



MEMBERS BEST VALUE WORKING PARTY
CABINET

13TH February 2002
11TH March 2002

BEST VALUE REVIEW – YEAR THREE

**Information and Communications Technology (ICT) & Electronic-Government
(E-Government) Scoping Exercise**

**REPORT OF THE ASSISTANT DIRECTOR – HEAD OF ICT & CUSTOMER
ACCESS**

1. PURPOSE OF THE REPORT

To seek approval to the scope of the ICT & E-Government Best Value review, the main focus of which is to consider:

Is ICT supporting the Council's strategic agenda?

The proposed scope for the review is set out in Appendix A.

2. RECOMMENDATIONS

Members are recommended to:

- 2.1 Endorse the work carried out in order to inform the scoping recommendations.
- 2.2 Agree the scoping recommendations.

3. FINANCIAL REQUIREMENTS

- 3.1 The total value of the service under review is approximately £7,690,000 broken down as follows (2001/2 budgets):

ICT Services - trading	£4,923,100
ICT Services – non trading	£497,500
IT team – Leisure	£164,500
	plus £22,500 for a technician in Libraries to

	support the People's Network.
IT team – E&D	£166,000
IT team – Housing	£358,000
EDISS (Education Department Information Systems Support team)	Approx £1,560,000 (£1,520,000 of which is externally generated income)

4. REPORT

4.1 This paragraph and the sub-headings address the key questions posed as part of the scoping exercise:

4.1.1 *How does the theme relate to the Performance Plan and Key Strategies?*

The effective management and delivery of ICT is key to the Council delivering efficient services. Service specific strategies include the ICT Strategy and Leicester's Implementing E-Government (IEG) statement (both available on the Council's Intranet).

ICT is also one of the Council's 4 resource strategies, the others being Finance, Property and Human Resources.

4.1.2 *What are the strategic imperatives?*

One of the Council's PSA bid targets is to ensure continuous improvement in the economy, efficiency and effectiveness of local services by increasing the percentage of electronic paid-for council services and double the take up of these services by 2004. This target contributes directly to national target 31, 'ensuring that local government achieves 100% capability in electronic service delivery by 2005'.

Further details about how the Council intends to meet this 2005 e-government target can be found in our IEG statement on the Council's Intranet.

ICT is also a major component of the Revitalising Neighbourhoods programme and EMAS.

4.1.3 *Are there any current issues that you are aware of?*

A draft scoping document was issued for consultation to a range of stakeholders. The scope was based on issues that our internal customers have raised with us over recent months, as well as consideration of issues that similar reviews in other Local Authorities have identified. The e-government dimension of the review has been guided by issues identified since the publication of our IEG statement in July 2001, both local and national. This draft document was fairly comprehensive and the majority of those who replied merely endorsed the proposals. However, a number of additional issues were raised:

- A suggestion that the review should consider the Council's approach to funding ICT developments – are we sufficiently strategic in our approach or too departmental?

- The need to clarify roles and responsibilities, both between the 'centre' and departments and between the ICT professionals and service managers.
- Does the Council have the capacity and skills to respond to the ICT challenges ahead, particularly those generated from the Revitalising Neighbourhoods project?

These issues have been included in the brief.

4.1.4 What is the potential scale of the review?

Approximately 90% of office-based staff have access to a PC and ICT is increasingly moving from a role as a back office support tool to a key front line service. If a key operational system is not available e.g. Housing Benefits, service to customers is very quickly impacted.

ICT is also at the heart of the Council's strategic agenda. For example it is fundamental to plans to improve access to Council services – not just the internet, but digital television, kiosks, voice activated phone services etc.

The scope of the review is very ambitious, far more so than the ICT reviews we have seen carried out in other Councils. However, we feel it is important that we challenge existing arrangements to ensure that the organisation is well placed to move forward. We are assuming that additional consultancy support will be needed to support in-house resources.

It is worth noting that the review's focus is on the management of ICT as a corporate, strategic resource. The review of ICT as a support function is necessarily less detailed than it might have been if this were a single topic review.

4.1.5 Are there common areas of function, process, site or others that could assist in the organisation of the review?

See the scoping document at Appendix A.

The scope explicitly excludes a review of the effectiveness of key operational systems e.g. Payroll, FMIS, Carefirst etc, such reviews will be included in service specific reviews. However it should be noted that a decision to externalise the management of any of these services could have an impact on the ICT division.

'Customer Access' was reviewed as part of the Year 1 Customer Care Best Value review. One consequence of the review was a decision to integrate the Customer Services Centre and Switchboard functions with IT Services to form the ICT & Customer Access division. The combination of this front of house service and the ICT professionals is proving extremely beneficial as the division progresses the other recommendations of the review including:

- Piloting a mini customer services centre in New Parks (scheduled to open Summer 2002);
- To review the Council's telephone access arrangements (consultants have been appointed to develop a comprehensive call-centre strategy); &

- Review the Council's front of house arrangements (consultants to be appointed to advise). A project is underway to identify a suitable location for a flag-ship Customer Services Centre in the City.

Other projects include developing an integrated, on-line payment solution for the Internet (to go live May 2002) and the procurement of a Customer Relationship Management System that will hold details of all client contacts – ultimately this system will be available across the Council and fully integrated into back office systems. All these 'Customer Access' projects are important elements of the Revitalising Neighbourhoods agenda. This review will revisit the work programme to ensure that the priorities are correct and then assess whether the Council has the ICT capacity (funding and resources) and skills necessary to meet the corporate timetable. Any conclusions from this review that affect the Customer Care agenda will be reflected in the Customer Care improvement plan.

4.1.6 *Are there areas that could be excluded and if so for what reason?*

These are detailed in the scoping document attached at Appendix A.

4.1.7 *What are the final recommendations of the scope and why?*

The scope recommends that the review focuses on the following five areas:

- How effective is the Council in making the most of ICT as a corporate, strategic resource?
- Will our IEG strategy ensure the organisation meets the e-government objectives of: building services around citizen choice; making government and its services more accessible; social inclusion and better access; and using information better?
- Do we have the ICT capacity and capability to meet the Council's strategic agenda including Revitalising Neighbourhoods and e-government?
- Does the Council's ICT support service represent good value?
- Does the Council make the best use of its investment in ICT? Does our investment in staff training match our investment in ICT?

5. **STANDARD PARAGRAPHS**

5.1 Equal Opportunities Implications

The review will consider these questions:

1. Will our E-Government plans help disadvantaged groups obtain greater access to council services?
2. Is the Council making the most use of ICT to meet the needs of disadvantaged staff within the Council?

5.2 Policy Implications

There are no policy implications arising out of this report although the review will challenge the effectiveness of existing ICT policy.

5.3 Legal Implications

There are no legal implications arising out of this report.

5.4 Sustainable and Environmental Implications

The review will consider whether ICT is contributing effectively to the corporate EMAS priorities. Specifically it will consider whether the Council's application of ICT is moving the Council towards the so-called 'paperless' office.

5.5 Crime and Disorder Implications

There are no crime and disorder implications arising out of this report.

5.6 Consultations

See Appendix A for details.

5.7 Background Papers – Local Government Act 1972

None.

6. REPORT AUTHOR

Jill Craig
Assistant Director (ICT & Customer Access)
Ext: NWC 7407

BEST VALUE REVIEW OF ICT & E-GOVERNMENT SCOPE

1. Strategic links

ICT (Information and Communication Technologies), which includes voice and data services as well as Internet technology, is one of the Council's core strategic resources. In the past ICT was primarily used to improve business efficiencies, and to automate repetitive procedures. Increasingly it is seen as an agent of change as evidenced by the Government's ambitious e-government programme.

The Council's response to the national e-government agenda is detailed in its Implementing E-Government (IEG) statement.

2. Purpose

The purpose of the ICT service is to promote, deliver and support the effective use of ICT across the Council to meet the business needs of the organisation.

E-government is a vital element of the Government's plans to modernise the public sector and includes plans to use technology to radically change and improve the image, efficiency and effectiveness of the public sector.

The ICT service will support the business in the achievement of its e-government aims.

3. Services to be included/excluded

The whole of ICT Services:

- Technical Services;

Network Services, EUC, Systems Support and the Telephony/WAN team together form the Technical Services Function. Systems Support is responsible for operating systems support, systems security, performance tuning, database management etc, for all of the systems managed by Operations. Network Services, EUC and the Telephony/WAN team are responsible for the support, maintenance, and strategic management of the Council's voice and data network and for standalone computing facilities. These teams are also responsible for e-mail, anti-virus measures and for the Council's Internet Gateway. The teams offer technical consultancy services and also project-manage major installations.

- Development Services (including the Web Team);

Development Services maintain and develop the Council's major applications such as Rent Accounting and FMIS. They also develop and

support PC based applications, and supply advice and assistance in the acquisition and implementation of third party packages.

The Web team leads the development of the Council's Internet and Intranet sites and promotes the use of Internet technology.

- Contracts & Security;

This small team is responsible for the contractual management of ICT across the Council. They manage all of the Council's major IT contracts and can advise on the whole process from tender development through to final contract negotiation. They are also responsible for the development and implementation of the Council's information security policies, including Data Protection and Freedom of Information.

- Strategy & Programmes;

This function is responsible for the development, review and implementation of the Council's ICT strategies and programmes including e-government. This section is also responsible for promoting effective project management and for the maintenance and publication of the Council's ICT policies and procedures.

- Operations and Production Control;

Operations manage the Council's main computers - AS/400, RS/600 and SUN. They also provide a major printing service, which includes customised form design.

- Business Services (including ICT training).

The Business Services section includes IT Services' administrative support unit, the Council's IT Support Centre and the Corporate IT Training team. Business Services is also responsible for IT Services' budgetary management, including internal recharges, and for the collation and presentation of performance management information.

The review will also include departmental IT support sections (E&D, Housing and A&L) and EDISS (the Education Information Systems Support team).

The review will exclude:

- A review of customer access arrangements (call-centres, front of house etc.) as this was done as part of the Customer Care review;
- Departmental teams responsible for specialist support to business applications e.g. FMIS. These teams will be looked at within the scope of service specific Best Value reviews;
- So called 'Departmental ICT liaison officers' where this role accounts for less than 25% of a person's responsibilities;

- Consideration of the effectiveness of key operational and support systems e.g. Payroll, FMIS, Carefirst etc. Such reviews will be included in service specific reviews.

4. Key focus

The key focus of the review is to consider the following:

Is ICT supporting the Council's strategic agenda?

ICT is both a support service and a key strategic resource. The Government's e-government agenda has set clear targets for local Authorities to ensure that 100% of relevant services are available electronically by 2005. This review will look at the Council's management of ICT as a strategic resource and specifically its response to the e-government agenda.

The review will consider the following five areas:

- 4.1** How effective is the Council in making the most of ICT as a corporate, strategic resource?
- 4.2** Will our IEG strategy ensure the organisation meets the e-government objectives of: building services around citizen choice; making government and its services more accessible; social inclusion and better access; and using information better?
- 4.3** Do we have the ICT capacity and capability to meet the Council's strategic agenda including Revitalising Neighbourhoods and e-government?
- 4.4** Does the Council's ICT support service represent good value?
- 4.5** Does the Council make the best use of its investment in ICT? Does our investment in staff training match our investment in ICT?

See Appendix B for detail of the areas of review behind each question.

5. Stakeholders.

The Strategic Resources Group (SRG).

The Technical Strategy Group (TSG).

Principal Customers (software application owners).

All Council office based staff (consulted via departmental user groups.)

Members (as users.)

The Member e-government lead – Cllr Veejay Patel.

Directors Board. (The DTLR describe DB as a key stakeholder in the e-government agenda).

The E-Government Group.

The public (for e-government).

The Council's strategic partners for e-government.

The role of our hardware, software and service providers as potential stakeholders will be reviewed by the core review team.

6. Independent element

Independent support to the review will be obtained from the local University and the Society of IT Managers (SOCITM). The University adviser is someone who understands the business potential of ICT, but is not from a technical background.

7. The 4 C's

Initial thoughts on tackling the 4 C's:

1. Challenge. The review will challenge the need for the service, although it is clear that ICT, as a support service, is integral to the work of the Council.
2. Consultation. Consultation will largely be limited to internal stakeholders with the exception of the E-Government dimension of the review where we anticipate consulting with Leicester citizens, partner agencies and neighbouring Authorities on the appropriateness of our E-Government plans.
3. Comparison. We will compare our performance against the national benchmarking standards defined by the Society of IT Managers (SOCITM). This database includes comparator information from over 140 other Local Authorities. We will compare ourselves against other organisations including those in the private sector if relevant comparator information can be identified.
4. Competition. The whole ICT service will be subject to competition analysis.

7. Equalities

There are two main equalities issues to address:

1. Will our E-Government plans help disadvantaged groups obtain greater access to Council services?
2. Whether the Council is making the most use of ICT to meet the needs of disadvantaged staff within the Council.

8. Lead officer/ review group

The feedback from our consultation was that the ICT service and the theme of E-Government should be considered as a composite review. The main issues raised were around how effective the Council is at managing ICT as a strategic resource and the Council's capacity to meet the ICT needs of the organisation, including Revitalising Neighbourhoods and its E-Government ambitions. Therefore it's important that the review group consists of people with a sound understanding of the strategic potential of ICT not just technical staff.

The following review group is proposed:

Jill Craig (Head of ICT &CA)	-	Chair
Paul Masters	-	Lead Officer (ICT)
Ismail Vania	-	Lead Officer (E-Govt)
Ann Oliver	-	Review facilitator
Ros Melrose	-	Union Representative
Bob Drake, Social Services	-	Principal Customer
Geoff Whittle, Housing	-	Departmental IT representative
Jen Clarke, Education	-	Service Manager
Tim Bastock, Finance	-	Service Manager
Adrian Wills, Libraries	-	Service Manager

9. Costs of the review

As far as practicable, the review will be carried out using existing resources, primarily from ICT Services, but also drawing on support from departmental ICT support teams. However, we anticipate that some additional consultancy expertise will be required to research some of the challenging questions raised and to manage the public and partner e-government consultation exercises. Estimated costs are in the order of £35,000 plus any costs associated with the appointment of an independent advisor.

10. Consultation

Consultation on this scoping document has taken place with:

- Strategic Resources Group;
- The Technical Strategy Group (TSG);
- ICT Services' Principal Customers;
- Departmental User Groups (via TSG representatives);
- Staff in the ICT & Customer Services division of the Town Clerk's Department;
- Directors;
- The Scrutiny Director;
- Unions.

Revisions to the scoping document have been made as a result of these consultations. Copies of the original scope are available if required.

BEST VALUE REVIEW OF ICT & E-GOVERNMENT

- *Is ICT supporting the Council's strategic agenda?*

4.1 *How effective is the Council in making the most of ICT as a corporate, strategic resource?*

Key questions/issues

- Existence of clearly understood ICT strategy
 - Is it aligned to the business needs of the organisation?
 - Is everyone committed to it?
 - Are roles and responsibilities clearly understood?
 - Can we evidence its implementation?
 - Are we considering the strategic application of current technology e.g. document imaging?
- Investment priorities
 - Are our investment priorities determined by corporate need or the availability of departmental funding?
 - Equality of deployment – are some sections ICT 'richer' than others, if so why?
 - Do we spend our money wisely? Is ICT positively contributing to the achievement of our strategic agenda?

4.2 *Will our IEG strategy ensure the organisation meets the e-government objectives of: building services around citizen choice; making government and its services more accessible; social inclusion and better access; using information better?*

Key questions/issues

- Are our IEG commitments to achieve e-government by 2005 realistic?
- Does our e-government strategy align with other Councils strategies (community planning, capital budgeting, regeneration etc.) and those of other public sector agencies in the City?
- Do they reflect the needs of the stakeholders i.e. the Council, its strategic partners and the communities it serves?
- Are Service Heads fully engaged in the process or do they see it as a job for the 'techies'.

- E-government is not just about technology, but also cultural change, organisational transformation and change management. How are we addressing those areas?
- Community access – are our users aware of the new access options, do they want to use them and are they in a position to take advantage of them?

4.3 Do we have the ICT capacity and capability to meet the Council's strategic agenda including Revitalising Neighbourhoods and e-government?

Staffing

- Do we have sufficient suitably skilled staff to meet future needs?

Funding

- Are we clear what the funding implications of our strategic plans are?
- Are we being suitably rigorous in trying to identify alternative sources of funding?

Infrastructure

- Will our infrastructure support the achievement of our strategic objectives?
 - Voice and data network;
 - Corporate hardware.

Business continuity

- Increased reliance on computerised solutions will place a greater significance on our business continuity and disaster recovery arrangements - are we prepared?

4.4 Does the ICT support service represent good value?

Cost and quality issues

- Cost and quality of ICT support available to users
 - Unit cost of local network connection
 - Development day rate
 - Unit cost of telephone connection
 - User satisfaction
 - Unit cost of PC support etc (SOCITM benchmarking)
- A review of the most efficient and effective means of delivering the service

- The balance between central and devolved delivery
- Outsourcing & other alternative forms of service delivery (the whole service will be subject to competition analysis)
- PC procurement strategy – should we lease rather than buy PCs?

4.5 Does the Council make the best use of its investment in ICT? Does our investment in staff training match our investment in ICT?

System implementation

- How effective are we at implementing ICT change?
- Are users properly involved in planning new systems?
 - Are the roles and responsibilities properly understood?

Skills

- Do we invest sufficiently in ICT training?
 - Training the trainers
 - Training the support staff
 - Training the users
 - IT Literacy of users, are they making the most of the technology available to them?
- How effective is our investment in ICT training?
 - Does our investment reflect business priorities?
 - Is the training received the training needed to do the job?
- Do we apply the most appropriate training methods?
 - What about e-learning?
- What mechanisms exist to keep users informed of technical developments?