

Improvement and Change Sub-Committee

Monday, 06 November 2017 at 10:30

County Hall, County Hall, West Bridgford, Nottingham, NG2 7QP

AGENDA

- | | | |
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| 1 | Minutes of the last meeting held on 26 Sept 2017 | 3 - 6 |
| 2 | Apologies for Absence | |
| 3 | Declarations of Interests by Members and Officers:- (see note below)
(a) Disclosable Pecuniary Interests
(b) Private Interests (pecuniary and non-pecuniary) | |
| 4 | Data Centre Modernisation (Cloud) Programme Update | 7 - 12 |
| 5 | Smarter Working Programme and Customer Service Centre | 13 - 16 |
| 6 | Work Programme | 17 - 20 |

Notes

- (1) Councillors are advised to contact their Research Officer for details of any Group Meetings which are planned for this meeting.
- (2) Members of the public wishing to inspect "Background Papers" referred to in the reports on the agenda or Schedule 12A of the Local Government Act should contact:-

Customer Services Centre 0300 500 80 80

- (3) Persons making a declaration of interest should have regard to the Code of

Conduct and the Council's Procedure Rules. Those declaring must indicate the nature of their interest and the reasons for the declaration.

Councillors or Officers requiring clarification on whether to make a declaration of interest are invited to contact Keith Ford (Tel. 0115 977 2590) or a colleague in Democratic Services prior to the meeting.

- (4) Councillors are reminded that Committee and Sub-Committee papers, with the exception of those which contain Exempt or Confidential Information, may be recycled.
- (5) This agenda and its associated reports are available to view online via an online calendar - <http://www.nottinghamshire.gov.uk/dms/Meetings.aspx>

Meeting IMPROVEMENT AND CHANGE SUB-COMMITTEE

Date 26 September 2017 (commencing at 10.30 am)

Membership

Persons absent are marked with an 'A'

COUNCILLORS

Reg Adair (Chairman)

Pauline Allan
John Cottee
Richard Jackson
David Martin

Philip Owen
Mike Pringle
Alan Rhodes
Stuart Wallace

OFFICERS IN ATTENDANCE

Pete Barker
Matt Garrard
Helen Lester
Iain Macmillan
Ivor Nicholson
Nigel Stevenson

} Resources

Colin Pettigrew

Children's, Families and Cultural Services

MINUTES

The Minutes of the last meeting held on 24 July 2017, having been previously circulated, were confirmed and signed by the Chairman.

APOLOGIES FOR ABSENCE

The following temporary changes of membership, for this meeting only, were reported:-

- Councillor Pauline Allan replaced Councillor Kate Foale
- Councillor Mike Pringle replaced Councillor Diana Meale

DECLARATIONS OF INTERESTS

None

ICT STAFFING

Ivor Nicholson introduced the report which detailed the need to make changes to the ICT staffing structure.

RESOLVED 2017/010

- 1) That the post of Bid Support Analyst be deleted with immediate effect.
- 2) That the post of Cloud Services Manager be approved as a permanent addition to the establishment.
- 3) That quarterly progress reports on the Cloud Services Programme be brought to the Improvement and Change Sub-Committee.

ICT PROGRAMMES AND PERFORMANCE QUARTER 1 2017-18

Ivor Nicholson introduced the report which outlined progress made to date and detailed the major planned activities for the next 6 months.

RESOLVED 2017/011

That members consider the opportunities arising from the report and agree to receive a further report for the next quarter.

NEXT PHASE OF THE SMARTER WORKING PROGRAMME

Iain Macmillan introduced the report which updated the sub-committee on the work undertaken through the Smarter Working Programme (SWP).

RESOLVED 2017/012

- 1) That the future work planned for the SWP be noted.
- 2) That approval be given to communicate the future work of the SWP to staff and other stakeholders.

PROGRESS REPORT ON DELIVERY OF PROGRAMMES, PROJECTS AND SAVINGS – QUARTER 1

Nigel Stevenson introduced the report which reflected the end of the old programme. Nigel explained that as departmental strategies were approved subsequent reports would detail the changes made.

RESOLVED 2017/013

- 1) That the Quarterly Programmes, Projects and Savings Update report be considered
- 2) That the Change Request for the Promoting Independent Travel and Reductions in Transport Budget projects, as detailed in Appendix C of the report, be approved.

BENCHMARKING INSIGHTS

Nigel Stevenson introduced the report, and Helen Lester gave a presentation, which gave an overview of the online financial analysis tool, CFO Insights.

RESOLVED 2017/014

That how the benchmarking insights are being utilised to help inform the Council's Planning and Performance Management Framework be considered.

WORK PROGRAMME

RESOLVED 2017/015

That reports on the following be brought to future meetings of the Sub Committee:

- Update on the Smarter Working project
- Report on the ICT Cloud project

The meeting closed at 11.47 am.

CHAIRMAN

6 November 2017**Agenda Item: 4****REPORT OF THE SERVICE DIRECTOR, ICT****DATA CENTRE MODERNISATION (CLOUD) PROGRAMME UPDATE****Purpose of the Report**

1. To provide Members with an update on the progress with the Cloud Services Programme.

Information and Advice**Background**

2. The County Council's ICT Strategy 2017-20 sets out the technology direction of travel and the key work programmes supporting its delivery. This includes the transition away from owning and operating a data centre and all of the associated infrastructure (servers, storage, switches, racking, power, air conditioning etc.) with a move to using off-site data centres, commonly referred to as *cloud* services. Funding to support this was approved by Policy Committee in December 2016.
3. The County Council's ICT infrastructure is vital in supporting many of its services to run effectively. There are some 600 different systems that are used daily with more than 11,500 connecting devices accessing them (desktops, laptops, tablets and smartphones). Systems are run on different operating systems (e.g. versions of Windows, AIX) and many have interfaces enabling data to transmit between them. There is secure storage of all of the data and back-ups and there are many technology interfaces with external organisations. Secure access to the web is provided and all of the infrastructure is compliant with Public Services Network standards (PSN).
4. The County Council currently has its own data centre at County Hall and the current model of delivery relies on the County Council purchasing all of the infrastructure within it and having a cyclic 5 year replacement programme so that it remains current and fit for purpose.
5. As an alternative, there are several models of cloud service delivery available (some are described later in the report) and these incorporate a supplier providing the data centre, the infrastructure within it and sometimes the applications and services themselves. The industry trend is towards cloud service models.
6. ICT Services has increasingly been making use of cloud services over the last 4 years. Through our business continuity arrangements we already have some 20% of our infrastructure in a private sector data centre at Derby (Node 4). Applications currently provided through other cloud solutions include, as examples, Microsoft Office 365 e-mail

and calendar services used by Inspire and VIA, plus the software solutions used for electronic forms and customer contact services.

7. Although the current data centre model has worked effectively, now is a good time to progress to a full cloud model for the following reasons:

- Major investment will be required over the next 3 years to update the current ICT equipment within the County Hall data centre as it increasingly reaches obsolescence.
- The data centre environment itself is ageing and will require investment to maintain it.
- Annual costs of the current model are rising as suppliers increase their costs by more than inflation.
- The current infrastructure costs are very difficult to reduce even if the service usage shrinks, as we are tied to a physical infrastructure which we own. This lack of flexibility becomes more of an issue as services (such as VIA, Inspire) exercise more choice and as the operating model of the County Council changes.
- The ongoing programme of upgrades to keep the current infrastructure up to date is resource intensive and expensive.
- Reductions to ICT staffing were made in April 2017 in anticipation of moving to cloud service models.

Progress to date

8. There are 5 phases to the Cloud Services Programme, summarised below:

Phase 1 (discovery)	The discovery phase assesses the cloud options, produces the business case, makes recommendations and starts the activity to optimise the current ICT environment in readiness for a cloud model.
Phase 2 (requirements)	The requirements phase identifies the full set of services and outcomes required from a cloud service model in readiness for procurement.
Phase 3 (procurement)	The procurement phase approves the cloud solutions and providers, and establishes plans and contracts.
Phase 4 (design & build)	Following contract completion, the design & build phase involves the supplier in fully identifying infrastructure requirements, designing and building the new infrastructure and confirming transition plans.
Phase 5 (implementation)	The implementation phase is the transition to go-live from the cloud service provider, followed by the decommissioning of current services.

9. The Cloud Services Programme is overseen by a governance board and each phase is approved with the involvement of the Corporate Director (Resources). The programme is now reaching the end of phase 2.
10. As part of phase 1 a business case has been developed for the Cloud Services Programme and was presented to Policy Committee in December 2016. A full scan of the existing ICT infrastructure has been undertaken to identify all applications, hardware solutions and system interfaces that we have. This information is being used to identify the most appropriate cloud solutions and any preparatory activities in readiness for the transition e.g. *virtualising* more applications to run on shared hardware rather than their own hardware (this reduces hardware requirements and makes transition to cloud easier), consolidating the numbers of servers that are required and re-sizing the infrastructure requirements (e.g. memory and CPU usage) so that we do not over specify needs.
11. There are a range of cloud service models available and it is anticipated that our initial approach could incorporate the following mix:

Co-location model	There is some ICT infrastructure that we would need to retain and so we would rent space at a service provider data centre to co-locate this equipment there.
Private cloud model	Some of our existing services could be hosted in a dedicated (private) environment at a service provider data centre(s). The infrastructure would be provided, supported and managed by the supplier, but existing arrangements for supporting the applications themselves would continue. Our internet connectivity could also be provided out of this facility.
Multi-Tenant Infrastructure as a Service (IaaS)	This would be a secure set of servers sitting within an approved supplier environment servicing the needs of multiple customers including the County Council. This would be used to provide us with the ability to flex up and flex down as demand changes. This is an ideal landing place for development environments (used for testing and developing systems prior to go-live), short term projects or services with an uncertain future.
Public cloud model	The service provider makes applications and storage available over the internet e.g. Microsoft Azure. This is best suited to services that have minimal security requirements and present us with minimal risk.

The exact cloud models used will be determined as part of the procurement phase and will change over time as technology, pricing and business priorities change.

12. A Cloud Services Manager role was approved in September 2017. This role will help ensure that we can properly prepare for and transition to a cloud service model of delivery.
13. The identified benefits of moving to a fully cloud services model include:
- Only paying for the infrastructure and services that you use.
 - Flexibility to quickly grow or shrink the ICT estate.
 - The ongoing programme to upgrade and replace ICT infrastructure as it becomes obsolete is significantly reduced as this becomes the responsibility of the cloud supplier.
 - Based on our discovery activity with 6 cloud service suppliers there are estimated to be financial benefits from adopting this model.
 - It becomes easier to identify costs down to the level of business units enabling more transparency, and potentially a re-charging model.
 - As an early adopter of such a model we could negotiate with the provider a commercial arrangement for any future contracts they gained using the methodology adopted as part of this framework arrangement.
14. There are also risks associated with moving to a fully cloud model:
- The cloud delivery market is still maturing and subject to change as suppliers vie for business.
 - There is significant reliance on a cloud supplier for service availability and upgrades, necessitating stringent contractual and service level management.
 - There are few examples of a local authority putting all services into a cloud model.
 - The process of transitioning to cloud services presents a risk to service continuity and integrity.
 - There are security and interoperability considerations within a cloud model, but we have some experience of these with our current use of a second data centre.
 - There is always a risk of unplanned price increases.
15. At this stage it is anticipated that a go-live date in 2019 could be achieved but this will become clearer as the phases progress.

Financial Implications

16. The actual cost of moving to and operating a cloud services model will not be fully known without a procurement exercise and having fully transitioned to the new delivery model. Reasonable estimates based on soft market testing identified capital investment of £4.1million to support the transition over a 3 year period (year 1 £1.550m, year 2 £1.750m, year 3 £800k). This is to establish and transition to a cloud service model and for the estimated parallel running costs, and this has been incorporated into the capital programme following Policy Committee approval. The business case identified that the cumulative cost of moving to a cloud model becomes lower within 3 years.
17. As part of the ICT Services re-structure in April 2017, staffing levels were downsized to reflect a smaller ongoing infrastructure replacement programme as we transition away from data centre ownership. Through the Cloud Services Programme further savings of £50k in 2019-20 and £200k in 2020-21 are proposed for inclusion within the medium term financial plans. This is to reflect some network cost savings from a greater take-up of Skype for Business for telephony, plus a revamp of resource requirements, supplier

contracts, use of contractors, processes and technology use once the cloud services models of delivery have been implemented.

Other Options Considered

18. The option of continuing with the current data centre model has been considered but is not cost effective in the medium term as identified above.

Reason for Recommendation

19. To update the committee on the work towards a full Cloud service model.

Statutory and Policy Implications

20. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION

It is recommended that:

- 1) Members agree to receive an update report in 6 months' time and consider what further action they wish to take.
- 2) The financial savings proposals of £50k in 2019-20 and £200k in 2020-21, set out in paragraph 17 of the report, are incorporated into the Medium Term Financial Strategy.

Ivor Nicholson
Service Director (ICT)

For any enquiries about this report please contact:
Ivor Nicholson, Service Director (ICT)
(0115 9773300)

Constitutional Comments (EP 10/10/2017)

The recommendations fall within the remit of the Improvement and Change Sub-Committee by virtue of its terms of reference.

Financial Comments: (RWK 09/10/2017)

The financial implications are set out in paragraphs 16 and 17 of the report. Funding of £4.1M has been included in the existing Capital Programme to meet the estimated capital investment costs of moving to and operating a cloud services model. The report also proposes additional financial savings of £50,000 in 2019-20 and £200,000 in 2020-21.

Background Papers

None

Electoral Division(s) and Member(s) Affected

All

6 November 2017

Agenda Item: 5

REPORT OF THE CORPORATE DIRECTOR, RESOURCES

SMARTER WORKING PROGRAMME AND CUSTOMER SERVICE CENTRE

Purpose of the Report

1. To seek approval to arrange a site visit for Members to see the impact of three projects within the Smarter Working Programme (SWP):
 - Digital Scanning of incoming mail for electronic distribution at County Hall
 - The scheduling system for START in operation at Prospect House
 - The new office configuration at Lawn View House
2. To include within this site visit agenda, a visit to the Customer Service Centre, as agreed with The Leader following her successful visit during National Customer Service Week (5th October 2017).

Information and Advice

Background

3. In November 2016, Policy Committee approved funding for the Smarter Working Programme for the roll-out of new ICT equipment and the refurbishment of office buildings.
4. Whilst this is the main focus of the SWP, there are number of other projects that come under the umbrella of the Smarter Working Programme.
5. As sponsor for the Smarter Working Programme, the Corporate Director (Resources) would like to arrange a visit for Members to see the outcome of some of the work undertaken so far.
6. The Customer Service Centre has been open 10 years and has changed considerably during this time. Councillor Kay Cutts MBE and Councillor Neil Clarke MBE, Chair of the Personnel Committee, attended the centre on 5th October and were involved in an event celebrating the 10 year anniversary and the highest customer satisfaction levels to date and also presented some individual performance and achievement awards. It was felt that other Members would benefit from a tour of the centre, a briefing/presentation of the work completed and, time permitting, some call listening.

Proposed visit

7. It is proposed to arrange a site visit, for up to 20 Members, on Tuesday 5th December 2017 which would start at County Hall to see a demonstration of the digital mail scanning.
8. Members will then move on to Prospect House to see the scheduling of START workers in a live situation.
9. The next visit would be to Lawn View House where the project to replace the ICT equipment and reconfigure the office space has recently concluded.
10. The visit would end with a tour and call listening at the Customer Service Centre, Mercury House, in Annesley.

Financial Implications

11. The financial implications of this proposed trip will include refreshments at Lawn View House. Transport arrangements will be confirmed once it is clear which Members wish to attend the visit (there will potentially be further costs if additional transport needs to be arranged). The estimated maximum cost of the site visit is £225. Any costs incurred will be met from the budget for the Smarter Working Project.

Other Options Considered

12. No other options were considered

Reason/s for Recommendation/s

13. To seek approval to arrange the trip

Statutory and Policy Implications

14. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION

That the Improvement and Change Sub-Committee approves the arrangement of a Smarter Working programme site visit for Members on Tuesday 5 December 2017.

Jayne Francis-Ward
Corporate Director Resources

For any enquiries about this report please contact:

Iain Macmillan, Programme Manager, Programme and Projects Team
(0115 9772341)

Constitutional Comments (EP 20.10.2017)

15. The Improvement and Change Sub-Committee has the delegated authority to agree the recommendation contained in this report.

Financial Comments (RWK 23/10/2017)

16. The financial implications are set out in paragraph 11.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

None

Electoral Division(s) and Member(s) Affected

All

6 November 2017**Agenda Item: 6****REPORT OF THE CORPORATE DIRECTOR OF RESOURCES****WORK PROGRAMME****Purpose of the Report**

1. To review the Committee's work programme for 2017/18.

Information and Advice

2. The County Council requires each committee to maintain a work programme. The work programme will assist the management of the committee's agenda, the scheduling of the committee's business and forward planning. The work programme will be updated and reviewed at each pre-agenda meeting and committee meeting. Any member of the committee is able to suggest items for possible inclusion.
3. The attached work programme includes items which can be anticipated at the present time. Other items will be added to the programme as they are identified.

Other Options Considered

4. None.

Reason/s for Recommendation/s

5. To assist the Committee in preparing and managing its work programme.

Statutory and Policy Implications

6. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION

That the Committee considers whether any amendments are required to the work programme.

Jayne Francis-Ward
Corporate Director - Resources

For any enquiries about this report please contact:

Nerys Davies, Executive Officer, Resources Tel. 0115 9772229

E-mail: nerys.davies@nottsc.gov.uk

Constitutional Comments (SLB)

The Committee has authority to consider the matters set out in this report by virtue of its terms of reference.

Financial Comments (NS)

There are no financial implications arising directly from this report.

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

None

Electoral Division(s) and Member(s) Affected

All

IMPROVEMENT AND CHANGE SUB-COMMITTEE - WORK PROGRAMME (AS AT 25 OCTOBER 2017)

<u>Report Title</u>	<u>Brief summary of agenda item</u>	<u>Lead Officer</u>	<u>Report Author</u>
11 December 2017			
Designing Services for the Digital Age	Progress report on the two digital service design pilots	Jayne Francis-Ward	Martin Done
Business Intelligence Strategy	To consider the Council's future business intelligence needs	Nigel Stevenson	Celia Morris
Programmes, projects and savings - Quarter 2	Progress report on delivery of programmes, projects and savings	Nigel Stevenson	Celia Morris
ICT Programmes and Projects – Quarter 2	Progress report on ICT programmes and projects	Ivor Nicholson	Ivor Nicholson
Smarter working	A progress report on the smarter working programme including the review of the Lawn View House pilot	Jayne Francis-Ward	Iain Macmillan
Change and transformation standards	To consider the set of change and transformation standards it is proposed are adopted by the Council	Jayne Francis-Ward	Jayne Francis-Ward
29 January 2018			
ICT Programmes and Projects – Quarter 3	Progress report on ICT programmes and projects	Ivor Nicholson	Ivor Nicholson
Council Plan – Process for monitoring performance	To review the proposed indicators and process for reporting performance.	Anthony May	Celia Morris
Approaches to project management	To consider difference project management approaches such as Prince 2 and agile project management.	Jayne Francis Ward	TBC
Case study: the impact of change	To review the impact change has had on a specific service area	Jayne Francis-Ward	Jayne Francis-Ward
Transformation in Adult Social Care	To consider the methodology and approach taken by Newton Europe.	David Pearson	Jane North
12 March 2018			
Programmes, projects and savings - Quarter 3	Progress report on delivery of programmes, projects and savings	Nigel Stevenson	Celia Morris
Council Plan – Review of Progress Quarter 3	Overview of progress against the Council Plan	Anthony May	Celia Morris
Transformation Strategy	To consider the Council's new transformation strategy	Jayne Francis-Ward	Jayne Francis-Ward
30 April 2018			
Benchmarking	Update on benchmarking insights	Nigel Stevenson	Paul Swift

National and local improvement and change initiatives	A report on different approaches to change and a workshop style discussion to seek members ideas and initiatives seen elsewhere	Jayne Francis-Ward	Celia Morris
11 June 2018			
Council Plan – Review of Progress Quarter 4	Overview of progress against the Council Plan	Anthony May	Celia Morris
Programmes, projects and savings - Quarter 4	Progress report on delivery of programmes, projects and savings	Nigel Stevenson	Celia Morris
ICT Programmes and Projects – Quarter 4	Progress report on ICT programmes and projects	Ivor Nicholson	Ivor Nicholson
Progress implementing the Planning and Performance Framework	Update on the implementation of the new planning and performance framework	Nigel Stevenson	Celia Morris
23 July 2018			