

ICT STRATEGY & BUDGET UPDATE

1. RECOMMENDATIONS

- 1.1 That the ICT Strategy and Budget Update detailed in this report, including an overall reduction in forecast expenditure to £2.174m, (Table 2 at 9.3) be supported; and
- 1.2 That the rephasing of the budget as demonstrated in Table 2 at 9.3, be reflected in Council's Medium Term Financial Plan.

2. PURPOSE

- 2.1 The purpose of this report is to detail progress since February 2020 against the ICT Strategy for 2018 to 2022, and to provide an update on the budget.

3. BACKGROUND

- 3.1 In 2017, Council agreed an ICT Strategy for 2018-2022, including protect and maintain, plus a future investment approach, and the budget to deliver all elements.
- 3.2 Cabinet also agreed an additional series of ICT projects as part of the Smarter Working programme.
- 3.3 The ICT Strategy 2018-2022 was structured into four distinct themes and this report will discuss progress on each of these themes in turn. It will look at what has been delivered so far and what is still to be delivered. The four themes are:
 - Resilience & Security
 - Digital services for residents and businesses
 - Simple and standard applications
 - Smarter working
- 3.4 The budgeted position for 2020/21 and 2021/22 as included in the February 2020 MTFP and 2020/21 Budget Setting Report are shown in Table 1 of section 9 (including the sums set-aside for ICT expenditure within the 'Smarter Working' programme).

4. RESILIENCE AND SECURITY

4.1 Background

The ICT Strategy aimed to replace the aged and 'out of support' ICT infrastructure at NFDC, and ensure the council remains secure against cyber-attacks and other failures. This covered circa 650 individual items including servers, storage, networks, remote working software, security management software, virtualisation software, and all necessary licensing. It also covered the set-up of a new data centre for NFDC in a 'private cloud' and preparations for the use of 'public cloud' solutions.

4.2 **Delivered and Complete**

All major elements have been successfully delivered. This has made NFDC's ICT Infrastructure significantly more stable and secure from failure and has reduced the risk of a major systems outage and the consequent disruption and reputational damage this could have caused. The success of this work can be measured by the way NFDC staff were able to connect and work from home with relatively little problem since the outbreak of the Covid19 pandemic.

4.3 **To Be Delivered**

We have to complete the remaining configuration of our failover solution between our primary and secondary data centres (Gosport and ATC respectively). This has been delayed due to new and delayed work resulting from pandemic restrictions, and the pressure to implement our new Voice solution on time over the summer. This work will be completed by the end of this financial year.

Future work to keep NFDC's ICT software and hardware current and effective will be handled as 'Business as Usual' from the annual Resilience and Security budget to ensure that NFDC systems remain stable, up to date, and secure from cyber-attacks.

5. **DIGITAL SERVICES FOR RESIDENTS AND BUSINESSES**

5.1 **Background**

We have seen many changes in how customers want to interact with the Council, and the increased use of online tools, whether that is using a website, app or webchat. There will be opportunities for internal efficiency gains, cost savings, and income generation opportunities if we create the right digital platform. We needed to update our website (Content Management System) and then create the right customer management solution (Customer Relationship Management system) to be able to offer as many of our services as possible via online channels. We will continue to offer a face to face service to those residents unable to avail themselves of digital services to avoid exclusion of any groups or individuals.

5.2 **Delivered and Complete**

The Finance and HR/Payroll replacement projects have been completed successfully this year. These were funded from the previous ICT strategy. Within the current strategy, a new Automated Payment system (ATP) has been implemented, and work has commenced on the new Regulatory Services system (Planning & Environmental Health) which will continue into the next financial year.

5.3 **To Be Delivered**

The selection of a vendor and creation of a new Customer Relationship Management system to create a better end to end experience for residents and businesses who use NFDC online services has started and will be completed in 2021/22.

6. SIMPLE AND STANDARD APPLICATIONS

6.1 Background

'Application' is the term for software that performs a specific function or set of functions. Applications are accessed via a device (e.g. laptop or smartphone) and they are the means by which council staff are able to store data and perform their business processes. Simplifying and standardising applications is critical to ensuring the council has 'best of breed' applications for each of our business processes. We aim to buy 'vanilla' versions of software that have been proven in other local authorities. We have a range of old and complex applications at present and the aim of the ICT Strategy is, over time, to replace these with simpler, standardised solutions.

6.2 Delivered and Complete

The 'out of support' Agresso HR/Payroll Application has been replaced with an up to date and industry standard 'Itrent' HRHub Application.

The 'out of support' Agresso Finance Application has been replaced with an up to date and industry standard Business World Application 'BW7'.

6.3 To Be Delivered

Replacement of the Acolaid application for Planning and Environmental Health has been started and progressed as far as possible during this year, including the start of the procurement process, and will be delivered in 2021/22. This Acolaid application is at 'end of life' and needs to be replaced; continuation is not an option. This project has been named Project RS (Regulatory Services) for easy identification.

Review and potential replacement of the Orchard Application for Housing will be started and progressed as far as possible during this year and will be completed in 2021/22.

7. SMARTER WORKING

7.1 Background

In 2017, it was agreed that moving all staff to mobile devices, able to connect to NFDC from anywhere, would offer the council the most flexibility for the future. As a result, the migration of all staff from desktop equipment to hybrids (light-weight laptops with touch screens) was accelerated and aligned with the rollout of Smarter Working. This was then combined with Office 365 rollout, the replacement of the Avaya telephone system with Skype, and the replacement of the Meridio document management system with SharePoint. This approach has proved vital in enabling the council to continue working since the outbreak of the Covid19 pandemic.

7.2 Delivered and Complete

Hybrid devices and smart phones were issued to all appropriate NFDC staff and they were all migrated to Office 365. The Avaya telephone system has been replaced with Skype. The Netcall contact centre system (managing call queuing and customer services for all services) has been replaced with Enghouse. The replacement of the Meridio document management system with SharePoint has commenced and is being piloted for HR and Legal. Finally, it was decided by Cabinet that, given ongoing remote working caused by the pandemic, members would be offered standard NFDC devices.

These were rolled out during August and September to 24 members and 5 more devices are due to be issued, bringing it to almost 50% of members now using the full functionality identical to officers.

7.3 To Be Delivered

EMT have asked for Microsoft Teams to be added to the scope of this project. The migration from Skype/SharePoint to Teams will be completed from now until the end of 2021/22.

8. CRIME AND DISORDER, EQUALITY & DIVERSITY AND ENVIRONMENTAL IMPLICATIONS

- 8.1 None directly, although Smart Working has the potential to reduce the carbon footprint for staff travelling less miles by car.

9. FINANCIAL IMPLICATIONS

- 9.1 The headline is that our projects have delivered, or are forecast to deliver, on or very close to budget. There have been some delays this year in the Digital and Applications projects, with more time required to specify and procure the systems this year, meaning they will be delivered now in 2021/22. This has resulted in rephasing of some budget into later years, but no extra external costs.

- 9.2 The addition of Microsoft Teams to the scope of Smarter Working has increased the Smarter Working budget by £100,000. By contrast, £147,000 of the Applications budget will be unspent at the end of this ICT Strategy. Other than these changes, the transformation of ICT has met its financial targets.

- 9.3 The financial summary is as follows:

TABLE 1

Last Reported Position - Feb 20 and Actuals 2019/20	Actuals to 31/03/2020	Unspent in 19/20	Budget 2020/21	Budget 2021/22	Total Original Budget	
	£000	£000	£000	£000	£000	£000
Resilience & Security	145		88	88	321	300 note 1
Digital services for residents and businesses	20	25	240	115	400	400
Simple and standard applications	33	67	400	250	750	750
	198	92	728	453	1471	1450
Smarter Working	346	104	300		750	750
	544	196	1028	453	2221	2200

Notes

1. There is an additional spend of £21k on Resilience and Security as against the original budget due to additional equipment and service costs.

TABLE 2

Updated Position - Nov 2020 and Actuals 2019/20	Actuals to 31/03/2020	Budget 2020/21	Budget 2021/22	Budget 2022/23	Total	Original Budget	
	£000	£000	£000	£000	£000	£000	
Resilience & Security	145	88	88		321	300	note 1
Digital services for residents and businesses	20	60	200	120	400	400	
Simple and standard applications	33	50	270	250	603	750	note 2
	198	198	558	370	1324	1450	
Smarter Working	346	280	170	54	850	750	note 3
	544	478	728	424	2174	2200	note 4

Notes

1. The required budget for Resilience & Security in 2022/23 will be estimated as part of the next ICT Strategy (2023-26).
2. There is estimated to be £147k less spent than previously forecast against the original strategy.
3. The Smarter Working budget last November did not include Phase 3 of that project. This has now been estimated and included. In addition, extra funding is required to implement Microsoft Teams, which was originally not planned until 2023 but has been accelerated due to the need for better external conferencing and remote collaboration than Skype (our current technology) can offer.
4. Less than expected is estimated now to be spent in 2020/21 (£478k compared to £1028k). This is due to more time required on specifying and procuring the Applications and Digital projects in 2020/21, moving delivery and funding requirements to 2021/22.

10. CONCLUSION

- 10.1 This year's pandemic, and the resulting changes to working arrangements, has tested and fully justified NFDC's investment in ICT transformation. The NFDC ICT environment continues to improve and has now caught up with, or has sometimes overtaken, the technologies in place at other local authorities.
- 10.2 This is in no small part due to the dedication and skills of the in-house ICT team which was also transformed as part of the ICT Strategy. The majority of current team has joined in the last 4 years, complementing the officers who have longer service, to create a very strong delivery capability for both 'business as usual' and projects. The calibre of the ICT team, and their commitment day after day, has been a huge contributor to the success of our ICT services in the last 12 months.
- 10.3 There is much work still to do to bring our application portfolio up to date and to remain current with our communications, infrastructure and security solutions. The overall ICT success can be measured by the general stability of our ICT systems, the delivery of projects to plan, and by the fact that the council was able to continue doing business through the difficulties of Covid19.
- 10.4 Future investment in ICT will be essential to the Council. A new ICT strategy for 2023-26 will be developed during 2021, in liaison with all council service areas, to ensure we stay up to date and are able to deliver all council services using the most useful and most cost-effective technologies.

11. CORPORATE OVERVIEW AND SCRUTINY PANEL COMMENTS

- 11.1 The Panel, at its meeting of 19 November 2020, was supportive of the recommendations.

12. PORTFOLIO HOLDER COMMENTS

- 12.1 Our drive towards modernising our ICT has been fully justified during the pandemic enabling the Council to work, deliver its services and to hold meetings online. The report before you shows this to be a dynamic and ongoing process and details the upcoming projects along with the associated budgets.
- 12.2 We live in an era when technology is constantly evolving and changing and we, as an organisation, must be prepared to invest in those changes if we are to avoid falling behind.

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Background Papers:

ICT Strategy 2018-2022