

**THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA
CABINET AND CORPORATE SERVICES SCRUTINY COMMITTEE**

16 MARCH 2015

REPORT BY HEAD OF INFORMATION SYSTEMS

**KDR04474 - ADDITIONAL RESOURCE REQUEST FOR INFORMATION
SYSTEMS PROJECTS**

1. Background

- 1.1 The Scrutiny Committee at its meeting on 16 February raised queries on item A9 of the Cabinet Agenda for 19 February 2015 (KDR04474 - Additional Resource Request for Information Systems Projects) requesting some more detail and answers to specific questions. A copy of that report is attached.
- 1.2 Cllr Moylan commented that in-year changes were usually picked-up in the Budget Monitoring reports but noted that the paper set out significant requirements. Cllr Lightfoot commented that while this fell within Cllr Gardner's portfolio he was confident that IT was not wasting money and the expenditure was necessary to ensure systems were kept updated and in operation.
- 1.3 It was agreed that the Committee seek further details from Cllr Gardner. The Committee agreed not to recommend the Cabinet to defer the paper, but to request further information after the Cabinet had met, specifically:
 - a) Why such expenditure was a one-off?
 - b) Why was it necessary?
 - c) Why it will not happen again? And if it does, it should be budgeted for in future.
- 1.4 Although the detail sought is set out in the original key decision for the purpose of clarity this paper presents a response to the Committee's queries in section 3 below.
- 1.5 ISD has needed to operate seamlessly as part of the evolving Tri-Borough IT function across a more complex landscape than in the past.

The need to work with third-party partners has necessitated changes to processes and procedures to a different standard (industry recognized) to deliver a cohesive service. There has been a need to devote key officers with specialist technical skills and experience to Tri-Borough IT projects to ensure that the Council's needs are included and satisfied necessitating some backfilling to ensure business-as-usual demands continue to be met. There has also been a need to co-ordinate some Tri-Borough project to deliver enabling services (e.g. Wi-fi) coupled with the need to change the technical skill set of some officers to operate new, common Tri-Borough technologies to ensure that systems remain up-to-date and supported.

2. Decision of the Cabinet

2.1 The Cabinet at its meeting on 19 February agreed:

- (i) that additional funding is made available from the Transformation Reserve to meet the resource shortfall within the ISD budget for 2014-15. These resources are needed to deliver key ICT projects for the Tri- and Bi-borough shared services;*
- (ii) to note that as the call on the ICT service is becoming more predictable and forward planning becomes more reliable, the current estimate for additional resource spend over the budgeted sum for 2015-16 has been included. It is expected that this will be revised into a more accurate prediction for 2015-16 over the next few months; and*
- (iii) to note that this is in addition to the recent allocation of £110,000 as the RBKC costs towards the procurement of a framework contract for data and voice network services which was the subject of a recent report.*

Reasons for the decision

This report presents the details of the resources that were put in place this financial year. It also includes known resource requirements for 2015-16. It is anticipated that the resource requirements for 2015-16 will be further refined through the next few months.

3. Response to the Committee's queries

3.1 Why such expenditure was a one-off?

- a) Additional short-term resources were required to meet one-off change project-based work, not business-as-usual. Upon completion of each project the funding need ceases.

3.2 Why was it necessary?

- a) Over the past year it has proved difficult to predict demand upon ICT resources as there has been an unprecedented and increasing demand placed upon ISD to deliver capability and support to Shared Services.
- b) This rapid pace of change across Council Services has necessitated a rapid response from ICT
- c) The normal planning processes could not cope in predicting / prioritizing the needed response to meet the development of Shared Services.

3.3 Why it will not happen again? And if it does, it should be budgeted for in future.

- a) The pace of change of Council Services has reduced and the future demand upon ISD should be more predictable. This has enabled better planning.
- b) A Tri-Borough ICT Portfolio of projects has developed throughout the year to enable better cost forecasting and budgetary planning/ management.

3.4 The Committee is asked to note the information set out in the paper.

FOR INFORMATION

**BARRY HOLLOWAY
HEAD OF INFORMATION SYSTEMS**

Public background papers used in preparation of this report:

Report to Cabinet on 19 February and minutes of Scrutiny Committee on 16 February.

Officer Contact:

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APPENDIX A

Ref No	Service Area	Explanatory Narrative	Necessity	Duration
ISD4100	Service Desk	Short-term resource (Service Delivery Manager/ITIL specialist) to lead the transformation of the ISD.	<ul style="list-style-type: none"> • Re-engineer and align the Service Desk and other ISD teams to operate in conjunction with external service providers as part of the forming single ICT service. • Equip Service Desk to cope increasing load & complexity of customer support calls due to tri-borough working. • Deliver the automation of service requests (self-service) 	Ends December 2015 (includes skills transfer)
ISD4230	Network & Telecoms	Short-term fixed contract expertise to support and align telephony infrastructure to yield savings	Deliver Telephony solution to the refurbishment of Malton Road Hub	Project now complete

Ref No	Service Area	Explanatory Narrative	Necessity	Duration
ISD4250	Support Unit	Additional resource to ensure desktops are fully supported & protected by upgrading to Windows7.	Technological upgrade to ensure computers can be supported	Upgrade due to complete by end of Financial Year
ISD4300	Network & Telecoms	A fixed contract Project Manager to deliver key networks/telephony projects for tri-borough services.	<ul style="list-style-type: none"> • Short-term Project Management resource releases ISD Network Manager to focus on the strategic plans for a data/voice network and future tri-borough alignment. • Delivers Tri-Borough wi-fi capability to meet Shared Services needs; improving the EE mobile telephone signal in Kensington Town Hall; rationalizing the Council's current telephony estate to support Shared Services & yield savings 	Until July 2015
ISD4906	Business Improvement Unit	Short term funding for Internal Communications Specialist	Deliver a single Tri-Borough Intranet site for the Tri-Borough ICT Service to improve service to customers.	Project complete

Ref No	Service Area	Explanatory Narrative	Necessity	Duration
ISD4200	Support Unit	Additional resource to support the Support Manager and release time to allow him to deliver on a set of Tri-Borough projects that integrate the IT infrastructures of the three boroughs and enable convergence to common platforms.	Short-term additional back-filling resource to release ISD Support Manager to focus on the strategic plans for a data/voice network; IT Security; new Microsoft licencing arrangements; email in the Cloud and future tri-borough alignment.	Whole of FY15/16
ISD5000	Internet & Media, Production, Technical Support and Development Teams	Training for ISD staff to support the new Council website	Need to support the use of new open-source common Tri-Borough Content Management System to ensure availability on-line services and information	Complete FY14/15 On-going training development costs will be met from existing revenue budgets

Ref No	Service Area	Explanatory Narrative	Necessity	Duration
ISD5010	Information Security	Provision of additional support in the Information Security	To release time for an existing officer to cover tasks for the unit manager (on long term sick leave).	Resolution expected by July'15

Executive Decision Report

<p>Decision maker(s) at each authority and date of Cabinet meeting, Cabinet Member meeting or (in the case of individual Cabinet Member decisions) the earliest date the decision will be taken</p>	<p>Full Cabinet Date of decision : 19th February 2015 Forward Plan reference: KD04474</p>	 <p>THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA</p>
<p>Report title (decision subject)</p>	<p>Additional Resource Request - Information Systems Projects</p>	
<p>Reporting officer</p>	<p>Barry Holloway Head of Information Systems Division</p>	
<p>Key decision</p>	<p>Yes</p>	
<p>Access to information classification</p>	<p>Public</p>	

1. EXECUTIVE SUMMARY

1.1. Over the past few years there has been an unprecedented demand on ICT Services at RBKC. This is a result of the increasing reliance on ICT to support key projects that enable the delivery of services and savings within the business. There is also a requirement to deliver the ICT changes needed to support tri- and bi-borough shared service; it has been necessary to align the RBKC Information Systems Department (ISD) with the ICT Services at the other two councils. The alignment of ICT across the three councils necessitates changes at both an infrastructure and a service delivery level as we transition to a single cohesive ICT service.

1.2. This combination of factors has led to a peak in demand over recent financial years. Officers within ISD have been working at full capacity to meet this demand and considerable additional work has been delivered within the existing

ISD budgets. However in some areas it has been necessary to recruit additional short term resources with particular skills to deliver specific projects due to a resource/ skills shortfall with no alternative means to address the demand.

- 1.3. It has proven difficult within the last year to predict where this demand would occur and, once identified, the need was often urgent in order to meet the ICT needs of the business in a timely way which made it necessary to put resources in place as they were needed. The Cabinet Member for Community Safety, IT and Corporate Services has been kept informed of plans and the Town Clerk was aware of the potential call on reserves which is well within the current predicted Corporate Services 2014-15 underspend. The potential call has also been flagged in quarter two and three budget monitoring reports to Cabinet.
- 1.4. Using short term resources ensures that no longer term recruitment is made that might impact the future ICT Shared Service reorganisation that is planned for 2015 (subject to approval) and supports alignment with other contracts.

2. RECOMMENDATIONS

- 2.1 It is recommended that additional funding is made available from the Transformation Reserve to meet the resource shortfall within the ISD budget for 2014-15. These resources are needed to deliver key ICT projects for the tri and bi-borough shared services.
- 2.2 As the call on the ICT Service is becoming more predictable and forward planning becomes more reliable the current estimate for additional resource spend over the budgeted sum for 2015-16 has been included. It is expected that this will be revised into a more accurate prediction for 2015-16 over the next few months.

	cost (£000's)	Comment
2014-15	247	Spend to end of financial year
2015-16	150	Predicted spend in next financial year

- 2.3 It should be noted that this is in addition to the recent allocation of £110,000 as the RBKC costs towards the procurement of a framework contract for data and voice network services which was the subject of a recent report.

3. REASONS FOR DECISION

- 3.1. This report presents the details of the resources that were put in place this financial year. It also includes known resource requirements for 2015-16. It is anticipated that the resource requirements for 2015-16 will be further refined through the next few months.
- 3.2. The details of the resources put in place together with costs and the benefits and outcomes delivered are shown in the table in Appendix A.

3.3. The resources include:

- A project manager that is working on aligning and standardising the ISD service delivery to agreed industry standards and tri-borough requirements. This standardisation both improves the local service and simplifies the integration of services across the three councils.
- Resources used to back fill key technical officers whose time can then be allocated to shared services projects. Wherever possible internal staff with appropriate skills and knowledge have been used to backfill posts and temporary staff recruited in less skilled roles.
- Projects managers with specific skills to implement the RBKC component of key shared services projects.
- Training in specific ICT skills for the in-house team where technical changes are being introduced to align with the ICT Shared Service.

4. CONSULTATION

- 4.1 The Cabinet Member for Finance and Strategy and the Cabinet Member Community Safety, IT and Corporate Services have been consulted on this report.

5. EQUALITY IMPLICATIONS

- 5.1 There are no equality implications for this decision.

6. LEGAL IMPLICATIONS

- 6.1 There are no legal implications for this decision.

7. FINANCIAL AND RESOURCES IMPLICATIONS

- 7.1 The Group Finance Manager, Corporate Services, confirms that the attached table is an accurate reflection of costs incurred in 2014-15 and that there are insufficient resources within existing ISD revenue budgets to meet this need. A release from the Transformation Reserve will be required in 2014-15 and 2015-16.

Barry Holloway
Head of Information Systems Division

Local Government Act 1972 (as amended) – Background papers used in the preparation of this report

None

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Additional Resource Request - Information Systems Project Details

Ref No	Service Area	Explanatory Narrative	2014-15 cost £000's	2015-16 cost £000's	Additional notes	Benefits/outcomes
ISD4100	Service Desk	Short-term resource (Service Delivery Manager/ITIL specialist) to lead the transformation of the ISD Service Desk to operate in accordance with new tri-borough service requirements.	75	50	Service Delivery Manager/ITIL Specialist in post able to run the ITIL implementation project, lead in ISD business process changes to comply with ITIL and align the Service Desk with Tri-Borough ICT changes. 18 month fixed term contract ends Jul 2015. The cost includes provision for a 6 month extension of this contract to December 2015. Engagement made under 'At Risk' for post-engagement funding approval. Note: in order to attract a person with the right skills appointment of a specialised contractor resource has been necessary.	Re-engineering and aligning the Service Desk and other ISD teams to operate in alignment with existing & future service providers and the forming single ICT service. This is underpinned by an ITIL (industry recognized approach to Service Management) to enable common standards, processes and interoperability. It will result in improved customer service; integration across tri-borough within the service ICT Service; the automation of service requests and addressing the increased volume & complexity of customer support calls due to tri-borough working.

Additional Resource Request - Information Systems Project Details

Ref No	Service Area	Explanatory Narrative	2014-15 cost £000's	2015-16 cost £000's	Additional notes	Benefits/outcomes
ISD4230	Network & Telecoms	Short-term fixed contract expertise to support and align telephony infrastructure to yield savings	45		Existing contractor resource engaged for the Malton Road Hub project. Contract was extended following highly valuable contribution to the successful SPACE Programme.	Delivery of planned budgetary reductions/savings identified as part of the IT cost reduction through the alignment by migrating & decommissioning legacy telephony switches; simplify routing/architecture; adopting new technologies to provide inbound/outbound calls. Skills transfer to existing staff
ISD4250	Support Unit	Additional resource to ensure desktops are fully supported & protected by upgrading to Windows7.	17		Project resourcing for Q1FY14/15 to complete necessary upgrade. Engagement made under 'At Risk' for post-engagement funding sourcing.	Replacement of Windows XP machines in order to maintain PSN compliance. This could not be done in the short timescales required within existing resources.
ISD4300	Network & Telecoms	A fixed contract Project Manager to deliver key networks/telephony projects for tri-borough services. Additional resource to support the Network Manager and release time to allow him to	30	30	Contractor with appropriate skills appointed on a 3 month contract ending April 2015. The cost includes provision for a 3 month extension of this contract to July 2015	Delivery of key Wifi/telephony projects to improve cross council working for staff and enable staff to make use of their own mobile devices. Ensuring that the new tri-borough network/data framework contract offers a

Additional Resource Request - Information Systems Project Details

Ref No	Service Area	Explanatory Narrative	2014-15 cost £000's	2015-16 cost £000's	Additional notes	Benefits/outcomes
		focus on the strategic plans for a data/voice network and future tri-borough alignment.				highly competitive service to replace existing contracts.
ISD4906	Business Improvement Unit	Short term funding for Internal Communications Specialist to design and deliver a single Tri-Borough Intranet site for the Tri-Borough ICT Service.	15		Internal Comms specialist engaged for short term project due completed mid Aug 2014. Shared Tri-Borough cost.	Delivery of 'ICT Hub' tri-borough ICT Service information made available via Tri-Borough Intranet to address inconsistency in information available to ICT service users and align with tri-borough ICT developments; provide information ranging from the basic 'how to' to effective stakeholder engagement on future plans.
ISD4200	Support Unit	Additional resource to support the Support Manager and release time to allow him to deliver on a set of Tri-Borough projects that integrate the IT infrastructures of the three boroughs and enable convergence to common platforms.	10	55	Existing technical expert in desktop, corporate data storage repository (SAN) and virtual server environments to be transferred from current role with ISD. Existing post to backfilled with less skilled technical/administrative support This fulfils a known resource	Release of a valuable technical manager to engage with the design of the converged tri-borough infrastructure in alignment with the IS Strategy to yield the stated savings for each Council and to be an active member of various transformation projects to deliver key service improvements.

Additional Resource Request - Information Systems Project Details

Ref No	Service Area	Explanatory Narrative	2014-15 cost £000's	2015-16 cost £000's	Additional notes	Benefits/outcomes
					requirement for 2015-16.	
ISD5000	Internet & Media, Production, Technical Support and Development Teams	Training for ISD staff to support the new Drupal Content Management (CM) infrastructure. This will include: Drupal development, programming and system administration, support for the technical infrastructure and Project Management using the Agile approach to development.	40		To enable ISD to build in-house skills as part of the ISD Transition Project and align with the CM product chosen as part of the tri-borough infrastructure.	<p>Major transformation of ISD technician's skill set to support the new Drupal web CM environment. It also positions ISD to support a wider range of server based applications which is an increasing requirement.</p> <p>Equip staff to become self-sufficient rather than reliant upon costly external providers.</p>

Additional Resource Request - Information Systems Project Details

Ref No	Service Area	Explanatory Narrative	2014-15 cost £000's	2015-16 cost £000's	Additional notes	Benefits/outcomes
ISD5010	Information Security	Provision of additional support in the Information Security Team to release time for an existing staff member who is covering tasks for the unit manager (on long term sick leave).	15	15	To enable key tri-borough information security issues to be addressed while personnel issues are addressed.	Ensures that RBKC information security and the related PSN compliance issues are addressed.
		Total	247	150		