteer, and must also address the "high risk" status received in an Audit Commission review of the ICT environment carried out in January 2006.*

### 4. BACKGROUND

4.1 In 2001 Rossendale Borough Council entered into a 10 year agreement with Securicor Information Systems now Sungard Vivista to manage the Council's Information Technology services. The contract has been acknowledged by the Council for some time as problematic, given that it contains very limited service levels, liquidated damages or consequential loss clauses or contract review periods. The contract is based on the "best endeavours principle" giving the Council very little scope to amend the contract within its existing time period. In addition a number of contract variation orders have been signed by the Council in order to maintain and develop services which makes the contract particularly costly.

4.2 Following on from the Organisational Review the E-Government Team was formed in June 2005. The ICT Manager commenced in post in January 2006 and the first priority was to develop an ICT strategy. In conjunction with the appointment of an ICT Manager the Council had used a consultancy firm Best Practice Group to carry out some preliminary investigation into the Sungard Vivista contract. The work carried out by Best Practice Group showed that it would be cost prohibitive for Rossendale to buy the remaining period of the

contract out, particularly given the investment requirements which were also identified as being necessary to stabilize service provision.

4.3 To undertake the development of the ICT strategy a complete review and systems audit of the Council was carried out. As a result of this activity a number of issues and risks have been identified and these have helped to shape and scope the priorities that need to be addressed by the ICT strategy. The Strategy itself is a highly technical document which can be supplied to members on request. The key priorities identified within the strategy include:

- Review of the existing Sungard Vivista contract including costs, service / performance levels and resourcing requirements. This will facilitate better terms and conditions and improve the overall IT service proposition for the Council. Determine if the Council is better served from an external data centre or through maintenance of an on site Sungard team.
- Improving the responsiveness of the Help Desk in order to resolve both Member and Officer ICT fault calls and requests of support by creating a virtual Help Desk (Target 80% First Time Restoration).
- The lack of management of IT assets including both the hardware and software for example the Council currently has no refresh strategies in place (nor were they built into the Contract), hence the IT infrastructure and software has become outdated. For example all the server operating systems are so old they are no longer supported by the respective manufacturers support agreements.
- A considerable amount of the existing infrastructure is outdated and has insufficient processing power and disk space. A complete network review and re-design is required along with a technology refresh and server rationalisation programme.
- The existing corporate email and calendaring system Outlook 2000 needs to be updated in order to enable integration with new e-services such as the web site, Customer Relationship Management system and mobile working. As well as providing an appropriate email archiving facility to comply with legislative requirements associated with the Freedom of Information Act and Data Protection Act.
- The development of a Rossendale corporate Intranet site to share and publish internally focussed information. This will replace the existing Web Structure product which no longer works and does not provide the functional requirements. This will provide better access facilities for both Members and Officers to information such as corporate policies, reports, meeting room availability, internal vacancies etc.
- The development and implementation of an Extranet (Community Portal) to be utilised by both the Council and Community Groups within Rossendale.

- Replacement and upgrading of ageing business applications such as X-assist Building Control, Development Control etc with a range of modern, integrated applications capable of supporting service delivery and that enable integration to take place.
- Improve the ICT facilities and support available to elected Members by providing wireless routers and improved mobile access.
- Modernising and standardising on a common RBC “**Desktop**” to improve internal office, administration systems and simplify the support process. This will reduce the length of time to install and configure new IT equipment following procurement and delivery to site.
- Implementing new business processes to support the transfer and management of information between the Front and Back office with our partner organisations such as the selected Revenues and Benefits contractor, the Shared Service Contact Centre.
- Improving the IT procurement process by implementing a centralised procurement process covering all IT hardware, software and contracts.
- Exploiting the potential of corporate document management with the introduction of an electronic records management system (ERDMS) within the Revenue and Benefits function and review of the corporate position.
- The deployment and development of the RBC corporate Geographical Information System (GIS) that integrates with key systems such as Building Control, Development Control, Land Charges and the Gazetteer Management System.
- Implementation of a Local Land and Property Gazetteer (LLPG) and achieve three successful transactions with the NLPG by October 2006.
- Improving the level and quality of management information in relation to the ICT service and the implementation of management structures which ensure ownership of ICT as a corporate resource.

4.4 The existing Sungard Vivista contract is currently made up of two elements the original contract which is £509,000 per year (including past inflation) and contract variation orders which are approximately £267,000 per year. In addition the contract is subject to a yearly inflation increase which was 3.2% this year. The contract currently costs the Council approximately £777,000. The contract increases each year by RPI. There are currently no penalty clauses in the contract to allow for financial redress for non performance.

4.5 The ICT strategy will be funded by a combination of methods:

- Savings made in 2006 by the elimination of existing contract variation orders will aim to save approximately £ 85,000 per year.

- Additional savings will be targeted through 2006 – 2007 and 2008 through the deletion of other non productive contract elements such as firewall maintenance, reduction in user numbers following the removal of Capita and Greenvale staff, and the implementation of new spatial systems. This work will target to save approximately £53,000 per year.

4.6 The target amount of funds to be saved for the remaining contract life is a total of £620,000 but this is also dependent on a number of factors such as the removal of Greenvale from the Rossendale Network.

- Additional savings will be made through utilising economies of scale through the consolidation of existing suppliers. This will save costs on support and allow the rationalisation of servers to take place.
- Funds have been made available from the Housing Stock Transfer and ICT provisions for capital purchases.
- The ICT Team will try and generate additional revenue by offering their skills and expertise for example the development and hosting of web sites or micro sites to other public sector bodies.

4.7 The potential costs associated with the ICT infrastructure redevelopment are:

**Capital purchases one off:**

**Infrastructure Hardware purchases:**

All hardware will be purchased with 5 years maintenance cover from the start this will save money on existing maintenance contracts. All hardware will be placed on a 5 year life cycle for replacement. A programme of server rationalization will be implemented to further reduce costs.

- 3 Citrix servers
- 2 Domain controllers
- 1 LLPG / Spatial systems server replaces 4 existing servers.
- 1 Intranet
- 1 Exchange server Email system
- 1 Bes Blackberry server
- Hardware firewall.
- 1 Tape back up drive to be used with SAN disk to disk back up and then to tape.

Total cost approximately £35,000

Storage Area Network (SAN) approximately £75,000 this will allow virtual servers to be deployed on the network without having to invest in the actual hardware, this is known as virtualisation. It will also allow the council to perform Disaster Recovery / Business Continuity Management with deployment to an external data centre.

Costs from Sungard to support the effective implementation of both these key elements of the strategy are estimated at £60,000.

## **Software purchases**

- Microsoft Enterprise Agreement to cover all Microsoft licensing including desktops and servers. The agreement will have software assurance built in which means that any Microsoft upgrades will be included free. The cost of an EA is £28,862 per year for three years, after the third year the price will go down to £15,000 per year.
- Jadu Intranet and Extranet support £4,500 per year.

## **Security Hosted by third party**

- Anti virus and Anti spam £3,200 per year, this reduces the exposure of the Council's network to inappropriate randomly targeted e mails.
- Uniform Resource Locator filtering to monitor the web activity of all Rossendale users and also bar inappropriate web sites, URLs etc £7,100 per year. This prevents the use of Council ICT facilities to access inappropriate material.
- Management of firewall 365 days a year with 4 hour call and full disaster recovery to another data centre £7,166 per year. This complies with Audit Commission recommendations.

## **Mobile working**

- Implementing broad band and wireless routers for all Members, some Members have said that they would prefer to keep their own broadband, if so Rossendale would pay for the Members broadband connection at home. Potential cost £20 per month for each Member £7,920 per year. The cost of a wireless router may be £100 depending on which Internet Service Provider is used; in some cases this is free. This is a significant reduction in cost compared to the current arrangements for remote access.
- Implementing RSA (authentication method), checkpoint £9,425 one off cost, the tokens last for three years.
- Implementing Blackberry mobile phones cost approximately £70 per device one off cost and £20 monthly rental plus any calls made. Not all the Members may want a Blackberry or some will want a Blackberry instead of mobile working.
- Management of RSA solution provision of £20,000 per year has been allocated for this activity, although this element will be subject to a competitive procurement exercise.

## **Sungard Capital implementation costs**

- Sungard have quoted between £45 – 60,000 one of costs to implement the ICT strategy which will be delivered in a number of phases, the costs will vary according to the amount of work which is performed by Sungard. For prudence the higher figure has been used for budgeting purposes.

## 4.8 Financial Summary

The revenue and capital cost implications together with their resources can be summarized as follows:

<b>Revenue</b>	<b>Full Year</b>
Current Contract Cost	777
Less - Review of Variation Orders *	138
Add - Reinvestment	89
Revised annual cost	<u>728</u>
<b>Annual Saving</b>	<b>49</b>
<i>* £51k agreed to date</i>	

<b>Capital</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
Proposed Spend	<u>44</u>	<u>135</u>	<u>0</u>	<u>0</u>
Resources:				
LSVT Vat Share	100	75	50	50
ICT Provisions	29			
Total Resources	<u>129</u>	<u>75</u>	<u>50</u>	<u>50</u>
Cumulative favourable resources	85	25	75	125

## 5. COMMENTS OF THE HEAD OF FINANCIAL SERVICES

5.1 The summary tables above demonstrates the affordability of the proposals on the assumptions that further savings are made to the current contract payments and that the LSVT Vat shelter arrangement delivers the anticipated contribution to the Council.

## 6 COMMENTS OF THE HEAD OF LEGAL AND DEMOCRATIC SERVICES

6.1 Appropriate contractual agreements will need to be put in place with external providers and variations will be required to the current contract with Sungard Vivista to reflect the new service configuration and service levels.

## 7. COMMENTS OF THE HEAD OF HUMAN RESOURCES

7.1 There are implications from these changes relating to the delivery of training for staff and members, which have been built into the Training Plan and the overall strategy.

## 8. CONCLUSION

8.1 The Council needs to take action to address the acknowledged deficiencies in ICT provision. The LSVT process and the creation of the e Government Team provide the resources and the skills to enable step change to occur in this area. The alternative, which is to do nothing, is not an alternative as the ICT infrastructure would in due course cease to function causing key elements of service to be unable to operate.

## 9. RECOMMENDATION(S)

9.1 It is recommended that the ICT strategy outlined above is adopted and the following is implemented:

- Purchase of 9 new servers.
- Enter into a Microsoft enterprise agreement.
- Implement new mobile working solution including wireless routers for Members.
- Improve storage by implementing new SAN (Storage Area Network).
- Implement new Anti virus / Anti spam solution to remove the problems with junk mail and viruses.
- Implement mobile working through RSA and Blackberries.
- Create Local Land and Property Gazetteer for Rossendale.
- Implement new Rossendale corporate intranet.
- Consolidate exiting IT suppliers by developing strategic relationships with the following Jadu, Northgate, Integralis, Civica and Map info.
- Implement EDRM for Revenues and Benefits with a view to roll out corporately.
- Establish a corporate ICT board, to be chaired by the Executive Director of Resources, as a custodian of the ICT strategy which will over see ICT delivery for Rossendale and will be supported by an operational ICT group.

## 10. CONSULTATION CARRIED OUT

10.1 Consultation has taken place with the following:

- Senior Management Team
- Leader of the Council
- Portfolio Holder for E-Government & Customer Services
- Member e-champion

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Background Papers	
Document	Place of Inspection
ICT Strategy	Town Centre Offices