

**Manchester City Council  
Report for Information**

**Report to:** Resources and Governance Scrutiny Committee - 19 July 2018  
**Subject:** ICT Update  
**Report of:** Chief Information Officer

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**Summary**

The Committee has requested updates on ICT to include:

- DR and resilience
- Key projects; and
- Financial position for the service.

**Recommendation**

Members are requested to note the report.

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**Wards Affected:** All

<b>Manchester Strategy outcomes</b>	<b>Summary of the contribution to the strategy</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	ICT will update on recruitment and retention of roles with its service.
A highly skilled city: world class and home grown talent sustaining the city's economic success	ICT will update on recent procurement activity where the Social Value contributions of the winning tender are substantial to Manchester.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	ICT will update on Assistive Living Technologies that will provide significant quality of life benefits to residents.
A liveable and low carbon city: a destination of choice to live, visit, work	n/a
A connected city: world class infrastructure and connectivity to drive growth	ICT will update on the major technical work is about to undertake to dramatically improve the technology used in the Council provide the high availability of critical systems and services that the citizens of Manchester need.

**Contact Officers:**

Name: Bob Brown  
Position: Chief Information Officer  
Telephone: 0161 234 5998  
Email: bob.brown@manchester.gov.uk

**Background documents (available for public inspection):**

None

## 1. Introduction

1.1 This report is to provide an update on:

- Data Centre Programme
- Public Service Network (PSN)
- Assistive Technology
- Networks & Resilience
- Comms Room
- Estates moves
- Capital Plan Investment Plan; and
- Financial position for the service.

## 2. Executive Summary

2.1 There continues to be progress in all of the major projects, some of the controls put in place such as the Design Authority, and Project Prioritisation Group and ICT Board are allowing ICT to plan the timing of key changes more. This is having a positive impact on resource planning and cohesion of interdependent projects and programmes of work.

2.2 The contract with our new data centre facility provider, UKFast was signed on 02 July 2018. We anticipate starting to provision our new services from October 2018, this is expected to conclude in late summer 2019 and will deliver the council's first resilient data centre facilities incorporating a secondary failover facility. The approach planned and underway is to limit all business disruption as far as possible.

2.3 An ambitious programme of work to increase the use of Assistive Technology in Adult Social Care is under way. 'Assisted Living Workshop' sponsored by the council strategic mobile device partner (Samsung) was held on 28th June at Gorton Monastery and brought together colleagues from all parts of the health sector across Manchester and included snr council colleagues from Wigan Council. We expect to hold further 'soft market' events later this year with leading industry partners.

2.4 The service has lost a number of key resources recently, as such, we have an increased risk across the service. Feedback received has highlighted the growth and opportunities in the technology sector across Greater Manchester and higher wages on offer. The service continues to work with HR/OD to support on all areas of recruitment and in looking at opportunities to mitigate the risks especially across the service operations team and in delivery of projects.

2.5 Over the last six months the service has delivered a number of key projects that have provided benefit to the business:

- **Universal Housing** - implementation of the new QL system to replace the existing Civica system. The new system is more streamlined than the previous Civica system and will be an enabler to support business efficiencies with better SLA's.

- **ONE system** - several upgrades to this Education system have been successfully implemented to ensure we are compliant with new regulations.
- **Mobile Devices** - rollout of new Samsung devices to colleagues. This is underpinned with a new EE contract which provides the council with better value for money (tariff reduction, improved service levels).
- **CallSign** - implementation of a new identity access management system (IAM) which removes the need for physical CAG tokens with an electronic cloud-based solution, this solution supports the core principles set out in the people strategy allowing greater flexibility for our entire workforce to have remote access where aligned to mobile technology.
- **Printing** - An up to date and modern printing estate has been deployed across MCC. This will ultimately drive down printing costs across the Council and ensure business continuity.
- **SAP Year End and Support Packs** - successfully completed the SAP year-end activity and implemented the latest support packs. These packs ensure that we are on the latest versions and also provide any legal updates and tax codes for the following financial year.
- **Meeting management system** - a solution, *modern.gov*, has been selected as part of the procurement exercise of the project.
- **Members' case management** - a solution, *caseworker.gov*, has been selected as part of the procurement exercise of the project.

### 3. Staffing Update

- 3.1 Manchester is a world-class city which offers people a great place to live, work, visit and critically, a fantastic environment for business to thrive. Manchester has an incredible talent pool of people; its airport and transport infrastructure compete on a global level and it boasts a diverse and high quality portfolio of business properties. In the last year we have seen the growth of 'Tech/Digital' companies overtake 'Financial Service' as the leading employer.
- 3.2 Recent years have seen dozens of companies make the move north to Manchester in search of more affordable office space including the BBC, Google, Microsoft and Amazon. Furthermore, organisations based in our locality are growing and expanding including Information Commissioner's Office and DEFRA. We also attract and plans are in place for new organisations to be based here, these include, GCHQ and Land Rover Jaguar.
- 3.3 ICT's journey these past few years has been to invest in training and developing its workforce to enable our colleagues to be able to meet the demands for our council. Our people continue to perform strongly as a result but at the same time are attracting attention from the public and private sectors.
- 3.4 We continue to work hard to ensure that our resource strategies are as dynamic as possible to retain the skill level we need but stress that recruitment and alignment of salaries to the market is critical to us.

- 3.5 Whilst today we are at 95% capacity, ICT have 8 vacancies across our service left to fill including the Head of Service Operations role.

#### **4 Update on the ICT Portfolio and Project Review**

##### **Data Centre Programme**

- 4.1 The key outcome of the Data Centre Programme is high availability of critical business applications/services and the ICT infrastructure, via the delivery of a resilient and robust data centre solution for the Council.
- 4.2 The contract with our new data centre facility provider, UKFast was signed on 02 July 2018. Council ICT services will move from the Sharp data centre into two separate disaster recovery (DR) equipped data centres within Manchester that the Council will rent as a managed service facility. Having two separate data centres removes the requirement for DR as in the event of a disaster affecting a data centre recovery times will be almost instantaneous and there will be limited disruption to IT services once complete.
- 4.3 The Core Infrastructure Refresh Project is in the delivery phase and progressing well, all virtual servers will be resident on the new technology by September 2018, providing greater resilience prior to the move to the new data centres. This project will deliver new infrastructure and servers copies of a system into the second data centre providing high availability. Migrations of test and development servers is well underway. With production environments on track to migrate in August 2018.
- 4.4 The programme is dependent on the network connectivity being in place before the final decommission of services from Sharp. The network design, which builds in resilience and will reduce the number of service disruptions, is underway and progressing well. ICT will be utilising the Crown Commercial Services Framework to procure the necessary technical infrastructure, connectivity and professional services. The opportunity will be posted at the end of July 2018, following a key decision, contracts are expected to be in place by October 2018.
- 4.5 The expectation is that we will be operating from the two new data centres by Q2 2019, this is subject to the successful procurement exercise, detailed planning for the network provision and implementation and business alignment to ensure there is minimal business disruption during the move. The overall detailed programme plan will be finalised in October 2018 owing to the fact all suppliers who bid for the Network Provision will be expected to submit plans as part of the procurement exercise.

##### **PSN**

- 4.6 The Public Services Network (PSN) was implemented by central Government as an assured route for information sharing, to facilitate shared services and also serve as the assured route for Government Connects Secure Extranet (GCSx) mail. It acts as a compliance regime that serves as both a commitment

to a basic level of information security for connecting government departments and local authorities and also a level of trust between Manchester City Council and other public services e.g. Department of Work & Pensions (DWP).

- 4.7 Due to more stringent compliance controls brought in by the Cabinet Office in the past year following the impact of Cyber on the public sector (Ransomware), the Cabinet Office are presently unable to renew the Council's PSN certification. The Cabinet Office contacted the Council via the Chief Executive in December 2017, to ensure that the Council is compliant as soon as possible. The Council's access to the PSN has not been restricted but this would be a likely consequence if prompt action was not taken. Our approach has been supported and approved by SMT and there is no current impact for users or our partners including DWP.
- 4.8 ICT are currently delivering a project to remove the remaining Windows 2003 servers which contributed to the reason the certification was not afforded to the Council this year. Supported by robust governance, a monthly reporting cycle tracking progress, written reports are being sent through to the Cabinet Office supported by a monthly follow up call with our assigned Information Assurance Assessor and the PSN and Cyber Compliance Lead at the Cabinet Office.
- 4.9 At the end of June 2018 there were 56 Windows 2003 servers remaining, this is a decrease of 70 since March 2018. ICT has a plan in place to reduce this to single figures by the end of September 2018.
- 4.10 ICT anticipate being able to resubmit the Council's PSN Code of Connection in October 2018.

### **Assistive Technology**

- 4.11 An ambitious programme of work to increase the use of Assistive Technology in Adult Social Care is under way. New delivery models arising from the integration of health and social care in the newly formed Manchester Local Care Organisation are required, which will take a technology first approach to meet Care Act duties around giving people control over their own support planning and increasing levels of independence to enable people to live at home much longer.
- 4.12 There have been a number of successful pilots over the last four years and Manchester is now ready to take forward the successful schemes and scale them up at pace. A business case to utilise investment from the Integration Reserve has been agreed by MHCC which will see £1.041m investment over the next 3 years to introduce automated medicine dispensers as part of the new multi-disciplinary teams that will operate in the new 12 Integrated Neighbourhood Teams and a large social care assistive technology and telecare programme. The financial modelling forecasts a strong return on investment of 3.86 to 1, that will deliver £1.588m of savings per annum by 2021 against an ongoing cost of £0.411m.

- 4.13 The scaling up of activity will require a new technology platform to coordinate activity, closely linked to proposals to develop new access, referral, triage, monitoring and response functions that will be required in the MLCO proposed Control Room. On this technology platform, all referrals to Adult Social Care, monitoring and response of community alarm systems and assistive technology will come together in a coordinated way sitting alongside new services such as Manchester Community Response which brings together urgent care, district nursing and reablement. For the first time, the Council will have one integrated place to manage demand, underpinned by state of the art telephony, shared records and an online Citizen's Portal as described elsewhere in this paper.
- 4.14 Following the release of the investment, the production of specifications are currently underway to take the proposals out to the market to find the appropriate technology solution and third party providers. Soft market testing is also underway and a number of technology partners and social care providers have been engaged with to develop the way forward before a tender is issued in the Autumn for the integrated Control Room.
- 4.15 ICT Capital has been set aside to assist with this programme.

#### **Estates Transformation**

- 4.16 The Town Hall Decant project was established in 2017 to enable the closure of the Town Hall in January 2018. ICT are providing support to the Estates Transformation team for the decant of the Town Hall.
- 4.17 The scope for ICT works include support for internal office moves of key stakeholders within the Town Hall Complex, as well as office moves to newly leased locations across the city in 2017 and 2018. Furthermore, ICT have provided a scheme of requirements to support the development works of the Town Hall and will play a leading role ensuring that when the building reopens it does so leveraging latest technologies.
- 4.18 Relocation of SMT and Members was completed in January 2018 without incident, enabling the closure of the Town Hall on 15 January 2018 as planned.
- 4.19 Work is underway to prepare for relocation of the Coroner's Service to the Royal Exchange building by October 2018. While the scope of the ICT support is limited to the provision of network connectivity and relocation of existing equipment, the move presents an opportunity for ICT to replace the Coroner's existing courtroom AV solution, which has been identified as not fit for purpose. A procurement exercise was completed in May 2018 to select a new courtroom AV solution, contracts are currently being finalised and the project is on track to complete on time and within agreed budget.
- 4.20 ICT have also been involved in the recent refurbishment of the Registrar's office in Heron House, which was completed in June. This included support for the interim move of the Registrar's service in January 2018 while

refurbishment of their new office was completed, and the relocation back to Level 1 Heron House, completed on 15 June following completion of refurbishment works.

- 4.21 ICT are working closely with Corporate Estates to support upcoming office moves and building refurbishment projects. In particular, ICT will be working with numerous other Council departments to help design, procure and deliver the ICT offer on large building projects such as the refurbishment of Alexander House, Hammerstone Road and the development of the Gorton Hub.

### **Communications Rooms**

- 4.22 Whilst being part of a wider council infrastructure update programme, our communications rooms across the council are in urgent need of investment and upgrade. Funding has now been secured for this work and was approved at the May 2018 Capital Board. The business case is now awaiting approval at Capital Checkpoint 4.
- 4.23 ICT have started the recruitment for the Project Manager who will lead the procurement and delivery of the project. Conversations have been taking place with procurement and Cisco (our hardware supplier) to ensure that there is an agreed route to market and that the suppliers are ready to be able to respond to the hardware order.
- 4.24 The next stage will be for the ICT Project Manager, the ICT Estates Programme Lead and the Corporate Procurement Team to develop the procurement brief.
- 4.25 Work is anticipated to start in Q2 18/19 and will take approx 30 months to complete. Our Comms Rooms are in need of significant remediation and as such this is a complex project involving a range of both internal and external stakeholders.

### **Universal Access**

- 4.26 There are approximately 1400 Universal Access staff who did not have any form of electronic access to Manchester systems.
- 4.27 In October 2017, the Capital Strategic Board and SMT approved the funding for Phase 1 of the Universal Access project to provide access to the Council's intranet for staff for c1200 staff. To date two thirds of staff have been trained and have access and the remaining 400 will be trained over the summer period as part of the annual carousel training events for schools based staff.
- 4.28 There is a business case to be considered by ICT and Strategic Capital Board to extend the offer to Phase 2 of the project to provide intranet access to c300 staff (School Crossers and Schools Transport staff) and offer to all 1400 staff in scope to provide a gmail account to all and SAP access to c100 School Catering Managers.



- 4.29 It is envisaged that by providing a Universal Access solution to all staff will ensure equality of access to key corporate systems and messaging including MCC and Greater Manchester job vacancies, health and wellbeing information, key changes in the Organisation and employee rewards and discounts. As importantly is providing colleagues who do not currently use technology as part of the role, the opportunity to build digital skills.

### **Networks & Resilience**

- 4.30 Design of a new corporate network is underway and is likely to be out to tender in August 2018. A contract award has already been submitted for fibre connectivity that is required for the new Data Centre provision.
- 4.31 The fibre connectivity will be supplied by The Loop, our strategic fibre partner and incumbent and will provide resilient and diverse connections from key Council buildings (Town Hall Extension, Central Library and Peter House) to the two new colocation Data Centre facilities, with an emphasis on fault tolerance and incident avoidance.
- 4.32 The contract will deliver additional connectivity and resilience but at a reduced cost to the Council, with savings to be used to offset pressures elsewhere.

## **5 Capital Investment Plan**

- 5.1 Work is progressing on the ICT Capital Investment Plan 2018 - 2020 to ensure our capital spend profile is as accurate as possible for monitoring post Q1 2018 in the current fiscal year.
- 5.2 This will include all initiatives that have carried forward from 17/18 along with all prioritised initiatives from the directorates in years 18/19 and 19/20.
- 5.3 Once this Capital Plan is approved it will be subject to robust change control to ensure that the list of programmes/projects is constantly monitored and governed.

## **6 Financial Position – Revenue Budget**

- 6.1 The 2018/19 approved ICT budget is £13.684m. The budget is net of £0.520m savings proposals and these were made up of:
- £150k contract savings through telephony, printing and data savings.
  - £150k reduced maintenance and refresh budgets.
  - £170k reduced maintenance and licensing costs
  - £50k reduced travel costs across the council due to collaborative technology.
- 6.2 ICT are currently forecasting a breakeven position as at the end of May (Period 2), although there is an underspend on staffing costs due to the vacant positions, this saving is being used to offset the shortfall in the capitalisation of staff time allocated against capital projects.

6.3 The key budget risks in the current year are around:

- As part of the revenue budget there is an assumption that £1m of ICT staff time will be capitalised, this is based on time spent by ICT staff on delivery of the ICT capital investment. As at month two the monthly average capitalised cost is £77k per month, and if this continues the annual figure will be £0.924m, resulting in a pressure of £76k. The capitalised costs are in respect of permanent ICT staff and part fund the overall staff costs, if the target is not achieved there will be a pressure against the revenue budgets.
- The two year Google contract expires in September and the initial 50% discount for the first two years may not be achieved resulting in increased costs.

## 7 Financial Position – Capital Budget

7.1 The ICT combined programme is forecasting £7.878m (of which £0.700m is unallocated as yet and relates to pipeline projects) against a total 2018/19 budget of £16.441m. The variance of (£8.563m) comprises:

- (£4.397m) rephasing of the 2018/19 ICT Investment Plan allocation into 2019/20;
- (£3.871m) slippage on Comms Hardware Replacement and MCRActive;
- (£0.295m) underspend on various projects.

7.2 Spend-to-date at Period 3 is 4.45% of the combined budget. The following table shows the current position of the programme.

Area	2018/19 (£m)			
	Spend to Date	Budget	Forecast	Variance
New Social Care System	0.15	2.04	2.04	0.00
Comms Refresh Phase 2	0.00	4.20	0.50	-3.70
ICT Investment Plan - Unallocated	0.00	5.10	0.70	-4.40
Other Capital Projects	0.44	2.48	2.20	-0.28
Revenue Switch Projects	0.14	2.63	2.44	-0.19
<b>Total ICT</b>	<b>0.73</b>	<b>16.44</b>	<b>7.88</b>	<b>-8.56</b>