

Agenda Item	<b>9</b>
Report No	<b>RES/30/20</b>

## HIGHLAND COUNCIL

**Committee:** Corporate Resources Committee

**Date:** 11 November 2020

**Report Title:** **ICT Performance Report**

**Report By:** Executive Chief Officer – Resources and Finance

### 1. Purpose/Executive Summary

- 1.1 This report provides Members with an update on the performance of the managed service contract with Wipro and the ICT Transformation Programme.
- 1.2 The report prepared for the August 2020 meeting of this Committee advised Members that the device refresh project had been impacted by COVID-19 and that milestones due in June 2020 had been missed as a result. Refresh activities have re-commenced with the focus on completing as much as possible in schools before the October break.
- 1.3 In preparation for future improvements to ICT service delivery, a user satisfaction survey was carried out earlier in the year in conjunction with the Society for Innovation, Technology and Modernisation (SOCITM). A summary of the results is presented, which shows unfortunately that we have not performing well under current arrangements, and this will act as a benchmark to measure improvements in performance as we go forward. Wipro contract KPI performance is also included in the report with most KPIs still meeting their targets.

### 2. Recommendations

- 2.1 Members are asked to consider the update on the ICT Transformation and Network Programmes, overall Wipro performance and the SOCITM benchmarking.

### 3. Implications

- 3.1 **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. Although hardware devices continue to be stable, there has been increased cost due to the move from thin to thick client devices. This has been met from the existing capital budget using contingency built-in. Currently there is still every expectation that the existing agreed capital budget will be sufficient.

- 3.2 All of the revised key milestones have now been missed. The Council has informed Wipro that the contractual penalties will apply. Payment to Wipro of the outstanding capital milestone has been partially paid as most of the requirements included in that milestone have now been delivered. The balance, and release of milestone retentions, from earlier milestones that were met, will not be made until acceptable contract performance points are fully met. However, as the final key milestone due in June 2020 could not have been met due to the inevitable delays caused by COVID-19 a reasonable approach has been taken with Wipro to provide a penalty grace period covering lockdown in recognition that the recent delay has been out of their control
- 3.3 **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 has been on several occasions used to provide advice on complex contractual and commercial areas, to ensure that the Council's financial interests are protected.
- 3.4 **Community (Equality, Poverty and Rural)** - There are no implications arising from this report.
- 3.5 **Climate Change/Carbon Clever** - There are no implications arising from this report.
- 3.6 **Risk**

**Wipro Transformation Programme** - Overall the level of risk to the programme were reducing as deliverable plans were followed but those plans were severely hampered by COVID-19 causing roughly 3 months' delay. 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 already reported:

- The ICT revenue budget coming under further pressure due to delays in moving to the target operating model – although this risk has largely been mitigated by the commercial agreement made with Wipro in December 2018 and a further commercial agreement made in September 2019;
- Disruption to service due to legacy ICT equipment being in use for longer – will be mitigated for users with severe issues by early supply of new hardware;
- 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.

Previous reports have highlighted the strategic risk of the contract failing completely. Continuing action taken by senior Wipro leadership, particularly the response to the Rectification Plan and replacement of local management, still demonstrates a commitment to the contract 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.

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

## 4. ICT Transformation Programme

4.1 The agreed programme key milestone dates are:

	Original Date	Revised Date
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

The two milestones due in June 2020 have been missed as a result of unavoidable delays caused by COVID-19. As schools, in particular, were not accessible to Wipro the refresh activities were severely curtailed between March and June 2020. Targeted refresh of computers for key staff did take place but largely all ICT resources were focussed in other areas to support the COVID-19 response. More detail of that is given in section 5 below.

Overall, the programme is now given a Red status as timescales will slip beyond the time already lost due to lockdown.

4.2 The overall status of the Wipro refresh projects is shown in the table below:

Numbers of devices. Status at 2 <sup>nd</sup> Oct 2020	Planned	Completed	% Complete
Corporate	4070	3551	87.2%
Curriculum	6499	5457	83.9%

The remaining corporate devices do include some specific business areas with more complex requirements and these were not prioritised early on in favour of getting greater volumes of devices refreshed. Focus can now go back into those areas.

4.3 ICT Services worked with Wipro through June and July 2020 to revise the refresh approach to try and catch up some of the time lost during lockdown. As a result, activities in schools re-started with deployment of pupil devices to schools during the holidays. The plan was that deployment of all school devices should be completed by the October holidays, i.e. a similar elapsed timescale as was lost during lockdown, but it is now likely that activity will carry on into November. Completing the corporate refresh will run in parallel to schools and that activity is now mostly targeted to Highlife Highland and small groups of specialist users. Delays to both corporate and curriculum are due partly to difficulties in getting supplies of laptops, due to a worldwide shortage, but also due to technical issues being faced with specialist software. All efforts are being made to prioritise areas with urgent need – particularly senior classes in secondary schools.

4.4 The final aspect of the Wipro programme that needs to be completed is the deployment of self-service tools and some back-end toolsets to allow better management and control of the ICT estate. The self-service tools will allow users to request and download software automatically and will automate processes around staff joining, leaving and moving within the organisation. This work has also been delayed due to COVID-19 but testing is underway with the expectation of completing by the end of October 2020.

## 5. COVID-19 Response

5.1 The initial significant challenges for ICT Services and Wipro resulting from COVID-19 have largely been dealt with. Tools like the new AlwaysOn VPN and Microsoft Teams are operating well and supporting new ways of working. We also now have Avaya

“softphones” deployed to a large number of staff allowing phone calls to be directed to and made from PCs at home. The emphasis now is on ensuring services are stable and assisting with additional ICT equipment where required to support longer term working from home.

## 6. Wipro Service Performance

6.1 The table below shows the trend for the KPIs for this calendar year up to April 2020. There has been a delay getting data for more recent months due to COVID-19. The table does not go into the detail of how the KPIs are measured but simply shows as Green if target levels are met and red if not. KPI-15 is a composite measure of a further 20 Subsidiary Performance Indicators (SPIs) which are not listed in this report. It can be seen that most KPIs are regularly achieving target levels.

The exception to this is the KPI relating to Service Desk call answering where the target is for 90% of calls to be answered within 60 seconds. In August only 64% of calls met the target. In June the KPI was also failed but then 81% of calls met the target. Although the same KPI was failed in May, Wipro were given dispensation due to the complexities of operating in a lockdown environment. There seem to be several reasons for the failures – new ways of working, return of schools in August and incidents relating to the computer refresh.

	Description	May-20	Jun-20	Jul-20	Aug-20
KPI-01	Severity 1 incident response	Green	Green	Green	Green
KPI-02	Severity 2 incident response	Green	Green	Green	Green
KPI-03	Severity 3 incident response	Green	Green	Green	Green
KPI-04	Severity 4 incident response	Green	Green	Green	Green
KPI-05	Rolling number of Severity 1 incidents	Green	Green	Green	Green
KPI-06	Monthly end user satisfaction	Green	Green	Green	Green
KPI-07	Help Desk contact answer	Red	Red	Green	Red
KPI-08	Infrastructure availability	Green	Green	Green	Green
KPI-09	Managed applications availability	Green	Green	Green	Green
KPI-10	Managed applications interruptions	Green	Green	Green	Green
KPI-11	First time fix	Green	Green	Green	Green
KPI-12	Catalogue implementation – moves/changes etc	Green	Green	Green	Green
KPI-13	Change request impact assessments	Green	Green	Green	Green
KPI-14	Data centre network response time	Green	Green	Green	Green
KPI-15	Composite SPI achievement	Green	Green	Green	Green

## 7. Community Benefits

7.1 As reported to this Committee in November 2019, the ICT outsource contract contains a schedule of community benefits that the supplier has committed to deliver. This is similar to the previous community benefits programme delivered by the Fujitsu contract and is managed by a Board chaired by the Interim Head of ICT & Digital Transformation.

7.2 Unfortunately, COVID-19 has brought a temporary halt to the Community Benefits Programme as many of the planned activities have not been able to take place, including the Inverness Science Festival and Safe Highlander 2020. The fire at Park Primary School has also led to the decision not to reuse Fujitsu devices for community purposes, although some provision of recycled smartphones has been possible. As there has been no change since the last report, no detailed progress reporting is included.

## 8. SOCITM Customer Satisfaction Survey

- 8.1 SOCITM is the Society for Innovation, Technology and Modernisation (formerly the Society of IT Management) – the professional networking organisation for IT leaders. One of the services they provide is a benchmarking service that enables public sector organisations to measure performance and drive improvements. Earlier in 2020, we undertook the first part of this benchmarking with a User Satisfaction survey. The intention is to repeat this on an annual basis to measure continuous improvement. Very detailed results are provided by SOCITM which enable us to look deeply into our performance and also compare against other councils, noting that results provided for other organisations are anonymised.
- 8.2 The survey was sent out in January 2020 to all staff with Council computers and initial results received in March 2020. Due to COVID-19, analysis of detailed results was delayed until August 2020. There were 2,944 responses representing 29.5% of users – a high response rate for a survey of this kind. Nearly 1/3 of the respondents provided additional written comments.
- 8.3 As expected, the user satisfaction results were not very good. Users were responding in relation to the overall ICT service and much of that would relate to Wipro performance. Delays in the computer refresh and other ongoing issues would have played a big part in reducing levels of satisfaction. In summary:
- Out of 43 organisations surveyed over the last 3 years, we came 40<sup>th</sup>;
  - Out of 5 public sector organisations surveyed in Scotland this year, we came 5<sup>th</sup>;
  - Our average score was 4 out of 7, with the worst in the UK being 3.8 out of 7;
  - The best score in Scotland was 5.6 out of 7 – also the highest score in the UK.

The summary scores for the different survey components were:

ITEM	SCORE
Overall user satisfaction	4.05 / 7
Does ICT allow you to work flexibly	4.13 / 7
Does ICT provide innovative solutions	3.52 / 7
Is ICT security taken seriously	5.23 / 7
ICT unit improvement score	3.75 / 7
Average of all satisfaction measures	4.38 / 7
Average number of training days	0.70
% accessing training online	52.8%

- 8.4 The survey analysis identified the key drivers for improvement on an overall basis but also filtered by Service, corporate vs curriculum, Members and managers. Overall, the key areas identified were:
1. Effectiveness of monitoring ICT unit performance;
  2. Communication channels;
  3. Ability of ICT support staff to fix problems;
  4. Responsiveness of ICT staff to changing needs;
  5. ICT staff understanding the users' business.

The results were not all negative and the following areas scored fairly highly:

1. Fitness for purpose of office systems provided (i.e. Office 365);
2. Political and senior management commitment;
3. Fitness for purpose of hardware provided (corporate refresh had progressed well when the survey was issued);
4. Quality of training provided (ICT change network has been highly active and has involved a lot of Service contacts);
5. Downtime (i.e. systems are generally highly available)

8.5 The proposed next steps are:

1. Use these results as a baseline for measuring user satisfaction of ICT as we move to a new service delivery model over the next 2 years;
2. Share the result with Wipro to drive a Service Improvement Plan;
3. Take filtered results to Service management teams to inform a discussion with them about specific improvements required;
4. Assess the individual written specific comments, respond to those people who provided contact details and resolve identified issues as far as possible.

Overall, the exercise is being treated as providing valuable insight and the results will very much help to shape the direction of travel going forward.

Designation: Executive Chief Officer, Finance and Resources

Date: 7<sup>th</sup> October 2020

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