

**THE HIGHLAND COUNCIL  
Resources Committee  
25 May 2016**

**ICT Projects Update  
Report by the Depute Chief Executive/Director of Corporate  
Development**

Agenda Item	18
Report No	RES 36/16

**Summary**

This report provides Members with an update of the status of current ICT projects as required by the Council's Project Management Governance Policy.

**1. Background**

- 1.1 The Council's new Project Governance Policy came into effect on 1 April 2016. One element of that policy was to provide Members with a regular update of the status of projects. This report provides the update on the status of ICT projects currently underway.

**2. ICT Project Governance**

- 2.1 Each ICT project is governed by its own Project Board with a Project Sponsor at a senior level responsible for ensuring the governance adheres to the Council's policy. In addition, for a project to progress, it must pass a series of "Gateway Reviews" before being allowed to advance to the next stage. The Gateway Reviews are as follows:

- **Gateway 0:** Strategic Assessment – (requires a project mandate and a project sponsor);
- **Gateway 1:** Initial Business Justification (requires outline of the project and an outline business case);
- **Gateway 2:** Investment Decision (requires Project Definition and a detailed business case);
- **Gateway 3:** Project Commencement (requires Project Initiation Document);
- **Gateway 4:** Readiness for Service (the business solution goes "live");
- **Gateway 5:** Operational Review and Benefits Realisation;

For ICT projects, Gateway Reviews are carried out at the ICT Development Board, chaired by the Depute Chief Executive/Director of Corporate Development.

- 2.3 The Project Governance Policy states that compliance with that policy will be monitored and enforced for projects that:

- Requires significant capital or revenue investments – significant investment means having a value of £4 million or more over the lifecycle of the project and any resulting contract/s as set out in the Procurement Reform (Scotland) Act.; or

## OFFICIAL

- Projects whose implementation exhibits a high level of complexity, ambiguity, tension, uncertainty or risk as identified by the scorecard in; or
- Projects that are forecast to deliver substantial cost savings as identified by the Council's Senior Leadership Team.

However for ICT projects it is accepted that the standards and processes in the policy are best practice and they are therefore generally applied for all projects.

2.4 Projects are categorised into one of the following types, noting that in some cases more than one category may apply –

- **Infrastructure** – generally crossing across Services and initiated by ICT Services – enabling other changes to happen;
- **Compliance** – non-standard change required to comply with legislation etc;
- **Business as Usual (BAU)** – standard but large scale change, usually relating to planned system upgrades;
- **Innovation** – related to real changes in processes or systems – something new.

### 3.0 Current Projects

3.1 The table at Appendix 1 provides the summary status for all current ICT projects. Of the 23 projects in the current portfolio, 19 are classed as Green, meaning that they are on track to deliver to plan, budget and quality. For the four projects showing an Amber or Red status further commentary is given below.

3.2 **Members ICT Service – RED** – this project will introduce, where required, new tablets and laptops to replace existing laptops being used by Elected Members. The project is Red as the original timescale for deployment starting in December 2015 has been missed. This is due to delays in confirming devices and getting prices from Fujitsu.

Fujitsu provided final costing in April 2016, which was higher than expected.

Discussion is now on-going to see how the costs can be brought back to within the Council's affordability. An implementation date will be provided after the discussion is concluded.

3.3 **Customer Relationship Management (CRM) – RED** – this project will replace the Council's CRM system and will deliver ongoing savings. The project is Red due to delay in the completion of the implementation of the replacement system and additional costs from the Fujitsu.

The project has been re baselined and was forecast to go live 28<sup>th</sup> April. However, given the criticality of the CRM system for the elections process, the go live has been deferred until after the 9<sup>th</sup> of May. During the delay ongoing work has been undertaken to commence the stage 2 phase plan.

## OFFICIAL

- 3.4 **Integrated HR and Payroll – RED** – this project forms part of the wider Business Support Programme, which to date has delivered £2.3m, with further savings expected in excess of the target. Delay to this project is due to technical issues with the new system, though this is LIVE to 97% of all staff (e.g. on-line payslips).

Work is ongoing with Fujitsu Services and Northgate Arinso to resolve remaining technical issues relating to a core system upgrade that was required to keep the system up to date, and delay to resolution has been escalated through governance. The upgrade was not being delivered as part of this project but has had an impact on development of the system.

- 3.5 **SEEMIS – AMBER** – this project replaced the old Schools Management Information System (e1) with SEEMIS. SEEMIS is a School Management System created by a consortium of Scottish Local Government Authorities to support the administration and delivery of key statutory reporting for schools.

The SEEMiS Project is complete bar one action.

The decommissioning of the old e1 system has not been confirmed by the supplier Pearson and is subject to legal discussions. The project is RAGGED as AMBER until the decommissioning is completed.

## 4.0 Re-baselined Projects

- 4.1 The Project Management Governance Policy recognise that remedial action can be applied to a RED status project to bring it back on track, - for example when the delivery timescale is changed to account for a revised implementation date or if there is an authorised project cost increase with agreed budget increase. Such projects are said to be “re-baselined”.

The following projects were re-baselined within this reporting period.

- 4.2 **Enterprise Mobility Management – RED to GREEN** – this project will replace the Council’s Blackberry infrastructure with a modern platform for managing a range of Smartphones. The project was last reported as Red due to the impact of the complexity of the solution - increasing delivery timescale and cost. The original scope of the project was limited to rollout of Members’ phones with a second stage of the project still to be scoped for the full replacement of all Blackberries. When assessing the project again it became clear that better value for money could be obtained by combining the stages and rolling out all the phones following a small Members’ pilot. This increase in scope has led to a significant increase in cost but this is still within the estimated costs for the original multi-stage approach.

Remedial actions are now completed and the project is set to deliver to new a date of May 2016. Members’ phone rollout should be complete by the date of this Committee.

## 5 Implications

- 5.1 Resource Implications: Project Sponsors will have to ensure the required resources are in place to meet the requirements of their projects. This is the case for all projects detailed above in this report. Specific financial implications for projects that have

OFFICIAL

OFFICIAL

gone over budget are listed below:

- **Enterprise Mobility Management** – total expenditure for the EMM project is estimated to be £70,000 an increase from £20,400. This is due to a significant change in scope of the project as described in 4.2 above.
- **CRM Replacement** - total expenditure for the CRM project will be £213,746. The original budget for the project was £180,000. Therefore the project is costing £33,746 (19%) more than originally forecast.
- **Integrated HR and Payroll** - total expenditure for the Integrated HR and Payroll project will be £546,000. The original budget for the project was £455,000. Therefore the project is costing £91,000 (20%) more than originally forecast.

- 5.2 Legal Implications: There are no immediate legal implications arising from this report but, as noted in 3.5 above, there are ongoing discussions regarding the decommissioning of the Phoenix e1 system and the outcome of those discussions is not currently known.
- 5.3 Equality Implications: There are no equality implications arising from this report.
- 5.4 Climate Change/Carbon Clever Implications: There are no climate change implications arising from this report.
- 5.5 Gaelic Implications: There are no Gaelic implications arising from this report.
- 5.6 Rural Implications: There are no rural implications arising from this report.
- 5.7 Risk Implications: There are no risk implications arising from this report.

**RECOMMENDATIONS**

Members are asked to:

- Note the report;

Signature: Michelle Morris  
Designation: Depute Chief Executive  
Authors: Banji Omoniyi, Jon Shepherd  
Date: 22 April 2016

OFFICIAL

Appendix 1 – Current Projects List										Overall Project Status	
Before Gateway 0	Project Type	Service	PM	Project Sponsor	Cost Baseline	Cost Forecast	Go-Live Baseline	Go-Live Forecast/ Actual	Rebaselined	Current	Previous Report (Feb 2016)
ICH IT Provision	Innovation	C&L	THC	TBC						Green	Green
Legal Case Management System	Innovation	CD	THC	TBC						Green	Green
Decriminalised Parking Enforcement	Innovation	CD	TBC	TBC						Green	Green
Network Programme – Redesign and Refresh	Infrastructure	CD	THC	Vicki Nairn						Green	Green
New School Programme – Next Stage	Infrastructure	CD	FJS	Brian Porter						Green	Green
<b>Between Gateway 0 and Gateway 1</b>											
Curriculum Guest Access	Innovation	C&L	TBC	Brian Porter						Green	Green
<b>Between Gateway 1 and Gateway 2 – Project Definition</b>											
GIS Refresh Project	BAU	CD	THC	Jon Shepherd	£71000	£71000	Aug 2017	Aug 2017	NO	Green	Green
Webcasting	Infrastructure	CD	THC	John Robertson	£30000	£30000	Jun 2016	Jun 2016	NO	Green	Green
Construction Information Management System	BAU	D&I	THC	Finlay MacDonald	£60000	£60000	Aug 2016	Aug 2016	NO	Green	Green
Inverness City WiFi	Innovation	D&I	THC	Stuart Black	£1,250,000	£1,250,000	Oct 2016	Oct 2016	NO	Green	Green
Category F Schools Refresh Phase 1	BAU	C&L	FJS	Brian Porter	£630,018	£630,018	Aug 2016	Aug 2016	NO	Green	Red
e-Development (Building Standards and Planning)	BAU	D&I	THC	Malcolm Macleod	£60,000	£60,000	Aug 2016	Aug 2016	NO	Green	Green
<b>Between Gateway 2 and Gateway 3 – Project Initiation</b>											
Members ICT Service	Innovation	CD	FJS	Vicki Nairn	TBC	£120,000	Dec 2015	Apr 2016	NO	Red	Green

OFFICIAL

**OFFICIAL**

Unified Communications	Infrastructure - Innovation	CD	THC	John Robertson	£1,823,000	£1,823,000	Jul 2016	Mar 2018	<b>YES</b>	Green	Red
Local Taxation e-Services	Innovation	FIN	THC	Allan Gunn	£65,000	£65,000	Jan 2016	Dec 2016	<b>YES</b>	Green	Red
<b>Between Gateway 3 and Gateway 4 – Project Delivery</b>											
Enterprise Mobility Management	Infrastructure	CD	THC	Jon Shepherd	£20,400	£70,000	Dec 2015	May 2016	<b>YES</b>	Green	Red
Mobile Service Delivery	Innovation	CD	THC	Caroline Campbell	£341,500	£341,500	April 2016	April 2016	<b>NO</b>	Green	Green
CRM Replacement	BAU	CD	THC	Vicki Nairn	£180,000	£ 213,746	Jan 2016	Mar 2016	<b>YES</b>	Red	Green
New Schools Programme - Noss	Infrastructure	C&L	FJS	Brian Porter	£137,920	£137,920	May 2016	May 2016	<b>NO</b>	Green	Green
SWAN Implementation	Infrastructure	CD	THC	John Grieve	£1,400,000	£1,150,000	Sep 2016	Sep 2016	<b>NO</b>	Green	Green
Curriculum Chromebook Pilot	Innovation	C&L	THC	Brian Porter	£40,000	£40,000	Sept 2015	Sept 2016	<b>NO</b>	Green	Green
SEEMiS	BAU	C&L	THC	Brian Porter	£400,000	£408,000	Dec 2015	TBC	<b>NO</b>	Amber	Green
Integrated HR and Payroll	Innovation	CD	THC	Derek Yule	£455,000	£546,000	Jan 2015	Feb 2016	<b>NO</b>	Red	Amber

**OFFICIAL**