

OUTSOURCED SERVICES SCRUTINY PANEL

6 December 2017

Present: Councillor T Williams (Chair)
Councillor S Cavinder (Vice-Chair)
Councillors M Hofman, P Kent and B Mauthoor

Also present: Councillor M Watkin (Portfolio Holder)

Officers: Committee and Scrutiny Support Officer (AG)
Head of Service Transformation
Head of Corporate Strategy and Communications
ICT Client Section Head

17 Apologies for Absence/ Committee membership

Apologies had been received from Councillors Dhindsa and Hastrick.

18 Disclosures of interest

There were no disclosures of interest.

19 Minutes

The minutes of the meeting held on 02 November 2017 were submitted and signed.

20 ICT update

The panel received a report of the ICT Section Head updating them on the delivery of the ICT service.

The Head of Service Transformation introduced the report explaining that the document outlined the progress made in the last 18 months, how matters had been taken forward and performance enhanced. It had been a journey of improvement and the council was now in a positive place. He advised the panel that the ICT Client Section Head would discuss the report in more detail.

The ICT Client Section Head commenced by explaining that in June 2016, the council's contract with Capita for the provision of IT services had ended and a new mixed model for the provision of ICT was introduced; with some of the services' functions delivered in-house and some delivered by third party contracts. The council had procured a contract with Amicus ITS for the provision of the Service Desk and a contract for the procurement of network services – both contracts were for two years (with an optional extension of two years). She explained how activity carried out by Amicus was now monitored.

The ICT Client Section Head outlined the present construct of the in-house team and advised the panel that Cabinet had approved an increase in establishment at its meeting on 4 December. She discussed the Core Infrastructure Transformation Programme; that was an essential 'ground up' refresh of the entire network. It would ensure that the council had up to date IT systems and enable the authority to adopt new ways of operating – such as mobile and flexible working and a transition to a modern telephony platform.

She discussed the development of the IT Strategy (2017-20) with a vision of 'providing a stable and secure platform to support the effective and efficient delivery of service to customers'. She outlined the associated six business objectives and how these would be delivered. She advised members that a proposed structure for the ICT Service was approved by the Joint Management Board in October and this would maintain the mixed delivery model (with a desired continued partnership with Amicus ITS).

The ICT Client Section Head discussed the range of improvements carried out under the Core Infrastructure Transformation Programme. She advised that work had also been conducted on a variety of line of business application upgrades including the roll out of Wi-Fi at the town hall and the development of IT infrastructure at the Cassiobury Hub.

She went on to discuss how performance in respect of the resolution and closure of incidents or service issues logged had improved significantly in the last few months and how this had been achieved – with the target of 80% reached in September. Amicus' performance was far better than the previous provider and this was supported by customer satisfaction feedback.

In response to a question from Councillor Cavinder, the ICT Client Section Head advised that 45% of calls were a first time fix. The Chair expressed his pleasure with the improvement in the closure of incident figures.

The ICT Client Section Head further advised that, through a combination of working with the new partner and the delivery of the transformation programme, the stability of the IT estate had improved significantly. For example, the

reporting of severity one and two incidents was now consistently within single figures by month as opposed to being in the twenties and thirties previously. She added that there was a desire to employ staff with a complex skill set to further drive performance.

The ICT Client Section Head concluded by informing members that the Council had been awarded PSN compliance in August and that this was a significant step forward. In response to a question from Councillor Kent, she explained what the granting of the award would mean to the Council.

In response to a question from the Chair, the ICT Client Section Head advised that the decision on whether the contract with Amicus ICT should be extended by a further two years would be taken by the ICT Steering Group on 19 December.

In response to a further question from the Chair, the ICT Client Section Head explained that the 80% target for the closure of incidents logged should continue to be achieved as the Council now had more control of what was handed back to Amicus ICT. She clarified that the target related to matters that the in-house team resolved internally. The Head of Service Transformation added that structures had been built around the 80% level – although this target might be more difficult to achieve as the number of incidents logged was reduced. In the future, there was a desire to have sophisticated indicators that would measure and evidence how the core requirement of the ICT service was being delivered rather than just measuring performance in respect of fixing aspects that went wrong (as under the present indicator set).

In response to a related question from Councillor Cavinder, the ICT Client Section Head explained that many of the incidents logged related to lines of business application issues; although these were reducing as enhancements were being made through the core infrastructure developments. She explained how the matters were triaged. She gave an example of how servers related to each other and of the impact on users. She advised that much work had been carried out for the Revenue and Benefits service with clearance rates going up as matters improved.

In response to further questions from members, the Head of Service Transformation and ICT Client Section Head:

- Explained how the development of the replacement housing IT system (to meet the requirements of the Homelessness Act) was being progressed under the Watford 2020 programme; with suitable contingencies identified.
- Clarified that there was a fixed priced contract with Amicus ICT - and with the option to extend for a further two years to June 2020. The contract was not front loaded; it was spread evenly with quarterly payments. The blended service model was considered the most effective as the Council did

not have the scale to provide services wholly in-house.

- Advised that the 'total ownership burden', referred to in paragraph 5.2 of the report, related to the total cost of the IT service – such as hardware and staffing.
- Confirmed that there were termination clauses in the ICT contracts; such as in respect of variances in performance or if relationships became unviable. The officers explained the cost structure in such circumstances and advised that the blended service model provided reduced risks compared to when utilising a totally externally provided service. It was also possible to adjust contracts as opposed to simply fining the provider.

Councillor Watkin commented that the message was that the Council now had a clear direction in terms of its ICT service; and this had been confirmed at a recent meeting of the ICT Strategy Group. Presently, the environment was being made stable; however the Council would go beyond this phase in the future. The operational costs had been greater than expected this year but they were less than when working with the previous external service provider. The Council was looking to reduce costs going forward. The mixed model was ideal for Watford; with Amicus being a perfectly sized company. He considered that there was a positive future - and involving bringing in other staff on short term contracts. He thanked the Head of Service Transformation and the ICT Client Section Head for their work in positively transforming the ICT service over the last 12 months.

The Chair concluded the item by informing members that Councillor Matthew Bedford, Three Rivers District Council, was unable to be present at the meeting that evening but was positive about the developments with the shared ICT service. From a personal perspective, the Chair was pleased with the progress that had been made that was clear for all to see.

RESOLVED that –

1. the content of the report be noted.

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End of Quarter 2 (September) 2017 /18 Key Performance Indicator (KPI) Report

The panel received a report of the Head of Corporate Strategy and Communications outlining the results for the key performance indicators at the end of quarter 2 (September) 2017/18 for the service areas which were delivered by external service providers or through the shared service/lead authority model.

The Head of Corporate Strategy and Communications introduced the report explaining that performance remained strong across a number of indicators - with significantly more performing above target than below.

Of particular note, that quarter:

- Benefits performance for new claims and change of circumstances showed sustained improvement.
- Waste recycling, litter, graffiti and fly posting were all performing well although detritus continued to be challenging (she outlined the reasons for this).
- Leisure centre attendance at both Woodside and Central remained strong.
- Council Tax and National Non Domestic Rates were on target for the year.
- Sickness absence continued to be less than five days per full time employee annually.

In response to a question from Councillor Cavinder reference item 19 in the report, the Head of Corporate Strategy and Communications undertook to ask the Regeneration and Property Section Head to provide the member with information on how negotiations were progressing with the Watford Indoor Bowls Club.

In response to further questions from members, the Head of Corporate Strategy and Communications:

- With regard to item 12 in the report; informed the panel that the Planning Enforcement Service could become involved when 'for sale' boards were inappropriately used at properties. She undertook to provide members with more information on the matter (particularly with regard to signs outside flats).
- With regard to item 24 in the report; explained that the excellent performance on sickness absence was publicised internally and through the Peer Challenge. The Council was recognised locally and nationally for taking innovative steps to tackle sickness issues.
- With regard to items 26 and 27 in the report; advised that staff satisfaction and motivation issues were self-scoring elements on Personal Development Reviews. Staff surveys could also examine such matters in more detail.
- With regard to items 34 and 35 in the report; undertook to find out to which specific 'teams' the indicators related, to provide further information around the priorities and to investigate whether it would be feasible to show in the report the number of calls reporting faults. It was anticipated that the indicators for next year would be more meaningful.

RESOLVED that –

1. The content of the report be noted.
2. The actions requested be undertaken.

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Work programme

Members reviewed the panel's work programme for the remainder of the municipal year and considered this to be comprehensive and appropriate.

RESOLVED that –

1. The work programme was approved.

Chair
Outsourced Services Scrutiny Panel

The meeting started at 7.00 p.m.
and finished at 8.00 p.m.