

Decision Maker: EXECUTIVE AND RESOURCES
POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Date:

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 July 2018 – 31th June 2019 given that the last report came to members in 5th September 2018.

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 July 2018 – 30th June 2019.

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: £3.74m
 5. Source of funding: Existing revenue budget 2019/20
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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

- 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 £13.6k 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 5 breaches of KPI in this reporting period. The Breaches were in January 2019, April 2019, May 2019 and June 2019. The 4 KPI failures within 6 months automatically triggered an additional breach of KPI, 5th breach.

3.6 **Lot 3 Data Centre Services - review:** The breaches in January 2019 and April 2019 were due to missing 1 low priority call each month that took long time to identify and address. The breaches in May 2019 were due to 3 complex low priority tickets that took longer to resolve. However, the breaches in June were due to poor call handling and not keeping the user informed of the progress. This has been rectified by providing additional training to the helpdesk staffs. Having failed more than 3 KPIs within 6 months triggers additional KPI Failure.

3.7 **Service desk:** There has been a total of 1 KPI breach and the breach was in May 2019. This breach was due to high number of calls to the helpdesk following a Microsoft Security Patch that was implemented. 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 **Transferred Services:** To improve the resilience of the Council IT, as well as integrating IT into a single function and deliver a single service desk. The transfer of additional services as outlined in 3.4 was completed successfully in November 2017, creating a single IT service. The transferred services had no measurement of performance prior to their transition.
- 3.9 The KPIs proposed were in alignment of the framework KPI for Lot1 and Lot 3. The set of KPI's have formed a contractual commitment since June 2018.
- 3.10 All KPI's for Transferred Services have been met for the period of this report.
- 3.11 **Ticket volumes:** The service desk received high volume of tickets in regards with password reset and unlocking of the user accounts.
- 3.12 The service desk receives calls and raised between 2,300-3,000 tickets per month, with the higher percentage being service requests.
- 3.13 **Analysis of Calls:** In February our third party provider for remote access tokens had a major failing affecting all of their customers. BT implemented an agreed alternative remote connectivity method to minimise disruption to staff. In July, there were three incidents resulting in an increase of calls on email issues. A PSN security requirement, triggered an increase on email issues to the NHS, for business continuity the settings were rolled back. The configuration of NHS emails has since been revised, removing this particular issue whilst maintaining PSN compliancy. Planned works for the Data Centre Upgrade resulted in an unexpected issue where some staff were unable to receive email, the issue was quickly identified and resolved within two hours, (all planned works are reviewed prior to implementation to assess the risk and impact). The locking of Anti-Virus software caused a delay in delivery of email for some staff, this was identified on the monitoring alerts and quickly resolved.
- 3.14 **Networking:** The network 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.
- 3.15 **E-Mail Summary:** Over last year we have introduced new technology and processes to enhance our email security and better protect the Council from ever increasing cyber threats.
- 3.16 The levels of e-mail received have increased over the past year to around 1,000,000 per month. The number of Spam messages has increased to around 72% of total emails received. Once again, the biggest drop has been in traditional virus infected e-mail with minimal being received.
- 3.17 Looking at industry trends this is a typical pattern as currently more effort is being put into ransomware and phishing emails 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.

6. Customer Satisfaction Survey

- 6.1 A targeted Customer Satisfaction Survey is planned to be sent out after completion of the Windows 10 project.

7. IT Strategy

- 7.1 The IT Strategy and Capital Programme for IT Transformation was agreed by the Council on 10th December 2018, Report CSD 18178.
- 7.2 Following the report, the IT transformation programme started in January 2019 and covers five key projects. A high-level programme plan and summary is attached as Appendix B.
- 7.3 Currently it is forecasted that all projects within the programme is running within budget and will be delivered on time.
- 7.4 Discovery, design and planning workshops have been completed for most of the projects within the programme, with others well into ordering / build phases. Please see below the current status of these projects:
- **Windows 7 to 10 migration** – Build preparation and supporting systems are now being built in readiness for Proof of Concept and Pilot.
 - **Office365 and OneDrive migration** – Design completed and initial pre configuration with Microsoft has now been initiated for Office 365 platform
 - **Data Centre upgrades** - Supporting platforms for user control and monitoring have been completed, with upgrade of applications now commencing.
 - **Network refresh** – Network orders placed, with equipment being built ready for deployment
 - **Information management transformation** - Consultancy underway to establish Policy and Schedules for information management across the council, on target to finish August 2019
- 7.5 The IT Transformation Programme also included providing users with adequate hardware for them to work more agile. This aligns with the Accommodation Strategy and it may provide more efficient and productive workforce to the Council.
- 7.6 In order to identify appropriate and effective hardware BT ran a software check to view how well the systems were running, including how much memory they were using. Following the report, the security for remote connectivity will be improved. The software also identified slow logging in time for users. Following this finding, Facial Recognition will be introduced to reduce the logging in times. The technology upgrade is approved by National Cyber Security Centre (NCSC) and will bring the Council up to date with technologies that is deployed by other London Authorities.
- 7.7 The workforce modernisation board was shown and reviewed various devices with technologies that was recommended to improve security and connectivity from leading manufacturers, HP, Dell and Lenovo. A decision was reached to purchase HP Laptops as the Council's preferred device for the Council staff.

10. POLICY IMPLICATIONS

11. FINANCIAL IMPLICATIONS

11.1 The actual spend on the BT contract for 2018/19 was £2.97m compared to a revenue budget of £3.01m.

11.2 As at 31 July 2019, no variance has been projected against the 2019/20 revenue budget of £3.74m.

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.