

Agenda Item	16
Report No	RES/68/17

HIGHLAND COUNCIL

Committee: Corporate Resources Committee

Date: 15 November 2017

Report Title: **ICT Projects Update**

Report By: Director of Corporate Resources

1. Purpose/Executive Summary

- 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 that fall outside of the ICT Transformation Programme which is covered in a separate report.

2. Recommendations

- 2.1 Members are asked to consider the report.

3. ICT Project Governance

3.1 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.

3.2 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
- 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.

3.3 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.

4. Current Projects

4.1 The table at Appendix 1 & 2 provides the summary status for all current ICT projects & work packages. Of the 12 projects or work packages in the current portfolio, 8 are classed as Green, meaning that they are on track to deliver to plan, budget and quality and 2 are on hold due to other priority work taking precedence. For the 2 projects showing an Amber or Red status further commentary is given below.

4.2 SWAN

4.2.1 Implementation – Red

The original completion date for the Transition to SWAN was 20 September 2016 but was re-baselined to March 2017. The Capita report to the PfN Board held August 2nd states that all circuits will be installed by September 2017.

The current status of the transition is as follows;

371 sites have successfully transitioned which is 99%. There is 1 site remaining which is Rosehall Primary School. This site requires a radio connection and the additional time taken to complete this is as a result of difficulty in getting permission to use the mast to provide the connection. This site is expected to transition by November 20th which will conclude the SWAN Transition Programme.

4.2.2 Recovery of additional costs

Discussions have progressed positively between the Pathfinder North partners and Capita to progress the partners' claim for additional costs as a result of the delay to rollout. Members were advised in the August report that Capita had put forward two offers for settlement which were been rejected on the basis that they did not sufficiently address the losses incurred. Following a number of further negotiations an improved offer was put forward. This offer was considered in line with legal advice regarding the merits of progressing the claim further and was unanimously accepted by all of the PfN Partners. The sum that Highland Council can expect to recover is in line with the amount that had been budgeted for within the ICT Budget.

4.3 Network Refresh – Amber

Full details of the status of the Network Refresh Programme are provided in a separate report to this Committee.

5. Implications

5.1 **Resource** - 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.

5.2 **Legal, Community (Equality, Poverty and Rural), Climate Change/Carbon Clever, Risk, Gaelic** – There are no implications arising from this report.

Designation: Director of Corporate Resources

Date: 2 November 2017

Author: Dan Scott, ICT Strategy and Engagement Manager

	Service	PM	Project Sponsor	Cost Original	Cost Baseline	Cost Forecast	Go-Live Original	Go-Live Baseline	Go-Live Forecast/Actual	Rebaselined	Current Status	Previous Report June '17
Between Gateway 3 and Gateway 4 – Project Delivery												
SWAN Implementation	CD	Derek Hart	Dan Scott	£1,400,000	£1,400,000	£1,150,000	Sep 2016	Mar 2017	Sept 2017	YES	Red	Red
Unified Communications	CD	Brian Davidson	Steve Walsh	£1,514,590	£1,287,000	£1,287,000	Dec 2015	Mar 2018	Mar 2018	YES	Green	Green
CRM Phase 2 Project	CD	Darren Macleod	Steve Walsh	£166,849	£166,849	£166,849	April 2018	April 2018	April 2018	NO	Green	Green
Network Programme – Refresh – Phase 1	CD	Graeme Mackay	Dan Scott	£3,300,000	£3,006,620	£3,006,620	August 2017	August 2017	August 2017	NO	Amber	Red
Network Programme – Refresh – Survey	CD	Graeme Mackay	Dan Scott	£329,933	£329,933	£329,933	Apr 2017	Apr 2017	Apr 2017	NO	Green	Green
Between Gateway 4 and Gateway 5 – Project Closure												
Construction Information Management System	D&I	David McIntosh	Finlay MacDonald	£60,000	£60,000	£60,000	Feb 2017	Feb 2017	Jul 2017	NO	Green	Green

Appendix 2 – Work Packages

Work Package	Service	PM	Cost Baseline	Cost Forecast	Go-Live Baseline	Go-Live Forecast/Actual	Re-baselined	Current RAG	Previous RAG
Internet Explorer Upgrade	CD	Matt Smith	£55,000	TBC	August 2016	TBC	NO	Green	Red