

### ICT Service OFR

#### 1. Background of the service

The ICT Service has a staff set of over 60. They offer the following ICT services to schools:

- ICT equipment, installations and upgrades
- Technical advice and support
- Training and consultancy for the curriculum and management information systems
- The ICT Service helpline
- E-safety
- Managed services such as centrally hosted SIMS and email
- ICT in school building projects

The service is driven by a commitment to education as the team believe that ICT can make a significant difference to children's learning and wellbeing and that it is business-critical for schools. The team has a strong belief that Britain's future depends upon the development of citizens who are creative, confident and responsible users of technology. The service sees these objectives as linking to the following outcomes: People with disabilities live well independently, adults and children at risk of harm are kept safe and places that work with children help them reach their potential.

#### 2. Progress of the review

A workshop was held between the ICT Service, Finance, HR, Communications and the Transformation Team. The group talked through the Business Model Canvas for the team as it currently stands and a number of key lines of enquiry were also highlighted. These included, issues around procurement, HR and invoicing as well as queries around different business models, customers and services available.

It was apparent during the early part of this review that there could be greater potential should this OFR be re-scoped to include all ICT Services within the Council, including the IT & Digital Team and LGSS IT, rather than reviewing them separately as per the original plan. None of these services have been reviewed together in recent years and there are some cross overs between the three teams where shared learning, staff, resources and purchasing could be applied.

There are emerging indications that the ICT service has a worsening financial outlook going into 2018/19. Although this would need to be addressed by the service regardless of the OFR, any potential deficit will be further investigated and mitigating actions brought forward.

Therefore, the review team proposed focusing efforts on stabilising the current situation and reshaping of the OFR to include all ICT Services. It is anticipated that the newly shaped review will start by mid-February 2018.

### **3. Procurement issues**

Although the main review is currently on hold, it is relevant to note that the current procurement rules result in the service not being able to buy goods effectively and therefore, sometimes losing business as a result. These issues include the process for purchasing taking too long and being too costly for the customer. These issues could also apply to the other IT based services within CCC. The issues will continue to be explored further, for the ICT service alone and also in conjunction with the re-scoped OFR. A few potential solutions have already been identified, some of which would require changes to the procurement process for the ICT Service. They are as follows:

- 1) A bespoke exemption process based on different criteria and with commitment to quick turnaround could be created for the ICT service or all traded services. The criteria for the exemption could focus on whether any financial risk to CCC exists – i.e. if the procurement is only for a guaranteed re-sell to a named school at a named price then as part of a specific bid for work – then it should always be approved as there is no value for money risk to CCC
- 2) A bespoke set of procedures agreed permanently (or for a given period). Changes for traded services might include:
  - Changing the threshold at which the mini-tender requirement kicks in
  - Replacing the required mini-tender process with a different way for oversight to happen of bigger expenditure, for example getting 3 quotes and Procurement involved in all decisions.
  - Agreement to consider each piece of work for each school separately – rather than thinking about likely total spend over 4 years across the whole organisation – principle based on viewing it as ‘the school’s procurement’ not CCC’s
- 3) Other solutions not requiring changes to the Council’s procedural rules include:
  - Asking schools to procure themselves
  - Influencing the decisions of schools around the equipment they request

If after further investigation the first two options above prove to still be included as recommended options then a full paper detailing the issues and proposed solutions will be brought back to the Commercial and Investments Committee for approval.

### **4. Next steps**

The Committee is asked to endorse this approach. Updates on the re-scoped ICT OFR will be reported to the most appropriate committee.