

Committees: Finance Committee	Date: 31 January 2017
Subject: IT Division – Quarterly Update	Public
Report of: The Chamberlain	For Information
Report author: Sean Green, IT Director	

Summary

The number of serious, negatively impacting issues has been at a very low level since the last IT quarterly report. The IT Division has maintained a focus on service availability whilst seeking to progress the transformation programme that will uplift the overall quality of IT services at the Corporation and City Police. Core updates:

The in-year budget uplift has been approved and is now in-place to meet the commitments the IT Division has in this financial year. The uplift will further enable activities to be progressed to lower the risk associated with the ageing IT infrastructure. Since the approval we have also established an estimate of the additional Capital required to reset the quality of IT services in the longer term. Initial modelling points to a total figure in the order of £8m in addition to the amounts already approved at committee.

A high-level vision and the IT transformation strategy has been presented to IT Sub-Committee Members. IT Division has been working with City Procurement to engage a 3rd party consultant to help us further develop our strategy and target operating model. We aim to appoint a suitable consultancy organisation by the end of January.

Work to support the on-boarding of the new IT Director, and the new Deputy IT Director (Delivery), has been carried out. The new IT Director commenced service with the Corporation on the 16th January.

The structure of the IT Division is being strengthened so that key support activities such as financial controls, risk management, and audit compliance are brought together in a new grouping called IT Business Management.

Recommendation

Members are asked to note the report.

Main Report

1. **Recent Performance.** The past quarter has seen a more stable position across the service. There have been only 4 Priority 1 cases in the last two months compared to 18 in October alone. 3 of the Priority 1 cases have been as a result of issues with known unstable business applications and 1 due to hardware failure. There has also been additional proactive monitoring implemented.

2. **Risk Management.** The work to embed a risk management regime into the IT Division continues with a significant number of risks now identified. The effort has involved building a method of risk capture that we can migrate into the Corporate “Covalent” system over the coming months. A report on the current risk position has been established and is now shared with the IT Sub Committee, to enable Members to better understand the risk environment, and to ensure progress is made in addressing them.
3. **IT Budget.** The in-year budget uplift has been approved and is now in-place to meet the commitments the IT Division has in this financial year. The uplift will further enable activities to be progressed to lower the risk associated with the ageing IT infrastructure. Within the budget uplift paper the IT Division stated that additional Capital requests would be made in addition to what has already been approved at IT Sub Committee and Projects Sub Committee. Since the approval we have also established an estimate of £8m for the additional Capital required to reset the quality of IT services in the longer term. Detailed Gateway reports will be submitted to both IT Sub Committee and Projects Sub Committee over the coming months.
4. **Staffing and capacity.** Further changes are being progressed to strengthen the IT Division in terms of increasing resource for important support tasks that will help measure and manage the Division as a whole. A new IT Business Management team is being established that will focus on supplier management, financial controls, audit compliance, service performance reporting, and risk management. The key aim of creating the new team and roles is to separate these important support activities from front-line teams.
5. **Managed Services Partnership with Agilisys.** The approach to the extension of the managed service contract with Agilisys has reviewed and endorsed by the IT Sub-Committee. The Corporation and City Police will seek to exploit the best of the commodity, cloud provided solutions as more of the key services we consume are provided on this type of platform. This will mean a switch from classic on-site and hosted solutions to subscription services. The impact of this is that the current managed service provider will deliver less of the standard services we use over time. The intention is to use Agilisys more in transformation activities that move the Corporation and City Police to this new model of consumption.

6. **Key Transformation Programmes**

Desktop Refresh Programme

A High Level Design has been completed that takes account of the user experience and this will ensure the transformation remains focussed on the end users. Detailed designs for underpinning technology such as Active Directory, Windows 10 and SCCM have been completed, and a supporting infrastructure is currently being built. Application discovery has been completed and packaging of core applications is under way. Business change communications is being finalised with Communications starting in January.

Network Refresh Programme

There has been a detailed review of all unfunded assumptions completed to assure we have a total solution cost. An issues paper for Projects Sub is being developed to address the revised funding requirements for the Network transformation. A gateway 4/5 paper has been developed for the Wide Area Network (WAN) Implementation. We have produced a fully documented high-level design detailing the end to end solution and outcomes for Local Area Network (LAN), WAN and Wi-Fi. The physical survey of all 100+ sites, communications rooms, power and cabling has been done and identified critical remediation works that are required to enable the implementation of the new LAN and WAN. Further discussions have taken place to improve understanding of requirements for the Ring of Steel and Accommodation Programmes.

7. **IT Strategy.** The IT Division has developed and consulted upon an IT Strategy for the Corporation that addresses the risks recently identified. It sets a clear course for the next 2 years to get the IT service to a stable and consistent level of quality. It seeks to consolidate the current in-flight activities that are support our IT Transformation plan. The strategy has been warmly welcomed by Chief Officers and Summit Group, and will be reviewed by IT Sub-Committee Members on 20 January. Work is on-going between IT Division and CoLP colleagues to develop an IT Strategy for the City of London Police, reflecting their future needs. A first draft for officer review will be available at the end of January.
8. **External consultancy/assurance.** The IT Division is seeking to engage a 3rd party consultancy to review and strengthen the current approach to IT services at the City of London. The work is focussed on:
 - Providing assurance and validation of the IT strategy and IT target operating model (TOM).
 - Support the IT leadership to define revised performance measures that are aligned to user expectations and that promote a customer focus from all IT delivery units.
 - Support the IT leadership and Finance Division in defining a financial model for IT that provides improved control now and that will also support the target operating model.
 - Support the IT Division leadership team in planning for transition

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