Coventry City Council

Scrutiny Co-ordination Committee   **8th August 2012**

Subject: i-Cov Post Implementation Review

1   Purpose of the Note

1.1   To update the Scrutiny Co-ordination Committee on the progress made and issues identified during the first full year of operation of the newly in-sourced ICT service.

2   Recommendations

2.1   That Scrutiny Co-ordination Committee:

1) Notes the progress reported.

2) Endorses the actions that are planned to address outstanding issues and further strengthen and improve the ICT service.

3   Information/Background

3.1   A copy of the i-Cov Evaluation Report which was considered and approved at the Transformation Programme Delivery Board meeting on 10th May 2012 is attached as **Appendix 1** to this briefing note.

3.2   As part of its **abc** Transformation Programme, the City Council had identified ICT service provision as a priority for service transformation. The i-Cov project (as it was named) demonstrated a strong fit with the Council's ambition to better align its interaction with its citizens, to improve service delivery and maximise value for money. The drivers for change in the service included service performance, cost and service delivery.

3.3   The Council's major ICT services were outsourced to external suppliers which cost the Council around £15m on an annual basis, but there was also a significant amount of internal ICT delivery which added considerably to the overall cost of ICT across the authority.

3.4   Concerns were raised over the contract management, governance, performance and value for money of ICT provision in general, but specifically around the contract with Serco Solutions.

The i-Cov review's purpose was established as:

- Improve the reliability and predictability of ICT services provided to the Council

- Develop strategic management of the ICT architecture and change portfolio

- Rationalise the ICT organisation – reduce costs, increase productivity and efficiency and improve service quality

- Develop greater depth and breadth of business, technical, process and people skills

- Improve customer satisfaction.

3.5   Sections 2.6 and 2.7 of the attached report provide details of achievement against those original criteria.

3.6 The i-Cov FSR formally began in November 2009 and the review phase completed in March 2010. It then moved from review stage to implementation with the new in-house service becoming operational on 1st April 2011.

4 Progress to Date / Benefits Realisation

4.1 **Sections 2.6 and 2.7** of the report map the benefits achieved to date against the original objectives. Some of the key highlights are listed below.

- ICT undertook the SOCITM customer satisfaction survey earlier this year. The results of this Benchmarking work are being used to inform a Service Improvement Plan for ICT. The results were mixed - the negative side was that we were lower quartile across most areas, however the positive news was that even so, we were the most improved Council in the group against which we were benchmarked.

- ICT has helped business areas from all areas of the Council to produce 18 separate Business Cases for projects of all sizes which have been presented to the ICT Strategy and ICT Operations Groups.

- There are 31 "live" Projects on the Projects Register all being actively managed, 20 further projects are in the pipe-line including those pertaining to a series of abc programmes (CRM, Money Matters etc.). In addition there are 46 separate "mini-projects" on-going at present.

- The corporate ICT Strategy was started and completed under the new ICT department in summer 2011 after the i-Cov project had completed. This is the overarching ICT strategy for the Council, and is underpinned by a number of core principles.

- Work has begun work to develop individual ICT Strategies for each Directorate. These strategies are tailored to specific customer needs, being informed by both Directorate plans and the corporate ICT Strategy. They will form the basis for the work and priorities of ICT in addition to the abc programme work derived from the various on-going FSRs.

- The projects identified within the ICT capital programme and the work identified post i-Cov by the Strategy & Client Services team have been combined into an ICT roadmap for the Council.

- All ICT Team Leads are now trained to PRINCE2 Foundation levels.

- Over 100 ICT staff have undertaken ITIL v3 Foundation training.

- Training has been provided on new tools such as Sharepoint and VMWare.

- 6 new Apprenticeship positions have been created and filled within ICT as part of our "Grow Your Own Talent Scheme" and in support of the Council's wider Apprentice Strategy. ICT Services already had two Apprentices in place prior to the creation of these further positions.

- The ICT service has also recruited to a Graduate Trainee ICT Developer post (2 year contract) and taken on an ICT Masters Degree Placement from Warwick Business School University for the summer months.

5 Key Sections of the Evaluation Report

5.1 Section **2.8 - Demand Management and Governance** details the new governance arrangements that are in place. The ICT Strategy Group in particular is proving to be an effective forum for considering and challenging business cases from across the authority for ICT related investment.

5.2 Section **2.10 - Financial Benefits** details the financial savings achieved to date. As shown, the new service over achieved its target for the first year of operation and is already in excess of the target for the current financial year. At the moment we are estimated to be on target for 2013-14 savings.

5.3   Section **2.11 - Sustainability** details two main areas of concern / skills shortage that will need addressing moving forward.

5.4   Section **2.12 – Lessons Learned** provides information (good and bad) that may help to inform future FSRs as well as providing a retrospective view of this particular review.

5.5   Section **2.13 – Outstanding Issues** lists the main areas of concern for the new service moving forward. Each one also shows the remedial actions in place to address or resolve the problems.

5.6   Section **2.14 – Follow-on actions** lists some important activities that have been identified since the new service was established. The Business Continuity / Disaster Recovery work has already been reported to the Audit Committee which will continue to receive regular updates regarding progress in this area.

6   Conclusion

6.1   As the attached report illustrates, the Council undoubtedly made the right decision in bringing its previously outsourced ICT service back in-house so that it could achieve significant savings and take back strategic control of the function.

6.2   It was also the right decision to use outside help to assist with this review because at that time the Council did not have the requisite skills in-house to carry out this work itself.

6.3   Whilst the review has already proven to be a financial success, it was never going to be an overnight task to bring the infrastructure and service up to the levels that the Council has a right to expect.

6.4   Resolving many of the legacy issues that the new service has inherited and permanently embedding a new culture and customer focussed ethos within the ICT team will take at least another 2-3 years.

6.5   However, during that time the Council will benefit from many ICT related improvements which will also support the wider organisational transformation programme.

Kevin Malone
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List of Appendices included:
Appendix 1 – i-Cov Evaluation Report