

**HIGHLAND COUNCIL**

<b>Agenda Item</b>	<b>14.</b>
<b>Report No</b>	<b>RES/61/18</b>

**Committee:** Corporate Resources Committee

**Date:** 21 November 2018

**Report Title:** **ICT Transformation and Network Refresh**

**Report By:** Director of Corporate Resources/Depute Chief Executive

**1. Purpose/Executive Summary**

- 1.1 This report provides Members with a status update on the major ICT modernisation programmes currently underway. These programmes cover the transformation activities within the Wipro contract and the refresh of the Council's ICT networks.
- 1.2 At the August 2018 meeting of this Committee, Members were advised that transformation had begun in earnest and that the programme was delivering to plan with some key achievements being made through June and July 2018. Although much of the Office365 rollout has now been completed, the rollout has been hugely challenging and has impacted on operational delivery. In parallel, network refresh and Chromebook rollout have moved ahead of the scheduled plan. This report also contains details on Direct Access related faults that created disruption for users. Wipro colleagues will provide a separate report to this committee on the root cause and current status of Direct Access.

**2. Recommendations**

- 2.1 Members are asked to consider the update on the ICT Transformation and Network Programmes.

### 3. ICT Transformation Programme

- 3.1 Members were informed in the May 2018 meeting of this Committee that an end-to-end recovery plan for the programme had been provided by Wipro and contractual delivery milestone dates had been aligned with this plan. It was reported that the Council had achieved commercial protection against the agreed contractual milestones and the contract overall continues to be delivered to budget.

The agreed key milestone dates are:

	<b>Original Date</b>	<b>Revised Date</b>
Corporate Refresh 50% complete	30 <sup>th</sup> August 2017	15 <sup>th</sup> February 2019
Corporate Refresh 100% complete	1 <sup>st</sup> December 2017	23 <sup>rd</sup> July 2019
Curriculum Refresh 50% complete	30 <sup>th</sup> December 2018	9 <sup>th</sup> July 2019
Curriculum Refresh 100% complete	1 <sup>st</sup> December 2019	11 <sup>th</sup> June 2020
Active Directory Transformation complete	1 <sup>st</sup> April 2017	20 <sup>th</sup> June 2020

- 3.2 Due to O365 migration complications, the programme is now slipping against key milestone dates and Wipro have formally informed the Council that the 15<sup>th</sup> February 2019 Key Milestone will not be met on time. Therefore, the programme is given a Red status overall.
- 3.3 During the period since the last report to Committee, there have been ongoing technical issues with Direct Access – the system used to allow secure remote access into Council systems from home and other non-Council locations. These issues are not related to the other technical issues being faced but they have put additional strain on Wipro resources. Clearly these issues have also had a significant impact on members and some staff. They have been escalated to senior management in Wipro and the Council awaits a proposal from Wipro to mitigate the issues going forward. However, it is possible that a full resolution may not be possible until computers are all refreshed and running Windows 10. This has still to be confirmed.
- 3.4 Since the last report in August 2018, the focus of the programme has been on completing the rollout of Office365 and the replacement of smartphone handsets. This rollout has affected all staff and was a large-scale, complex undertaking. Although the transition to Office365 was successful for the majority of staff, a significant number faced issues that had a serious impact on their ability to work. This was compounded by the timing of the transition happening alongside the start of the new school year. The scale and impact of these issues lead to the Implementation Board initiating a formal Rectification Plan from Wipro. This Rectification Plan has seen Wipro efforts through September being focussed on fixing generic technical problems, individual user issues and generally trying to stabilise the situation so staff could work effectively. The decision was made to halt any further change as far as possible until issues had been resolved.
- 3.5 Reporting from Wipro in recent weeks shows that the number of issues are reducing. Initiatives such as IT clinics at HQ and other locations have been well received, as have “floorwalker” support in HQ. More of these sessions will be arranged with Wipro, particularly in schools still experiencing issues. From the sessions held to date, it is clear that the issues are compounded by the use of old computers which are not suitable for running current software. The hardware refresh is therefore very much required and the focus for Wipro now will be on revising the plan to ensure that the refresh can target as many staff as quickly as possible.

- 3.6 The programme is now running probably 3 months behind the revised schedule. The plan was for a pilot hardware refresh to take place in September-October 2018 with full-scale refresh starting in early November on a geographical site-by-site basis. A revised approach is being proposed by Wipro which will be based on Council Services rather than geographical sites. This may enable a quicker refresh of the majority of computers but we await a new plan that shows the full impact.
- 3.7 In the interim before refresh starts, we have agreed to make a stock of the new HP computers running Windows 7 available to be issued as an interim refresh to staff who are facing significant issues. This is not a wasted investment as the devices will be then be rebuilt with Windows 10 in due course when the full refresh takes place.

#### **4. Network Programme**

- 4.1 With the successful closure of the SWAN Transition project, the Network Programme is now dedicated to the refresh of local wired and wireless networks in Council buildings. As previously reported to Committee, this work is a pre-requisite for the rollout of Chromebooks in schools and to enable the necessary network performance in offices.
- 4.2 The Network Programme is delivering ahead of plan with excellent progress being made. Installs will be complete several months ahead of plan and will enable the Chromebook rollout to also complete ahead of schedule.
- 4.3 Following Wipro's re-planning work and appointment of a new sub-contractor to undertake some of the site works, activity on the ground for the network refresh is progressing well. As of 25 September 2018, the progress was:

Overall status:

- 406 of 406 site surveys have taken place – 100%
- 265 of 377 site installs have taken place – 70%

Some sites are being surveyed but not refreshed at this point as they are either scheduled for closure or will be managed by NHS.

Phase 1 installs:

- All complete;

Phase 2 installs:

- 103 of 106 schools have their installs complete;
- This leaves Lybster, Munloch and South Lodge primary Schools still to complete in this phase;

Phase 3 (final phase) installs:

- 2 of 53 schools complete;
- Install schedule (subject to access arrangements):
  - Thurso ASG – completion due 31 October 2018;
  - Ullapool ASG – completion due 13 November 2018;
  - Farr ASG – completion due 14 November 2018;
  - Kinlochbervie ASG – completion due 14 November 2018;
  - Nairn ASG – completion due 30 November 2018;
  - Kilchuimen ASG – completion due 4 December 2018;
  - Drummond School – completion due 7 December 2018;
  - Alness ASG – completion due 10 December 2018;

- Glenurquhart ASG – completion due 13 December 2018;
- Tain ASG – completion due 17 December 2018;
- Culloden ASG – completion due 20 December 2018;

SWAN Bandwidth Upgrades – for a small number of larger secondary schools to ensure that there will be adequate bandwidth for large scale Chromebook use:

- Lochaber High, Inverness Royal Academy, Thurso High School and Culloden Academy all completed;
- Nairn Academy – upgrade failed but planned to be completed by early November 2017;
- Grantown Grammar – awaiting date for upgrade.

## 5. Chromebook Rollout

5.1 The rollout of Chromebooks to schools is being managed for the Council by the Care and Learning Service. Wipro involvement in this project is limited to the provision of the refreshed networks in schools and ordering of the Chromebooks.

5.2 Although overall the rollout of Chromebooks is still running behind the original schedule, the acceleration of the network refresh will now allow a revised plan to be followed. As referred to earlier in this report, investigations are underway to see if the rollout can be brought forward significantly to align with the potential completion of the network refresh in March 2019. There is potential then for the Chromebook rollout to complete by the end of the new academic year in June 2019, compared to the original target date of January 2020, if resources in Wipro and the Council can be aligned to meet this date.

5.3 Latest progress with the Chromebook rollout is:

ASG	Number of Chromebooks	Status
Millburn ASG	1750	Complete
Dingwall ASG	1600	Complete
Portree ASG	800	Complete
Kinlochleven ASG	250	Complete
Kingussie ASG	650	Complete
Gairloch ASG	200	Complete
Lochaber	1300	Complete
Mallaig	175	Complete

In total, 8 ASGs have been completed. This is 6725 Chromebooks that have been deployed to schools which equates to approximately 32% of the overall rollout. The rollout is still within budget as Chromebook prices have stabilised. Approx. 60% of the Chromebooks have now been purchased using approx. 52% of the allocated budget.

Monitoring of usage shows that in mid-September we were seeing 6936 devices in use – a figure which includes some pre-existing Chromebooks purchased by schools directly.

5.4 The order of ASGs is likely to follow the network refresh schedule as follows:

November-December 2018

- Grantown
- Ardnamurchan
- Dornoch
- Invergordon

- Plockton
- Wick
- Inverness High
- Fortrose
- Charleston
- Inverness Royal
- Golspie

Leaving for Phase 3:

- Thurso
- Culloden
- Ullapool
- Alness
- Nairn
- Farr
- Tain
- Glenurquhart
- Kinlochbervie
- Kilchuimen
- Special schools

## 6. Implications

- 6.1 **Resource** – Wipro’s Transformation Programme is being delivered largely on a fixed price basis with the budget variability only due to the actual numbers and prices of hardware devices that need to be purchased to enable the programme with the latter being out of Wipro’s control. Contract changes have been agreed with Wipro that provide protection to the Council’s budget going forward, with the strategic aim of ensuring that there is no impact to the ICT revenue or capital budgets due to the delay.
- 6.2 Several new key milestones have been set and failure to meet them will result in delay payments due to the Council. Wipro have formally informed the Council that the next Key Milestone, due in mid-February 2019, will not be met but a revised date has not yet been provided. The Council has informed Wipro that the contractual penalties will apply when the milestone is missed. Payment to Wipro of the outstanding capital milestone has not been made and will not be until there is evidence of delivery. Similarly, release of milestone retentions, from earlier milestones that were met, will not be made until acceptable contract performance points are met.
- 6.3 **Legal** - The Council must adhere to the contract provisions within the contracts it has signed for all ICT contracts in order to ensure that work programmes remain on time and that any contractual penalties are avoided. Legal support was budgeted for to cover the exit from Fujitsu and the transition to Wipro. That support is still being called on regularly to provide advice on complex contractual and commercial areas, to ensure that the Council’s interests are protected.
- 6.3 **Community (Equality, Poverty and Rural)** - There are no implications arising from this report.
- 6.4 **Climate Change/Carbon Clever** - There are no implications arising from this report.

- 6.5 **Risk** – Overall the level of risk to the programme is reducing as deliverable plans are followed. The potential is still there for further delays to the programme either due to poor supplier performance or technical difficulties leading to these high-level risks:
- The ICT revenue budget coming under further pressure due to delays in moving to the target operating model;
  - Pressure on the ICT capital budget due to price rises for hardware – as referred to earlier in the report, IT hardware prices have started to drop again.;
  - Disruption to service due to legacy ICT equipment being in use for longer;
  - Loss of key Wipro and Council temporary specialist resources due to the extended delivery;
  - Late delivery of benefits impacting on Council Redesign and efficiencies necessary for the Council to meet budget challenges.

The May 2018 report covered the overall risk of the deterioration of the partnership with Wipro threatening future relationship and contract performance. The local account team and senior Wipro leadership continue to demonstrate a commitment to the partnership and this risk is not seen as increasing.

These risks will continue to be managed through the ICT Implementation Programme Board and will be the focus of programme governance going forward.

- 6.6 **Gaelic** - There are no implications arising from this report.

Designation: Director of Corporate Resources

Date: 29 October 2018

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