



## Information Technology Sub (Finance) Committee

**Date:** TUESDAY, 20 OCTOBER 2015

**Time:** 1.45 pm

**Venue:** COMMITTEE ROOM - 2ND FLOOR WEST WING, GUILDHALL

**Members:** Roger Chadwick (Chairman)  
Jeremy Mayhew (Deputy Chairman)  
Randall Anderson  
Nigel Challis  
Deputy John Chapman  
Deputy Jamie Ingham Clark  
Hugh Morris  
Sylvia Moys  
Graham Packham  
Chris Punter  
Alderman Matthew Richardson  
Deputy John Tomlinson  
James Tumbridge

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**Lunch will be served in the Guildhall Club at 1pm**  
**NB: Part of this meeting could be the subject of audio or video recording**

**John Barradell**  
**Town Clerk and Chief Executive**

# AGENDA

## Part 1 - Public Agenda

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES OF THE PREVIOUS MEETING**  
To agree the public minutes and non-public summary of the meeting held on 9 June 2015.  

**For Decision**  
(Pages 1 - 4)
4. **REVIEW OF OUTSTANDING ACTIONS**  
Report of the Town Clerk.  

**For Information**  
(Pages 5 - 8)
5. **RESOLUTION FROM THE HOUSING MANAGEMENT AND ALMHOUSES SUB (COMMUNITY AND CHILDREN'S SERVICES) COMMITTEE**  
To receive a resolution from the Housing Management and Almhouses Sub (Community and Children's Services) Committee seeking assurance that officers had the ability to send information to residents quickly and effectively.  

**For Information**  
(Pages 9 - 10)
6. **AGILISYS MANAGED SERVICE - YEAR 2 PERFORMANCE REVIEW**  
Report of the Chamberlain. This report will also be supplemented by a presentation at the meeting.  

**For Information**  
(Pages 11 - 30)
7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**
8. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
9. **EXCLUSION OF THE PUBLIC**  
MOTION - That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.  

**For Decision**

## Part 2 - Non-Public Agenda

10. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**
11. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB-COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

## INFORMATION TECHNOLOGY SUB (FINANCE) COMMITTEE

Tuesday, 9 June 2015

Minutes of the meeting of the Information Technology Sub (Finance) Committee held at Guildhall, EC2 on Tuesday, 9 June 2015 at 12.00 pm

### Present

#### Members:

Roger Chadwick (Chairman)  
Jeremy Mayhew (Deputy Chairman)  
Randall Anderson  
Sylvia Moys  
Graham Packham  
Chris Punter  
Deputy John Tomlinson

#### Officers:

|                |                          |
|----------------|--------------------------|
| Susan Attard   | Deputy Town Clerk        |
| Jacqui Daniels | Town Clerk's Department  |
| Peter Kane     | Chamberlain              |
| Graham Bell    | Chamberlain's Department |

#### In attendance

Agilisys Representatives.

#### 1. APOLOGIES

Apologies were received from Nigel Challis, Deputy John Chapman, Deputy Jamie Ingham Clark, Hugh Morris, Alderman Matthew Richardson and James Tumbridge.

#### 2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

There were no declarations.

#### 3. MINUTES

**RESOLVED:** That the public minutes and non-public summary of the meeting held on 11 March 2015 be approved as a correct record.

#### 4. REVIEW OF OUTSTANDING ACTIONS

Members received a note of outstanding actions from the public minutes and noted that there had not been any non-public outstanding actions to report.

The Chamberlain undertook to include the present position on outstanding actions in future such reports.

## 5. **JOINT OPERATIONAL REVIEW**

The Sub Committee considered a report and a detailed presentation of the Chief Information Officer putting into context a joint operational review which had been underway since late April 2015 to address issues affecting both IT services and the Oracle project.

It was particularly noted that:-

- There had been a period of significant change for the IT service, including changing all infrastructure, bringing the Police on Board together with significant resource challenges;
- Public sector network accreditation had been achieved in April and the future on-going accreditation would be managed by Agilisys in future
- Whilst some disruption was inevitable, prior to the review there had been an extended period where this had been below acceptable levels;
- As each project progressed, underlying legacy issues had been exposed, these were being worked through and, as changes were being implemented, complexity was being removed and the joint operational review accelerated this process;
- Operational Reviews were being undertaken and a number of improvement projects were progressing through the Gateway Process;
- The identified key areas for improvement were making a difference for users however, issues remained and further work was required to ensure all users were receiving an effective service;
- Plans to achieve medium and long term actions were being developed and would be submitted to Summit and Chief Officer Groups for consideration;
- There had been issues which were being overcome but more positive engagement of the teams, working together with the technical support was now improving the customer experience;
- The IT Strategy would be reconsidered once matters had settled;
- It had been intended that internal knowledge of the Corporation's systems would be retained by the TUPE of roles from the City Corporation.

Members welcomed the current sense of common purpose and emphasised the need for renewed enthusiasm across the board to make this work and for this to be converted into progress on the ground. The Sub Committee requested that a report be submitted to their next meeting on the first two years of operation and that the information they had been given be translated into a work plan for the next six months and beyond.

**RESOLVED** – That the contents of the report and the presentation be noted and that a report be submitted to the next meeting on the first two years of operation of the Oracle Project and that the information within the report and presentation be translated into a work plan for the next six months and beyond.

## 6. **KEY PROJECTS UPDATE**

The Chamberlain informed Members of the progress made on the Superfast City Programme.

7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**  
**IT Refresh**

In answer to a Member's question, the Chamberlain confirmed that, as 60% of the City's IT equipment was in excess of four years old, this would have an impact on the way that it worked and a strategic policy for the turnover of equipment on a rolling basis (with certain exceptions) would be drawn up.

8. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There was no other business.

9. **EXCLUSION OF THE PUBLIC**

**RESOLVED** - That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

**Item No.**

10

**Paragraph in Schedule 12A**

3

10. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**

**RESOLVED:** That the non-public minutes of the meeting held on 11 March 2015 be approved as an accurate record.

11. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**

There were no non-public questions.

12. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There were no items of non-public urgent business.

**The meeting ended at 1.15 pm**

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Chairman

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INFORMATION SYSTEMS SUB COMMITTEE – OUTSTANDING ACTIONS – PUBLIC MINUTES

| Meeting Date  | Minute  | Action and target for completion  | Department responsible             | Progress update  |
|---------------|---|---|------------------------------------|--|
| 9 June 2015   | <b>OUTSTANDING ACTION SHEETS</b>              | The Chamberlain undertook to include the present position on outstanding actions in future such reports.  | IT Team – Chamberlain’s Department | Complete.  |
| 9 June 2015   | <b>ORACLE PROGRESS REPORT</b>                 | A report to be submitted to the next meeting on the first two years of operation of the Oracle Project and that the information within the report and presentation be translated into a work plan for the next six months and beyond  | IT Team – Chamberlain’s Department | The Oracle project is in the process of being closed. Various closure reports are in production and will be presented to various Committees in Nov / Dec.  |
| 9 June 2015   | <b>IT REFRESH</b>                             | In answer to a Member’s question, the Chamberlain confirmed that, as 60% of the City’s IT equipment was in excess of four years old, this would have an impact on the way that it worked and a strategic policy for the turnover of equipment on a rolling basis (with certain exceptions) would be drawn up. | IT Team – Chamberlain’s Department | This is being taken forward as part of the End User Device Renewal Programme.<br><br>A verbal update will be given to Sub Committee and a GW 5 Report will be presented to the Dec Meeting.                        |
| 11 March 2015 | <b>HEAD OF IT REPORT - TECHNOLOGY ROADMAP</b> | To provide further details of anticipated cost savings concerning a centralised system of IT equipment purchase in the next report to be submitted to the Sub Committee together with an indication of the anticipated cost of a device through its lifetime.   | IT team, Chamberlain’s Department  | Technology Roadmap, End User Device and Network Replacement GW 5 Reports are in production for presentation to the Dec IT Sub Committee.<br><br>A verbal update on progress will be given to Sub Committee in Oct. |

INFORMATION SYSTEMS SUB COMMITTEE – OUTSTANDING ACTIONS – PUBLIC MINUTES

| Meeting Date  | Minute   | Action and target for completion   | Department responsible                        | Progress update   |
|---------------|--|--|---|---|
| 11 March 2015 | <b>AGILISYS MANAGED SERVICE - FINANCIAL REPORT</b> | <ul style="list-style-type: none"> <li>• To discuss the Apprenticeship Programme further with Agilisys as it had not yet employed the 100 Apprentices anticipated in the original contract;</li> <li>• Future reports on the Agilisys managed service to be more strategic, providing an overview of the current anticipated cost of the City of London Corporation contract and the elements concerning the City of London Police and the Oracle contracts;</li> <li>• To submit a report to the Sub Committee on an electronic storage policy be submitted; and</li> <li>• To submit a further annual report to the Sub Committee, later in the year, to mark the second year of the Agilisys contract.</li> </ul> | IT team, Chamberlain's Department - All items | <p>2<sup>nd</sup> Year Report is included in the Oct Agenda and covers the majority of this action.</p> <p>Verbal report to be given to the Sub Committee on Draft Policies now out for consultation.</p> |
| 11 March 2015 | <b>CONTRACT PERFORMANCE REPORT</b>                 | <ul style="list-style-type: none"> <li>• To email Members to inform them of the steps being taken to address the areas in the Agilisys contract which are below target;</li> <li>• Any exceptions or matters performing below target should be drawn out and mentioned covering reports in future.</li> </ul>  | IT team, Chamberlain's Department - All items | Covered in the 2 <sup>nd</sup> Year Agilisys Report   |



INFORMATION SYSTEMS SUB COMMITTEE – OUTSTANDING ACTIONS – PUBLIC MINUTES

| Meeting Date  | Minute  | Action and target for completion   | Department responsible   | Progress update  |
|---------------|---|--|--|--|
| 11 March 2015 | <b>SUPERFAST CITY PROGRAMME UPDATE</b>        | That an informal meeting take place for Members who wished to discuss the IT developments in detail.   | IT team, Chamberlain's Department to manage meeting content & Town Clerk's Department to arrange date of meeting. once it's deemed necessary | An all Member update has been distributed and Member queries are being addressed as they are raised.               |
| 11 March 2015 | <b>MICROSOFT OUTLOOK FOR IPADS</b>            | To look into whether Microsoft Outlook could be provided on Members' iPads and submit a report to the next meeting.  | IT team, Chamberlain's Department  | This solution is not PSN compliant, therefore cannot currently be offered.   |
| 11 March 2015 | <b>INFORMATION SYSTEMS - QUARTERLY UPDATE</b> | An anonymised Balanced Scorecard to be provided from another Local Authority in order to bench mark progress. Officers agreed to provide this at a future meeting. | IT Team – Chamberlain's Department   | A review of the Balanced Scorecard is underway as part of the broader review of our operating model with Agilisys. |

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# Agenda Item 5

TO: **HOUSING MANAGEMENT &  
ALMSHOUSES SUB COMMITTEE**

Tuesday, 14 July 2015

FROM: **INFORMATION TECHNOLOGY SUB  
COMMITTEE**

Tuesday, 22 September 2015

**6. RESIDENT COMMUNICATIONS & ENGAGEMENT STRATEGY - TECHNOLOGY**

With regard to communications and IS systems, Members resolved to seek assurance from the Information Technology Sub Committee that ensuring officers had the ability to send information to residents quickly and effectively was a priority.

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# Agenda Item 6

|   |                               |
|---|-------------------------------|
| <b>Committee</b>  | <b>Dated:</b>                 |
| Information Technology Sub Committee  | 20 <sup>th</sup> October 2015 |
| <b>Subject:</b><br>Agilisys Managed Service - Year 2 performance review -<br>Cover Note | <b>Public</b>                 |
| <b>Report of:</b><br>Chamberlain  | <b>For Information</b>        |

## Summary

The attached Report provides Members with a review of the 2<sup>nd</sup> year of the Agilisys Contract.

This contract was let as a strategic partnership and in the 2 years since, Agilisys have met their contracted targets. The service has been delivered within the projected financial envelope and the originally promised financial savings are being achieved and remain on target for the remainder of the contract. As stated previously, there is a continuing risk of cost increase through increased usage in utility priced (pay as you go) areas of the contract and we continue to work with Agilisys to mitigate this.

The Agilisys contract has expanded significantly in the first 2 years, most notably with the addition of the City of London Police. The service take on for the Police is currently progressing to plan and tangible improvements to the Police IT Service have and continue to be delivered. Agilisys have also been contracted to deliver a number of major projects, most notably Oracle and Revenue Insourcing. These have been challenging exercises; however, they have been delivered successfully.

As we have transferred to the Agilisys Platform, there have been a number of serious issues with areas of the service yet to be upgraded. This has led to customer dissatisfaction with the service performance and a **Joint Operational Review** (JoR) was initiated in April 2015 to resolve these issues.

Significant changes have been made through the JoR and since August, the service performance is much improved. There remain a number of key areas to upgrade and operational improvements to be made. These are being progressed as part of series of further actions agreed by the JoR.

Our contract also contains a number of Corporate Social Responsibility targets. These have experienced some challenges, particularly in progressing the Apprenticeship Programme. A refreshed approach has now been agreed and it is expected further apprentices will be placed in a variety of City organisations on top of the 20 already placed within the Agilisys Partnership.

Agilisys have also moved to an Employee Owned Trust ownership model, this is highly unusual in the IT industry and represents an enlightened approach to sharing of benefits across the company, its staff and its clients.

Looking forward key areas for attention in year 3 are:

- Complete the Service Improvement Plans identified in the JoR, namely:
  - Joint Network Refresh Programme
  - End User Device Refresh Programme
  - Unified Communications Programme
  - Potential service transfer of the Applications Support Function and the implementation of a more integrated operating model.
- Implement improvements identified through customer feedback to IT Business Partners.
- Work with the City Corporation to deliver against the IT strategy/IT elements of the corporate plan in line with the contract.
- Build the capacity and skills within staff working across the partnership (both Agilisys and City of London IT staff) to deliver against these objectives.

### **Recommendation**

Members are asked to note this Report and receive a presentation at the IT Sub Committee, which will bring them up to date on progress made across the JoR, the key projects which come from this and the Police IT Service.

### **Attachments**

- Appendix 1 – Agilisys Managed Service - Year 2 performance review

### **Graham Bell**

Chief Information Officer, Chamberlain's

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|   |                        |
|---|------------------------|
| <b>Committee:</b>   | <b>Date:</b>           |
| Information Technology Sub-Committee                                    | 20 October 2015        |
| <b>Subject:</b><br>Agilisys Managed Service - Year 2 performance review | <b>Public</b>          |
| <b>Report of:</b><br>Chamberlain  | <b>For Information</b> |

### Summary

This report provides Chief Officers and Members with an update on the second year's performance of the Corporation's Managed IT service contract with Agilisys Ltd.

#### **Context for the Contract Review**

It is two years since the commencement of the IT Managed Services contract with Agilisys Ltd. This follows the decision in Autumn 2012 to migrate the IT service from a fully in-house model, to one based on a strategic partnership with an external provider. The key drivers and contractual obligations for the change have largely been met, with work continuing, over the remaining contract period to achieve the remaining goals and sustain compliance.

#### **Finances**

The spend profile for the Agilisys core contract remains within expected levels enabling £1.5m of savings and the avoidance of £2.5m of capital expenditure. It is acknowledged more can be done to communicate how further savings for the City can be delivered through effective use of the cost models.

#### **Achievements to date**

The partnership with Agilisys has supported the delivery of significant business change for City and City of London Police. Achievements to date include:

- **Mandatory Transformation Projects**  
The Mandatory Transformation projects initiated at the start of the contract (e.g. Infrastructure as a Service; Service Desk move to Barking) have now completed
- **Police Service Transition**  
Progress with the transition of the in-house IT service and Mandatory Transformation Projects for the Police remains on target and have provided significant improvements in service levels
- **Insourcing of Capita revenues and benefits in February 2015** are on time and on budget
- **Technical delivery of Oracle Programme Phase 1 in March 2015.**

#### **Corporate Social Responsibility**

An enhanced approach for the Joint Apprenticeships Programme is being finalised, which should enable the target (100 apprenticeships over the contract term) to be achieved.

In April 2015 Agilisys revised their ownership structure and are now majority owned by an Employee Ownership Trust. This creates an opportunity for Agilisys staff, including TUPE'd Corporation and Police Staff, to benefit from future success.

### **Service Performance**

Contractual performance against critical performance indicators has been achieved. However, customers have reported on-going technology issues and dissatisfaction with IT Servicedesk customer service.

Therefore, in April 2015 the Chamberlain, CIO and the CEO of Agilisys initiated a **Joint Operational Review** (JoR) to look at a number of issues based on customer feedback to IT business partners. This enabled both organisations to take a strategic view of how best to align the service models of both parties to deliver the next phase of improvements for the organisation. It has also enabled a testing of assumptions prior to the start of the contract, built stronger relationships and a deeper understanding between the partnership.

The Joint Operational Review has considered and developed a Service Improvement plan to deliver a series of improvement initiatives in three core areas:

- Governance arrangements
- People and process – including capacity and capability
- Technology

### **Next Steps**

Key areas for attention in year 3 are;

- Complete the Service Improvement Plans identified in the JoR;
- Implement improvements identified based on customer feedback to IT Business Partners
- Work with the City Corporation to deliver against the IT strategy/IT elements of the corporate plan in line with the contract.
- Continue to develop Opportunity Outlines for key strategic programmes of work identified as part of the JoR
- Build the capacity and skills within staff working across the partnership (both Agilisys and City of London IT staff) to deliver against these objectives

### **Recommendation**

That the report be received.



## **Main Report**

### **1. Introduction**

1.1 This report provides Members and Chief Officers with an update on the second year's performance of the Managed IT service contract with Agilisys Ltd.

1.2 The report describes performance over these main areas:

- Achievements to date
- Operational performance including Joint Operational Review
- Projects
- Financial performance
- Governance
- Corporate Social Responsibility

This report will also review the recommendations from the report submitted to your committee last year, and provide recommendations for the next year.

### **2. Context for the Review**

2.1 The IS Review initiated in 2008 was one of the four corporate strategic reviews. The three phases of the IS Review involved; (i) Centralisation of IT/IS posts from a number of departments; (ii) A restructure of IS Division, and (iii) a review of how the IT service should be sourced. Chief Officers and Members took the decision in 2012 to seek a strategic partner to deliver the core IT function through an OJEU Tender process.

2.2 The business drivers for the strategic partnership (shown in Appendix 1) identified the key aims for the new service. These included the need to contribute to corporate budget savings, and a revised model of service provision that could provide greater flexibility whilst shifting elements of risk to another organisation. It was accepted that a fully in-house service would not be able to support future business needs without a significant increase in cost.

### **3. Achievements to date**

3.1. Entering into a strategic partnership with Agilisys Ltd has enabled the City to support significant business change. It should be recognised that these changes have been delivered during the IT service transition from a fully in-house service to a partial in-house service where Business Engagement, Applications Support etc. are delivered by City. The key business change and IT service changes are listed below in 3.2.

3.2. Change activities supported through the partnership include:

- Migration to IaaS where the City Corporation on-site data centre was migrated to an Agilisys cloud-based IaaS (Infrastructure as a Service) utility based platform, providing enhanced business resilience;
- Service managed and monitored aligned to Industry Standard Methodology ITIL v3;
- Embarking on a new partnership with the City of London Police IT service;
- Delivery of the replacement XP Desktop estate;
- Significant contributor to the successful in-sourcing of the Business Rates and Council Tax collection service;

- Enabling the City of London and the City of London Police to obtain accreditation to the PSN/PSNP service to securely connect to central government;
- Agilisys and their subcontractor PwC have enabled the City to move to the new Oracle platform.

3.3 All this has been achieved whilst the **IT budget has been reduced** to enable the savings identified in the Tender process (£1.58m over the term of the contract).

Table 1 below provides a year on year breakdown.

**Table 1**

|                            | 13/14<br>Part Yr.<br>£000 | 14/15<br>£000 | 15/16<br>£000 | 16/17<br>£000 | 17/18<br>£000 | 18/19<br>£000 | 19/20<br>£000 | 20/21<br>£000 | Total<br>£000  |
|----------------------------|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Existing Budget            | 1,374                     | 3,059         | 3,359         | 3,359         | 3,359         | 3,359         | 3,359         | 1,400         | 22,628         |
| Agilisys Tender            | 2,253                     | 3,754         | 3,052         | 2,866         | 2,698         | 2,698         | 2,698         | 1,026         | 21,045         |
| <b>Revenue Cost Saving</b> | <b>879</b>                | <b>695</b>    | <b>(307)</b>  | <b>(493)</b>  | <b>(661)</b>  | <b>(661)</b>  | <b>(661)</b>  | <b>(374)</b>  | <b>(1,583)</b> |
| Capital Exp. Not Required  | 0                         | (430)         | (420)         | (420)         | (420)         | (420)         | (420)         | (175)         | (2,705)        |

## 4. Operational performance

### Service Levels

4.1 The Critical Performance Indicators (CPIs) which apply to the contract are detailed in Appendix 2. Agilisys has not breached the 100 service points per month threshold throughout year 2; no service credits have been incurred throughout year 2. At the time of writing this report, the data for August 2015 was not yet available.

4.2 The CPIs are the main contractual measure of performance. Based on this measure, the overall performance of Agilisys in the second year has been achieved. Contractual performance against critical performance indicators has been good. However, customers have reported on-going technology issues and dissatisfaction with IT Servicedesk customer service.

### Joint Operational Review

4.3 In response to these performance issues, response times and customer feedback and the concerns expressed about services delivered by both Agilisys and the City's IT Division, the Chamberlain, CIO and the CEO of Agilisys initiated a **Joint Operational Review (JoR)** of service performance in April 2015. The aim of the JoR was to identify how best to align the service models of both parties to deliver the next phase of improvements for the organisation.

4.4 The JoR has considered and developed a Service Improvement Plan to deliver a series of performance and other improvement initiatives (including the opportunity to address issues that have existed for a number of years but have not until now been transparent to the organisation) in **three broad areas** outlined below in Table 2.

**Table 2: Expected benefits from the Joint Operational Review**

| Theme  | Expected benefits   |
|--|---|
| <b>Governance, Communications and Engagement</b> | <ul style="list-style-type: none"> <li>• Greater customer focus and representation by the business</li> <li>• More effective governance</li> <li>• Improved alignment with business priorities</li> </ul>   |
| <b>People and Process</b>                        | <ul style="list-style-type: none"> <li>• Improved accountability for delivery</li> <li>• Improved alignment of contract and SLAs with business requirements</li> <li>• Improved IT architecture development</li> <li>• Enhanced capacity for change</li> <li>• Improve the skills and capability of the IT team across City of London and Agilisys and through better workforce planning</li> </ul>                 |
| <b>Technology</b>                                | <ul style="list-style-type: none"> <li>• Fit for purpose technology and applications</li> <li>• Improved performance and stability for Oracle Business Intelligence (business &amp; management information)</li> <li>• Investment in enhanced technology</li> <li>• Improved performance and desktop environment</li> <li>• Improved customer experience/user experience across systems and applications</li> </ul> |

4.5 The outcome of the JoR aims to provide the benefits shown in Table 2 above with further details shown in Appendix 3.

## 5. Projects

### Mandatory Transformation projects

5.1 At the start of the second year of service, there were two Mandatory Transformation projects still in progress. The ITIL Process Implementation Project has now been completed, introducing processes to manage service delivery according to best practice. The IaaS project, migrating City's infrastructure to Agilisys' utility-based platform and enabling City to decommission the Guildhall data centre at a future point has also completed.

### Police Managed Service Transition

5.2 The City of London Police & Agilisys partnership commenced in December 2014. The Police IT service operated independently of the Corporation up until late 2014 and was in a poor state of repair, requiring a number of improvements across systems, infrastructure and service delivery

5.3 We are now progressing eight mandatory transformation projects to stabilise and improve the service, renewing infrastructure and systems, as well as providing key support to a number of Police Transformation Projects. One mandatory project have now completed (Service Desk migration) with another four nearing completion (Service Management Tool; IBM Endpoint Management; FastPass; ITIL and Solarwinds). Two further projects (Infrastructure as a Service and Security) are due for completion later this year.

5.4 As remaining projects near completion, the Police position will progressively improve, mitigating the historic red risk on the Police IT Service. The parties are discussing plans to implement a resilient interim back-up and storage environment until completion of the IaaS Mandatory Transformation Project; this will reduce the risk to the Police IT service in the short term.

## 6 Financial performance

6.1 The overall savings anticipated by the partnership are **on track** to deliver £1.5m of savings and the avoidance of £2.5m of capital expenditure. Further details of billing schedules and service charges are available in Appendix 4.

## 7 Governance

7.1. The governance arrangements for the contract have been refreshed to provide greater clarity of senior/corporate engagement and oversight in IT governance. This has been achieved through the Executive Oversight Group (senior City, Police and Agilisys executive officers), IT Chief Officer Steering Group and Technical Design Assurance. Each board now employs more rigour to the management of the contract and projects. The adjustments to the governance of the contract are aligned to changes within the IT Division to establish a stronger team serving the City and Police whilst establishing more executive oversight of the contract management arrangements through the Executive Oversight Group.

7.2 The governance for the CoLP transition is currently managed by the CoLP Project Board and Steering Group. Following the completion of the Mandatory Transformation Projects, CoLP will be incorporated into the same governance structure.

In addition, CoLP service performance governance was implemented in month 1 of the transition. This is providing structured, ITIL-based management and reporting which has been well received by CoLP and City stakeholders.

The maturity of reporting for both core services and Police has improved and now provides a more effective means to review performance.

## 8 Corporate Social Responsibility

### Apprenticeships

8.1 Agilisys and City have been engaged in discussions about the best way to implement the Joint Apprenticeships Programme. It is proposed that the Joint Programme is progressed with the support of the Economic Development Office and progress will continue to be reported to relevant Boards and Committees.

8.2 To date 20 apprenticeships have started within the Agilisys East London Centre of Excellence (covers City of London, Barking & Dagenham, and Tower Hamlets).

## Other CSR activities

- 8.3 In addition to the apprenticeship scheme, Agilisys has delivered a series of initiatives working with SMEs and supporting events on youth employability. Appendix 5 provides a summary of these activities.
- 8.4 In April 2015, Agilisys established the Agilisys Employee Ownership Trust (EOT). As a 'mutual', Agilisys is majority owned by the EOT. Agilisys believe this is a real differentiator; it enhances our, already well-established, employee commitment and engagement. The new structure represents a unique opportunity for Agilisys employees, including TUPE'd Corporation and Police staff, to have greater engagement and ownership in how the business operates and ensures that they benefit from future growth and successes.

## 9 Lessons learnt – progress on areas identified last year.

- 9.1 **Project delivery:** Much has been done to address the lessons identified in last year's report. Improvements to processes to manage the development and delivery of projects have been implemented by the project management office team in IT Division and Agilisys. The revised Governance arrangements provide a more efficient and effective means to scrutinise and define projects, with the Technical Design Assurance Board attended by IT and Agilisys staff. This has reduced the time taken to initiate projects, and improved partnership working through closer co-operation in the definition of technical solutions. This revised process is also in development with the Corporate Programme Development Unit (CPDU), and regular meetings are held with the unit to review IT projects. Further work will be done to up skill staff across the partnership and embed these changes.
- 9.2 **Service Management:** A revised meeting cycle and format for the Service Management and Performance Board is improving the way the partnership manages service issues. Closer co-operation with the IT Business Partners and regular attendance at departmental management teams, plus more frequent site visits, is enabling Agilisys to understand and address key business service needs.
- 9.3 **Resourcing:** resourcing the intelligent client function requires further work in term of recruitment and the development of the capacity and capability across both teams in the partnership.
- 9.4 **Communications and Engagement:** It has been acknowledged by both parties that communication and engagement across the City of London Corporation during periods affected by service performance issues needs to be improved with clear roles and responsibilities agreed. A communication and engagement plan is being developed in partnership with Corporate Communications/Public Relations Office. In addition, regular updates about IT developments are planned via the IT Business Partners, corporate communications, updates to senior officers via relevant Boards such as IT Steering group and Summit Group and wider corporate communications via key channels. A key vehicle for engagement will be via CIO/Head of IT engagement at relevant Boards and Committees as well as increased visibility at senior management meetings and other sessions as relevant.

## 10 Year 3 Service Focus

### 10.1 Technology:

Emphasis will be placed on **continuing to implement the service performance improvements** defined as part of the Joint Operational Review, and progressing the key

investment projects for upgrading the aging desktop hardware, and renewing the core network infrastructure. Appendix 6 outlines the current RAG status of our corporate and departmental applications, systems and infrastructure and key areas for improvement.

## 10.2 People & Process:

Focus will be given to improving the quality of the IT Servicedesk and the visibility/work of the Field Engineering Team. The recent introduction of a call overflow system utilising Agilisys' Rochdale Service Centre, has improved call waiting times, and is starting to increase the first time fix rate

Progress the work to review business requirements for **Application Support and Development services**. This is in line with the potential afforded by the current contract to transfer these services to Agilisys and a key part of wider improvement to align service management and delivery standards.

**Application Rationalisation, SharePoint & Information Management** are areas currently under scrutiny and development working in partnership with other key parts of the business (such as Town Clerk's Department) to ensure alignment with corporate plans.

## 11 Next steps

11.1 The following activities will be planned for the third year of the contract:

- Cement gains in service performance resulting from the infrastructure improvement plan;
- Continue to embed improvements with the Service Desk and Field Engineering teams;
- Progress plans to address issues identified in the customer satisfaction surveys;
- Review contract to consider changes to CPIs that better reflect a range of performance measures that matter to departmental customers;
- Enhance communications and engagement to all stakeholders, keeping them informed of progress with performance improvements and implementation of the IT Strategy and technology roadmap.
- Develop capability and capacity planning for our staff across the partnership particularly in the areas of project management, customer service management and business partnering.

## 12. Conclusion

The partnership with Agilisys is delivering against expectations to support the modernisation of the City's IT services, enabling £1.5m of savings and the avoidance of £2.5 million of capital expenditure.

Major initiatives completed in Year 2 included the completion of the Mandatory Transformation Projects, the extension of contract to the City of London Police, and the renewal of the City's Oracle solution.

All CPIs are being achieved and no service credits have been incurred. This provides a solid baseline for further work with qualitative feedback from users about service performance.

The maturing relationship between the City and Agilisys is expressed in the Joint Operational Review, which has identified new opportunities to work together to address issues that have existed for a number of years, and to support the inclusion of Police IT services.

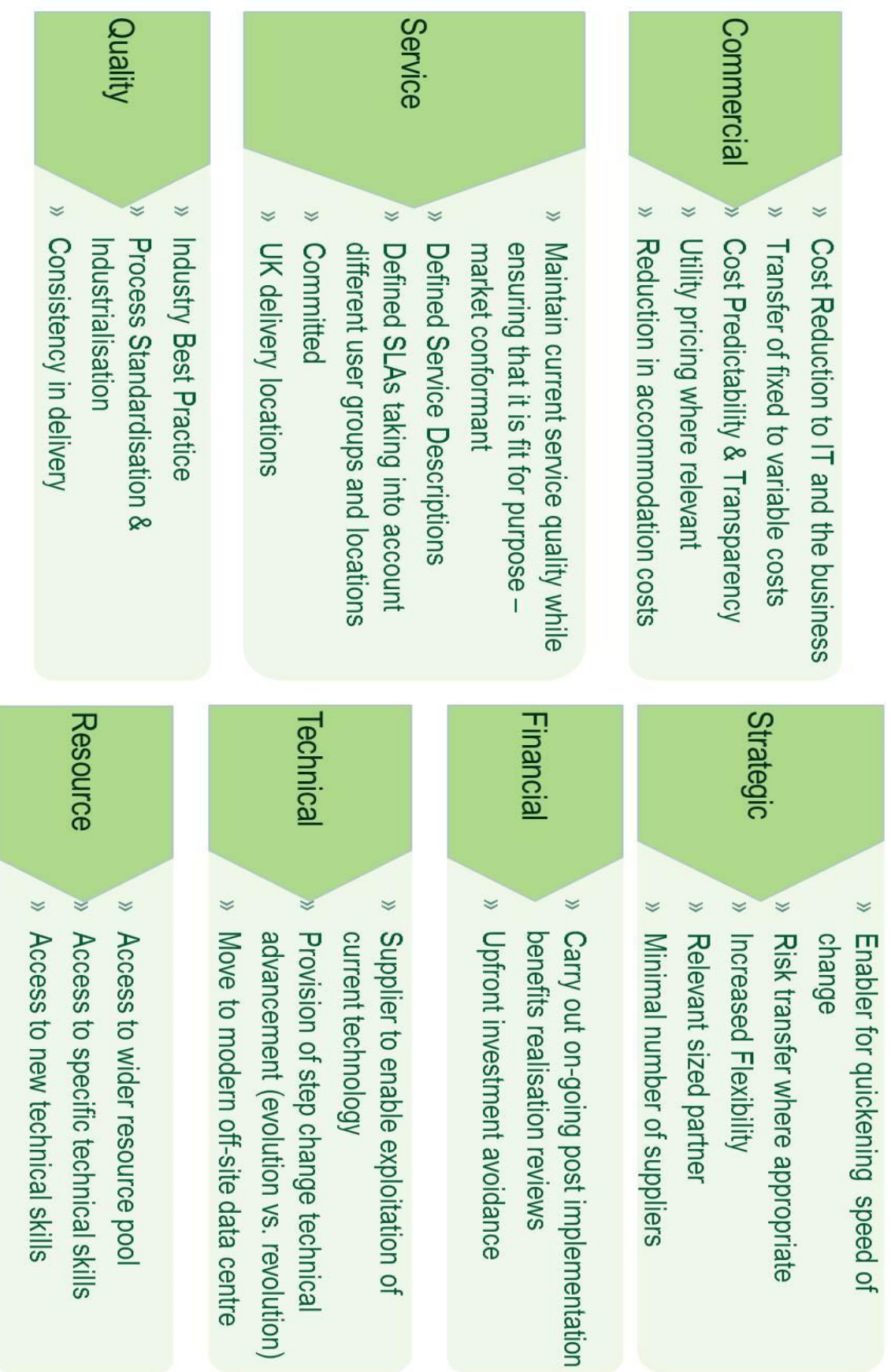
The direction of travel for the City, City Police and Agilisys will be one of greater integration of governance, sharing of best practice and delivery of 'one-voice' to stakeholders.

There is further work to be done in relation to workforce planning across the partnership to build capability in the areas of project management and contract management. We will work closely with those involved in the Service Based Reviews to ensure alignment with this work.

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# City of London – IS Review – Phase 3 Sourcing Drivers





**Appendix 2 - Overview of City / Agilisys contracted Service Level Agreement and Summary of Critical Performance Indicators**

| Critical Performance Indicator            | Description  | SLA target   | Loss of service Tolerance  |
|---|--|--|--|
| Priority 1 restore time                   | Time taken to Restore a Service following a Priority 1 Service Failure.  | Service restored within 2 hours (measured during services' operating hours)  | Service points accrue after 2 hours if fault lies within scope of Agilisys managed service                         |
| Priority 2 restore time                   | Time taken to restore a Service following a Priority 2 Service Failure.  | Service restored within 6 hours (measured during services' operating hours)  | Service points accrue after 6 hours if fault lies within scope of Agilisys managed service                         |
| Corporate & Critical Service availability | Total availability as measured by the agreed monitoring tools divided by the total number of hours in the calendar month excluding agreed maintenance downtime. Any significantly degraded service that effectively renders a service unusable, counts as unavailability.              | <b>99.0%</b><br><br>Time measured for each service according to agreed hours of availability. Target covers average of all services on defined list. | For a typical service with support hours between 8am and 6pm, Monday to Friday.<br><br><b>2.17 hours per month</b> |
| Data Centre LAN availability              | Total Data Centre LAN availability as measured by the agreed monitoring tools divided by the total number of hours in the calendar month excluding agreed maintenance downtime.  | <b>99.95%</b><br><br>Measured 24/7.  | Excluding permitted maintenance.<br><br><b>4.4 hours per year</b>  |
| Internet Access availability              | Total Internet Access availability as measured by the agreed monitoring tools divided by the total number of hours in the calendar month excluding agreed maintenance downtime. Any significantly degraded service that effectively renders service unusable counts as unavailability. | <b>99.95%</b><br><br>Measured 24/7   | Excluding permitted maintenance.<br><br><b>4.4 hours per year</b>  |
| Corporate Network Availability            | Corporate Network Availability including LAN, WAN, Firewalls, as measured by the agreed monitoring tools divided by the total number of hours in the calendar month excluding agreed maintenance downtime  | <b>99.95%</b><br><br>Measured 24/7   | Excluding permitted maintenance.<br><br><b>4.4 hours per year</b>  |
| Corporate Telephony Availability          | Total Corporate Telephony Availability as measured by the agreed monitoring tools divided by the total number of hours in the calendar month excluding agreed maintenance downtime   | <b>99.95%</b><br><br>Measured 24/7   | Excluding permitted maintenance.<br><br><b>4.4 hours per year</b>  |

**Appendix 2 Continued: Summary of Critical Performance Indicators**

| 2014/2015 | Service performance |                         |                       |          |                         |                       |                       |                | Data Centre LAN Availability (INF-01) | Internet Access Availability (INF-02) | Corporate Network Availability (TN-01) | Corporate Telephony Availability (TN-05) |                      |                            |        |        |
|-----------|---------------------|-------------------------|-----------------------|----------|-------------------------|-----------------------|-----------------------|----------------|---------------------------------------|---------------------------------------|--|--|----------------------|----------------------------|--------|--------|
|           | P1 count            | P1 Service Level Target | Service Performance % | P2 count | P2 Service Level Target | Service Performance % | Service Points Target | Service Points | Service Level Target                  | Service Level Availability            | Service Level Target                   | Service Level Availability               | Service Level Target | Service Level Availability |        |        |
| Sept      | 2                   | 98%                     | 100%                  | 9        | 98%                     | 100%                  | 100                   | 0              | 99.90%                                | 100%                                  | 99.90%                                 | 100%                                     | 99.50%               | 100%                       | 99.50% | 99.91% |
| Oct       | 1                   | 98%                     | 100%                  | 5        | 98%                     | 100%                  | 100                   | 0              | 99.90%                                | 99.99%                                | 99.90%                                 | 100%                                     | 99.50%               | 100%                       | 99.50% | 99.96% |
| Nov       | 8                   | 98%                     | 100%                  | 6        | 98%                     | 100%                  | 100                   | 0              | 99.90%                                | 99.99%                                | 99.90%                                 | 100%                                     | 99.50%               | 99.72%                     | 99.50% | 99.80% |
| Dec       | 4                   | 98%                     | 50%                   | 2        | 98%                     | 100%                  | 100                   | 10             | 99.90%                                | 99.98%                                | 99.90%                                 | 100%                                     | 99.50%               | 100%                       | 99.50% | 99.80% |
| Jan       | 5                   | 98%                     | 100%                  | 1        | 98%                     | 100%                  | 100                   | 0              | 99.90%                                | 99.99%                                | 99.90%                                 | 100%                                     | 99.50%               | 99.86%                     | 99.50% | 99.97% |
| Feb       | 1                   | 98%                     | 100%                  | 4        | 98%                     | 100%                  | 100                   | 10             | 99.90%                                | 99.90%                                | 99.90%                                 | 100%                                     | 99.50%               | 99.90%                     | 99.50% | 99.90% |
| Mar       | 5                   | 98%                     | 100%                  | 4        | 98%                     | 75%                   | 100                   | 25             | 99.90%                                | 99.90%                                | 99.90%                                 | 100%                                     | 99.50%               | 99.50%                     | 99.50% | 99.50% |
| Apr       | 2                   | 98%                     | 50%                   | 5        | 98%                     | 100%                  | 100                   | 15             | 99.90%                                | 99.90%                                | 99.90%                                 | 100%                                     | 99.50%               | 99.90%                     | 99.50% | 99.90% |
| May       | 3                   | 98%                     | 100%                  | 5        | 98%                     | 80%                   | 100                   | 5              | 99.90%                                | 100%                                  | 99.90%                                 | 100%                                     | 99.50%               | 99.90%                     | 99.50% | 99.90% |
| Jun       | 4                   | 98%                     | 75%                   | 4        | 98%                     | 50%                   | 100                   | 35             | 99.90%                                | 100%                                  | 99.90%                                 | 100%                                     | 99.50%               | 99.90%                     | 99.50% | 99.90% |
| Jul       | 1                   | 98%                     | 0%                    | 8        | 98%                     | 100%                  | 100                   | 35             | 99.90%                                | 100%                                  | 99.90%                                 | 100%                                     | 99.50%               | 99.90%                     | 99.50% | 100%   |
| Aug       | n/a                 | 98%                     | n/a                   | n/a      | 98%                     | n/a                   | 100                   | n/a            | 99.90%                                | n/a                                   | 99.90%                                 | n/a                                      | 99.50%               | n/a                        | 99.50% | n/a    |

Key points: For the available period Sept 2014 – August 2015

Priority 1 Restore Time: performance has exceeded the target in 7 months of the year

Priority 2 Restore Time: performance has exceeded the target in 8 months of the year.

All other CPis achieved or exceeded each month.

### **Appendix 3: Further details on the Joint Operational Review**

The JoR was structured into **three key work streams over the short, medium and long term covering improvement plans against:**

- **Governance**
- **People and Process**
- **Technology**

The plan for the review is summarised below in Table 3

The JoR objectives are to:

- Ensure proper oversight and governance of IT strategy, plans and issues
- Improve customer satisfaction levels
- Reduce the service impacting events
- Improve project and programme delivery
- Align the respective operating models of City and Agilisys

Tactics include:

- Additional processes and configuration around Oracle OBI reporting, reducing OBI outages.
- Desktop configuration improvements implemented to remedy historical issues, after this was identified as a major source of customer dissatisfaction.
- PSN compliance achieved, with remaining medium and low issues resolved with minimal impact.
- Additional governance has been established, with an on-going focus on both service performance and improving project initiation and scoping process.

At the point of writing this report as part of continuing service improvement there are three department specific Improvement Plans have developed for

- Open Spaces,
- Culture Heritage & Libraries
- Markets & Consumer Protection.



#### **Appendix 4: Billing schedules and Service Charges**

*For the start of each Service Year (September to August) Agilisys provide a billing schedule to cover the service charges outlined in Table 6 below. The charges for the utility-based services (servers, data storage and users) are subject to volume variations. Growth in data storage and server utilisation is being closely monitored. The charges in the billing schedule are estimates based on previous usage. Indexation is also applied to these charges effective from September each year. It is acknowledged that further work is to be done to educate the business about charging models to enable further savings to be made through utilisation of data storage etc.*

*The original billing schedule for Year 2 assumed the IaaS Project would complete by November 2014. In the event the final IaaS migration plan was extended to March 2015 meaning that the City will receive a rebate on the charges in the year 2 billing schedule; this will be credited within financial year 2015/16.*

*The table below shows the charges across the service years for the core contract and the Police service. The core contract is shown as two lines – the original charges (based on the year 2 billing schedule) and the revised charges accounting for the IaaS rebate.*

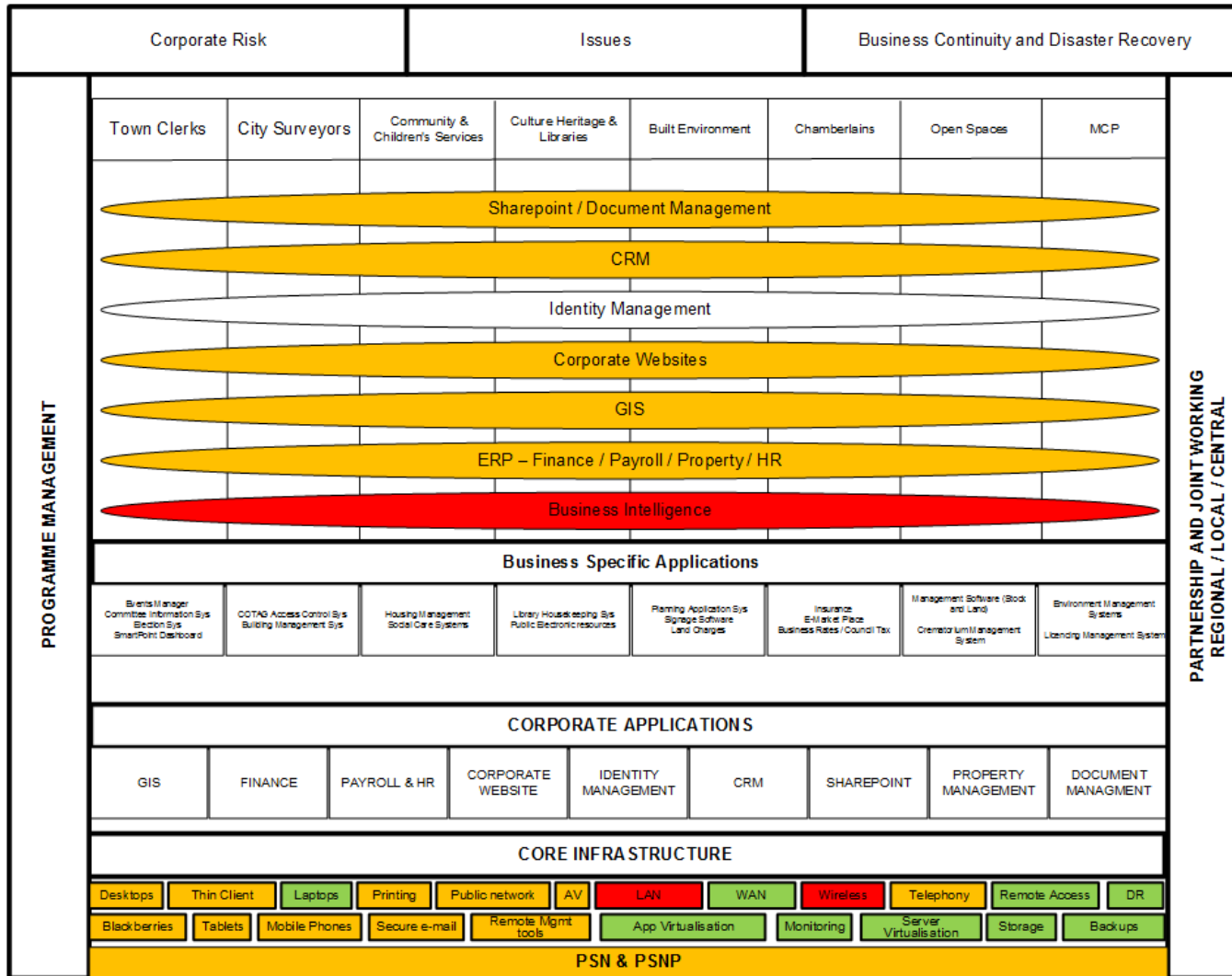
|   | <b>Actual Billing</b> | <b>Agreed Y2 Billing Schedule</b> | <b>True up/down required</b> |
|---|-----------------------|-----------------------------------|------------------------------|
| IT Fixed Charges                              | 477,881               | 481,351                           | 3,470                        |
| Infrastructure Run Costs (servers)            | 1,097,972             | 1,107,822                         | 9,850                        |
| Infrastructure (storage)                      | 527,945               | 511,985                           | -15,960                      |
| Service Desk                                  | 330,915               | 328,057                           | -2,858                       |
| End User Services (Run Costs)                 | 575,653               | 570,796                           | -4,857                       |
| Network and Telecommunications                | 135,660               | 137,116                           | 1,456                        |
| Web Hosting                                   | 103,860               | 127,884                           | 24,024                       |
| Oracle Upgrade – BAU Charges                  | 259,720               | 236,535                           | -23,185                      |
| Business Rates and Council Tax Insourcing BAU | 323,982               | 326,989                           | 3,007                        |
| <b>Total</b>                                  | <b>3,833,588</b>      | <b>3,828,535</b>                  | <b>-5,054</b>                |

**Appendix 5: Table 7: Summary of CSR Achievements**

| CSR Initiative   | Achievements   |
|--|--|
| Employability – youth employment work related events targeted at COL sponsored Academy Schools | <ul style="list-style-type: none"> <li>• Southwark Careers Fair, April 2014</li> <li>• STEM Fair with Science Council, June 2014</li> <li>• INSPIRE Careers Fair with Hackney, July 2014</li> <li>• Careers in the City Event, 4 Academies, April 2015</li> <li>• Islington Academy Student to BEC, July 2015</li> </ul>                               |
| Enterprise   | <ul style="list-style-type: none"> <li>• Buy Social &amp; Community Partners events</li> <li>• Social Enterprise &amp; Big Business Conference with ELBP, Feb 2015</li> </ul>  |
| Enterprise – Start-ups & SME Support   | <ul style="list-style-type: none"> <li>• Start-Up workshops events in partnership with NatWest RBS in Hackney &amp; Tower Hamlets</li> <li>• Hackney Business Network Events</li> <li>• Angels in the City Events and Offering coaching to investees</li> <li>• MoU with London South Bank University and UEL to work with Fringe Residents</li> </ul> |
| Engagement   | <ul style="list-style-type: none"> <li>• Dragon Awards – promotion of awards to SME and community partners; offered support to judging and event management, May 2015</li> <li>• CoLP Force Awards Sponsor, 2015</li> </ul>  |

## Appendix 6: Technology Stack

The following graphic illustrates the RAG status and corporate impact across our key corporate applications, our business specific applications and our core infrastructure.



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