

ICT SERVICES STRATEGIC UPDATE	
AUDIT COMMITTEE 28 January 2019	CLASSIFICATION Open If exempt, the reason will be listed in the main body of this report.
WARD(S) AFFECTED All Wards	
GROUP DIRECTOR Ian Williams, Group Director, Finance & Corporate Services	

1. INTRODUCTION AND PURPOSE

This report provides an update on the strategic progress across the Council's services in delivery of transformation enabled through technology and data.

2. RECOMMENDATION(S)

Audit Committee is asked to note the update from the Council's ICT service.

3. REASONS FOR DECISION

Not applicable.

4. BACKGROUND

Audit Committee have asked to be provided with periodic updates on the strategic contribution of the Council's ICT service to service delivery and transformation across the Council's services.

4.1. Policy Context

Unlike many local authorities, Hackney has chosen not to have a standalone 'digital strategy'. Instead the Council has recognised that digital technology, data and ways

of working will be core to strategic delivery across all areas of the Council's work and must therefore be embedded within core service strategies.

This update therefore applies to all areas of the Council's service delivery and transformation.

4.2. Equality Impact Assessment

Not applicable.

4.3. Sustainability

The Council's ICT service are promoting initiatives which will contribute to Hackney's environmental sustainability commitments. These include:

- Use of data and analytics to support development and impact analysis of sustainability policies.
- Modernisation of technology to reduce energy consumption, including adoption of cloud technologies with commitment to use of renewable energy.
- Enabling more flexible working through technologies such as online collaboration tools and video meetings, which can help to reduce staff.
- Exploring opportunities to reduce use of IT hardware by enabling and incentivising access to work applications on personal devices.

4.4. Consultations

No formal consultations have taken place specific to this report.

The quarterly strategic update for autumn 2018 (<http://bit.ly/2PZCYMG>) includes a summary of the ICT service's engagement with other Council services to support their transformation (section 2.6) and analysis of the survey of ICT users that took place in September 2018 (section 3).

The update to Scrutiny Panel on 21 January 2019 (<https://drive.google.com/open?id=14ggqleAqMpb3ipKpc72KaiNERKFykYB7>) also highlights details of some of the key resident facing changes delivered over the previous year.

Headlines from these reports include:

- Introduction of improved technology for housing services that enables tenants to check and pay their rent from their mobile phones and housing officers to spend more time with residents through use of mobile technology that provides real time access to information.
- Hackney is playing a leading role in digital collaboration across local government, working to support the 'Local Digital Declaration' that was launched in summer 2018.

- Continued improvement in user satisfaction with the Council's ICT service - with a sustained positive direction of travel in the staff survey carried out in September 2018.
- Overwhelmingly positive feedback in response to the Data Awareness Training delivered to all users of the Council's systems, as part of helping to ensure that Hackney is following good information governance and security practice and complying with the Data Protection Act and General Data Protection Regulation.

While the service has continued to make very positive progress, there remains much to do and the ICT team are continuing to work closely with service leaders and their teams to deliver ongoing improvements together.

4.5. Risk Assessment

The ICT service's risk register is reviewed regularly with the Council's Corporate Risk Advisor. Key risks to bring to Audit Committee's attention are:

Recruitment and retention

The market for technology and digital skills continues to be highly competitive and significant focus has been given to ensuring that Hackney can attract and retain talent. Actions taken over the last year include:

- Implementation of a new structure, including market linked salaries to ensure that Hackney's roles are competitive
- Focus on awareness and marketing of the Council's ICT and digital work, including the service's blog: <https://blogs.hackney.gov.uk/hackit>
- Exploring new recruitment channels, including use of LinkedIn and offering roles through the Civil Service Jobs recruitment site
- Launch of a new digital apprenticeship programme, with 21 apprentices now in post across a range of disciplines in the ICT service

This will continue to be an area for focus to ensure that the Council is building a sustainable ICT service.

Data protection compliance and information security

Protection of the information that the Council holds is a key responsibility and one which Hackney takes seriously.

Data protection compliance

Significant progress has been made with Hackney's preparations for the new Data Protection Act and the requirement to comply with the General Data Protection Regulation in 2018. Action taken over the last twelve months includes:

- Preparation of an updated Information Asset Register

- Refresh of the governance arrangements and policies that underpin our information management practice
- Delivery of a new online request for information service (for Freedom of Information Requests and Subject Access Requests), which includes technology that can help requesters find data that has already been published and reduce the number of requests that require officer attention
- Review and update of the Council's privacy notices and the Privacy Impact Assessment process used to ensure that good data protection practice is designed into service changes
- Mandatory Data Awareness Training that is being rolled out to all users of the Council's systems, which has received very positive feedback from users who have completed the training

Information security

The Council has renewed our Public Services Network (PSN) Code of Connection accreditation. This confirms that we have reached the baseline level of assurance required to connect to the government's secure networks. We have also completed the separate assurance process required to connect to the Health and Social Care Network (HSCN) used to connect securely with health partners.

In addition to ensuring that the Council has effective baseline security measures in place, we are working to continue to mature our security arrangements with proactive tests of our staff and technology to identify security risks.

Moving forward, the direction of travel across government is to move away from special 'secure networks' and share information securely over the public internet using standard security good practice. This is in step with Hackney's direction of travel and the Council is represented on project groups run by the Cabinet Office and Local Government Association, providing an excellent opportunity to influence the future direction.

Cost and staffing implications of the United Kingdom leaving the European Union

The UK's departure from the EU presents some key risks to the Council. Key ICT related risks are:

The devaluation of sterling which has taken place since the EU referendum in June 2016

This has resulted in cost pressure to ICT hardware and software, as these are often priced in dollars and therefore vulnerable to exchange rate variation. The impacts of this will affect the Council's imminent procurement of replacement end-user devices (desktop and laptop computers) and Microsoft software when the Council's current agreement ends in late 2019 (other councils have reported price increases in excess of 60% for their Microsoft licences).

There is limited action that the Council can take to mitigate this risk, although the strategic direction of reducing single supplier dependency means that Hackney will have more flexibility than most councils to explore alternative options if price increases are challenging.

Impact on the market for technology skills

Demand for ICT and data skills is increasing significantly, both as a result of reduced migration of people with the required skills from overseas (within and beyond the EU) and also because businesses and government are anticipating additional technology requirements to respond to the requirements arising from the UK leaving the EU. This creates greater competition for technology skills in what is already a highly competitive market.

As noted above, the Council is as well prepared as possible for this risk. There is a new structure in place that is proving to be successful in attracting new talent to join the Council's team and a large digital apprenticeship programme has now been launched (with 21 apprentices in post) which is helping to develop a skills base for the longer term.

5. COMMENTS OF THE GROUP DIRECTOR OF FINANCE & CORPORATE RESOURCES

ICT is crucial to the success of the Council both in terms of transforming residents' access to services in a way which meets their individual needs, and supporting the business through new ways of working, driving improvement and achieving efficiency savings.

The ICT directorate's revenue is £10.7m for 2018/19, which includes a saving of £250k compared to 2017/18, with a further £250k of savings expected to be delivered in 2019/20. ICT's capital programme forecast in 2018/19 is £4.2m, which will contribute to modernising our digital infrastructure.

There are no direct financial implications emanating from this report, however ICT like all services in the council have to work within their budget envelope.

6. COMMENTS OF THE DIRECTOR OF LEGAL

There are no legal implications arising from this report.

APPENDICES

The following reports provide further detail on the work that the Council's ICT service are supporting and delivering:

1. Quarterly update autumn 2018: <http://bit.ly/2PZCYMG>. This includes a summary of the service's engagement with other Council services to support their transformation (section 2.6) and analysis of the survey of ICT users that took place in September 2018 (section 3).

2. Update to Scrutiny Panel from 21 January 2019:
<https://drive.google.com/open?id=14gggleAqMpb3ipKpc72KaiNERKFykYB7>.
This highlights details of some of the key resident facing changes delivered over the previous year.

EXEMPT (or N/A)

N/A

CONFIDENTIAL

N/A

BACKGROUND PAPERS

Publication of Background Papers used in the preparation of reports is required

Description of document (or None)

None

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