

Decision Maker: EXECUTIVE AND RESOURCES
POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Date: 5th September 2018

Decision Type: Non-Urgent Non-Executive Non-Key

Title: BT ICT Contract Monitoring Report

Contact Officer: Vinit Shukle, Head of ICT
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Chief Officer: Mark Bowen, Director of Corporate Services

Ward: n/a

1. Reason for report

This is the BT ICT contract performance report, utilizing the Pan London Framework, covering the period 1st August 2017 – 30th June 2018 given that the last report came to members in 11th October 2017.

2. **RECOMMENDATION**

The Executive and Resources PDS is requested to note and comment on the information contained in this report on the performance of BT in their delivery of ICT services during the period 1st August 2017 – 30th June 2018.

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Excellent Council:
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Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A
 3. Budget head/performance centre: Information Systems – BT contract budget
 4. Total current budget for this head: £3.06m
 5. Source of funding: Existing revenue budget 2018/19
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Staff

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: N/A
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Legal

1. Legal Requirement: None
 2. Call-in: Not Applicable:
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): ICT systems used by all LBB members, staff and the General public
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

3.1 BT was awarded the ICT contract in October 2015 at a total contract value of £9.8m. This commenced on 1st April 2016 and was split up in to 2 distinct lots.

Lot 1 - End User Computing (desktop / laptops etc)

Lot 3 - Data Centre Services (servers / storage).

3.2 The contract is predominately consumption based therefore is flexible and as services are reduced then the cost decrease, conversely if an element is used more often, then the costs would increase.

3.3 During 2017 officers undertook a service review to consider other areas of work within ICT that could be included in the BT contract to help with resilience and provide efficiencies. As a result of this work, further services were added to the BT Contract in 1st November 2017 relating to ICT project staff, ICT development staff and system administrators. The value of this additional service, plus a further 3 year extension totalled the core contract to £21.8m.

3.4 Following services were transferred across to the BT contract

- Tupe transfer of 18 staff
- Transfer of help desk for CareFirst system
- Responsibility of the delivery of Inflight development projects and
- Review of our 3rd party contract spend with a view to delivery of further savings

4. Service Performance

3.1 Service performance report from BT is attached as Appendix A.

3.2 £13.5k service credit provided by BT to LBB as a result of KPI breaches within this period and the breaches are detailed below under respective headings.

3.3 **Lot 1 End user computing:** There were no breaches of Key performance Indicators (KPI) in this reporting period.

3.4 **Lot 1 End user computing - review.** There were no breaches of KPI in this period and we believe that this is an excellent performance.

3.5 **Lot 3 Data Centre Services:** There were 4 breaches of KPI in this reporting period. The Breaches were in September 2017, November 2017 and December 2017. The 3 KPI failures within 6 months automatically triggered an additional breach of KPI, 4th breach. Were there any financial breaches

3.6 **Lot 3 Data Centre Services - review:** The breaches in September 2017, November 2017 and December 2017 were due to insufficient resources due to being on holidays and sickness. This highlighted gaps in the resources and process was addressed by BT increasing their resource capacity on the help desk as well as additional staff to monitor calls.

3.7 **Service desk:** There has been a total of 2 KPI breaches, and both of the breaches were in October 2017. The breaches in October were due to high call volume and unexpected absence on the help desk, which impacted the performance in the first 2 weeks of the month. Whilst additional resources were bought in to cover this work, BT were unable to recover the KPIs by the end of the month which resulted in the KPI penalty being applied.

- 3.8 This does highlight a need to closely monitor the number of incoming calls and appropriate staffing levels to ensure that the high level of service to LBB staff is maintained which BT have addressed.
- 3.9 **Ticket volumes:** The service desk received high volume of tickets in regards with password reset and unlocking of the user accounts.
- 3.10 The service desk receives between 2,300-3,000 tickets per month, with the higher percentage being service requests. Between August 2017 and November 2017 there were increased in number of incidents logged. This was due to upgrade of the email systems.
- 3.11 Since November 2017 we have seen continued declined in the amount of incident logs and service request logs as a result of the successful implementation of the email system.
- 3.12 The baseline is monitored and if the calls drop over a 3 month period we will re-baseline and our costs will accordingly be reduced. In the meantime, we are still monitoring Tickets logged to determine any underlying issues that we can resolve to help reduce call volumes.
- 3.13 **Analysis of Calls:** Looking at the breakdown of the calls to the help desk were around e-mail. This increase was due to the exchange migration project and password reset which has been extremely challenging. Whilst much of the work is being done out of hours the users can still be impacted when they next logon. The project is now completed we should expect the number of calls to reduce as the system enters a stable state.
- 3.14 There was high number of calls to the help desk in regards with the password reset, as a result a Self Service Password Reset Tool has been implemented to reduce the calls to the help desks.
- 3.15 There were also calls from users in regards with issues encountered when working from home using Citrix and remote access to Bromley network. BT are in process of delivery a project that would upgrade a key component that would that would resolve the issues that users are encountering and reduce the number of calls relating to this issue to the help desk.
- 3.16 **Networking:** The network BAU service is covered under the lot 1 & 3 KPI's as incidents are generated from end user device / Server connectivity issues. There is a specific KPI for internet connectivity. The actual internet service provider is via the London Public Service Network, who provide a 200mb resilient solution to the authority. BT are responsible for ensuring that the internet connection is available from and to the LBB network. This KPI has not been breached.
- 3.17 **E-Mail Summary:** The levels of e-mail received have increased slightly over the past year to around 400,000 per month. The number of Spam messages has remained relatively consistent and are being blocked. Once again the biggest drop has been in traditional virus infected e-mail with minimal being received. Looking at industry trends this is a typical pattern as currently more effort is being put into ransomware as this is becoming the most profitable. Ransomware is where a machine is compromised and the files on the computer are encrypted. The only way to decrypt the files is to pay a ransom in bitcoins to the creators of the ransomware and hopefully receive a 'key' to unlock your files. Typically these types of threat are spread in e-mails, many of which are actually detected as spam as the e-mails themselves contain no malicious content but provide a link to an infected website, hence there is no malicious content to 'find' within the e-mail.
- 3.18 **The new service change:** The majority of functions provided in house by the ISD team, such as application support, line of business administration, development & integration and technical design were moved to BT on 1st November 2017 leaving a much smaller more focussed Client Unit. The move has provided greater resilience as the in house services include several single points of failure.

3.19 **Performance Management:** BT identified that some areas within ISD had suffered due to lack of demand management, prioritising of resources and performance measurement. Like most external organisations BT has well developed performance management systems, which have been rolled out to all transferring staff.

3.20 **Performance Management Review of new services:** The KPIs proposed by BT were in alignment of the framework KPI for Lot1 and Lot 3 and there were no breaches of these KPIs in this reporting period.

5. Procure to pay process

5.1 BT is working with the Council's ICT Client team and has already streamlined the procurement process – including:

- Using its service desk as a point of contact for these requests
- Holding lists of authorisers such that approvals can be gained quicker

We are also investigating options of online portals that allow access to online request of services and equipment, as part of the improvement as detailed in the original project Esther proposal.

6. Customer Satisfaction Survey

6.1 A targeted short satisfaction survey was sent in the beginning of March 2018 to all Managers and System Administrators. The survey provided positive feedback for LBB IT Client team and BT. Please see Appendix B which provides summary of the survey results.

7. IT Strategy

7.1 The retained intelligent client function has been working more closely and has been delivered. The IT Strategy has highlighted the requirements of capital investment to upgrade and refresh of the infrastructure to support Council Services as well as accommodation strategy and efficiency savings. A further report detailing the upgrade and refresh of the infrastructure will follow.

8. Project delivery

8.1 In order to ensure the Council get at least the same level of project effort that they do from the staff pre-transfer, BT have introduced a rate card ('TUPE rate') that aligns to the actual cost of the resource.

9. Third Party Contractors

9.1 Through the "gain/share" arrangement that was agreed and introduced as part of new services, an Oracle Support proposal has been delivered by BT that provides £30k per year savings for the Council.

10. POLICY IMPLICATIONS

10.1 The Executive Committee approved the commissioning of the IT Service on 17th September & 14th October 2015 following pre-decision scrutiny by the Resources Policy Development & Scrutiny Committee on 8th October 2015.

10.2 This approach is consistent with the council's stated ambitions around an excellent Council under its vision for Building a Better Bromley 2020.

10.3 The Council's Corporate Operating Principles include a commitment that services will be provided by whoever offers customers and council tax payers excellent value for money.

11. FINANCIAL IMPLICATIONS

11.1 The actual spend on the BT contract for 2017/18 was £2.672m compared to a revenue budget of £2.628m. The extra £44k relates to additional spend on 'in-flight' projects which were funded by an under spend from staffing vacancies.

11.2 As at 31 July 2018, no variance has been projected against the 2018/19 revenue budget of £3.06m.

12. LEGAL IMPLICATIONS

12.1 There is an ongoing requirement under the Council's Contract Procedure Rule 23 to monitor contract performance, costs and user satisfaction and report annually to the Executive.

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	BT Performance report.

Appendix A
BT Performance Report

Appendix B

Customer Satisfaction Survey Summary

Q1. I find it easy to use the IT ordering process (Service Requests)	Answer Choices <input checked="" type="checkbox"/> Strongly Agree Agree Don't Know Disagree Strongly Disagree	Responses 15.58% 61.04% 16.88% 6.49% 0.00%
Q2. I think the IT staff I deal with are knowledgeable	Answer Choices <input checked="" type="checkbox"/> Strongly Agree Agree Don't know Disagree Strongly Disagree	Responses 29.87% 64.94% 2.60% 2.60% 0.00%
Q3. Do we keep you fully up to date when dealing with your issues?	Answer Choices <input checked="" type="checkbox"/> Always Sometimes Don't know Rarely Never	Responses 42.86% 50.65% 5.19% 1.30% 0.00%
Q4. Do we get it right first time?	Answer Choices <input checked="" type="checkbox"/> Always Sometimes Don't know Rarely Never	Responses 22.08% 74.03% 2.60% 1.30% 0.00%