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Census Joint Committee

Friday, 9th December, 2016 at 10.00 am

Pevensey & Rye Room, Parkside, Chart Way, Horsham

Councillors: Gordon Lindsay (Chairman) (Horsham DC)

Brian Donnelly (Horsham DC)

Carson Albury (Adur DC)

Neil Parkin (Adur DC)

Jonathan Ash-Edwards (Mid-Sussex DC)

Mandy Thomas-Atkin (Mid-Sussex DC)

Dan Humphreys (Worthing DC)

Mark Nolan (Worthing DC)

You are summoned to the meeting to transact the following business

Agenda

	Page No.
1. Apologies for absence	
2. Minutes	3 - 4
To approve as correct the minutes of the meeting held on 23 rd September 2016	
3. Declarations of Interests	
To receive any declarations of interest from Members of the Committee	
4. Draft Revenue & Capital Budgets for 2017/18	5 - 8
Report of the Chief Finance Officer (CenSus)	
5. Revenues and Benefits update 2016/17	9 - 16
Report of the Head of Revenues & Benefits (CenSus)	
6. Quarterly ICT Service Update	17 - 34
Report of the Director for Coporate Resources (HDC)	
7. The Future of the CenSus ICT Partnership	35 - 42
Report of the Director for Corporate Resources (HDC)	
8. Urgent Business	
Items not on the agenda which the Chairman of the meeting is of the opinion should be considered as urgent because of the special circumstances	

Census Joint Committee
23 SEPTEMBER 2016

Present: Councillors: Gordon Lindsay (Chairman), Brian Donnelly, Carson Albury, Jonathan Ash-Edwards, Dan Humphreys and Mandy Thomas-Atkin

Apologies: Councillors: Mark Nolan and Neil Parkin

Also Present: Dave Briggs, Head of Digital & Design, Adur and Worthing Councils
Tim Delany, Head of Revenues & Benefits, Mid Sussex District Council
Jane Eaton, Director of Corporate Resources, Horsham District Council
Joseph Gupwell, Democratic Services Officer, Horsham District Council

CJC/8 **MINUTES**

The minutes of the meeting of the Joint Committee held 17th June 2016 were approved as a correct record and signed by the Chairman.

CJC/9 **DECLARATIONS OF INTERESTS**

There were no declarations of interest.

CJC/10 **REVENUES AND BENEFITS UPDATE 2016/17 INC. Q2 FINANCIAL INFORMATION AND RISKS**

The Head of Revenues and Benefits (CenSus) presented the report outlining performance, activity and progress made by CenSus Revenues and Benefits since the last report in June 2016.

Members were advised that the services budget was healthy and that a review of all residents currently claiming SPD (single person discount) would be undertaken with help from Experian.

It was reported that the main concern was a lack of Revenues staff and that the matter would be looked into further.

RESOLVED

That the performance and activities of the CenSus Revenues and Benefits service be noted.

CJC/11 **ICT SERVICE PERFORMANCE UPDATE 2016/17 INC. Q2 FINANCIAL INFORMATION AND RISKS**

The Head of Digital & Design (Adur and Worthing) presented the report detailing service performance and current budget position. Details of any supply incidents that had occurred in the last quarter, the status of 2016/17 ICT Project Portfolios, and the progress of structural and process developments for CenSus ICT were also included.

It was reported that all projects and ICT work plans were on target. It was noted that a replacement cloud based Service Desk solution had been procured that will improve both Incident reporting and metrics generation.

Members discussed the two supply incidents that had occurred within the previous quarter, both of which had been resolved.

It was noted that a paper outlining the future shape and role of the partnership following moves to cloud based infrastructure would be received at the December committee meeting.

RESOLVED

That the Joint Committee noted the following:

- (i) The operational performance of the CenSus ICT service.
- (ii) The current status of the CenSus & site specific ICT project progress.
- (iii) The proposed Project Portfolio for 2016/17.
- (iv) Progress to date on ICT process development & restructuring of the team.
- (v) The status of major ICT incident occurrence within the last quarter.

The meeting closed at 10.17 am having commenced at 10.00 am

CHAIRMAN

CenSus Joint Committee 9th December 2017

Draft Revenue and Capital Budgets for 2017/18

REPORT OF: Peter Stuart, CFO to Census JC
Contact Officer: Peter Stuart.
Email: peters@midsussex.gov.uk Tel: 01444 477315
Wards Affected: All
Key Decision No

Purpose of Report

1. This report presents the Joint Committee with the draft revenue and capital budgets for both the Revenues and Benefits Service and ICT service for 2017/18.

Recommendations

2. That the draft revenue and capital budgets for both the Revenues and Benefits Service and the ICT Service be approved.
-

2017/18 Budgets

Revenues and Benefits

3. The total draft budget for this service is £2.983m as shown in Appendix 2. This is an overall increase on the previous year's budget by £14K which is comprised entirely of salary increments.
4. Members should note that this is a draft budget for the year for the three authorities. Whilst Adur DC will be leaving the partnership from October 2017, this will be accounted for as an in-year variation and duly reported when the costs and benefits accruing are known.

ICT

5. The total draft operational revenue budget for the service is £2.657m in Appendix 2; a £14k increase on the previous year's budget. This allows for a 1% salary pay award but a reduction in budgeted pension contributions. There are also additional maintenance costs which are now being attributed to the individual authorities, according to their infrastructure needs.
6. The overall budget has decreased significantly once revenue and capital project costs are taken into account; for 2017/18 there is only £60k of revenue projects identified which is for consultancy work towards hardware renewals.
7. All three sites have had cloud readiness assessments completed, which outline the viability of the Councils moving away from on-premise data centres to cloud hosted 'infrastructure as a service'. Support is being procured from to assist with the design a cloud environment to meet the needs of all three sites and their technology

strategies. This design will also make explicit what infrastructure is likely to be left behind and require support locally.

Policy Context

8. Shared services are one aspect of the Councils work towards running Better Services.

Other Options Considered

9. None applicable.

Financial Implications

10. The financial implications are detailed within the body of this report.

Risk Management Implications

11. None applicable

Equality and customer service implications

12. None

Other Material Implications

13. None.

Census Revenues and Benefits Draft Budget 2017/18					
		Benefits	Revenues	2017/18	2016/17
		£	£	£	£
Employees					
	Operational Permanent Staff	1,478,718	1,281,312	2,760,030	
	Professional subscriptions	4,800	0	4,800	
		1,483,518	1,281,312	2,764,830	
Transport					
	Local Scheme Lump Sum	6,896	5,195	12,091	
	Contract Car Hire	18,635	15,996	34,631	
	Essential Mileage	5,339	9,203	14,542	
	Casual Mileage	5,489	2,473	7,962	
	Travel Costs	1,012	1,372	2,384	
		37,371	34,239	71,610	
Supplies and Services					
	Small Equipment Purchase	506	0	506	
	Uniforms	416	54	470	
	Protective Clothing	0	0	0	
	Paper	661	118	779	
	Outside Printing	21,391	23,913	45,304	
	Scanning and Indexing contract	0	74,172	74,172	
	Direct Stationery Purchases	3033	975	4,008	
	Payment Cards	0	4,560	4,560	
	Envelopes	2905	0	2,905	
	Confidential Waste	0	0	0	
	Books/Periodicals	340	415	755	
	Papers and Publication	0	0	0	
	Other Notices and Leaflets	0	520	520	
	General Publicity	0	0	0	
	Land Registry	507	1,560	2,067	
	Magistrates Court Costs	0	40,426	40,426	
	Audit Fees (External)	1,822	1,800	3,622	
	Consultants Fees	6,778	7,631	14,409	
	Professional Trace Fees	121	4,262	4,383	
	Bailiffs Fees/Warrant Enforc/Search Fee	4,014	14,821	18,835	
	Direct Postage	40,412	39,316	79,728	
	Courier Service/Mailing/Packing costs	10,780	140,792	151,572	
	Mobile Phone Rental	1,772	1,889	3,661	
	Purchase Computer Equipment	2544	0	2,544	
	Software Purchase Outright	0	0	0	
	Software Licence and Maintenance	46,607	28,653	75,260	
	Software Maintenance	81,014	68,595	149,609	
	Direct Computer Cost	0	0	0	
	Refreshments Etc	0	155	155	
	Training and Seminars	22,606	11,405	34,011	
	Conference Expenses	0	129	129	
	General Subscription	809	187	996	
		249038	466348	715,386	
Customer and Client receipts					
	Charge Cards	0	0	0	
	Magistrates Court Costs	0	(565,330)	(565,330)	
	Costs Received	(3,000)	0	(3,000)	
		(3,000)	(565,330)	(568,330)	
Total					
	Gross Expenditure	1,769,927	1,781,899	3,551,826	
	Gross Income	(3,000)	(565,330)	(568,330)	
	Net Expenditure	1,766,927	1,216,569	2,983,496	2,969,034
Proportional Sharing (%):					
	36.56% Mid Sussex District Council	646,059	444,826	1,090,885	1,085,597
	34.97% Horsham District Council	617,979	425,492	1,043,471	1,038,413
	28.46% Adur District Council	502,890	346,251	849,141	845,025

Census ICT			
DRAFT BUDGET 2017-18			
	Budget 2017/18		2016-17 Budget
	£		£
Salaries	1,257,148		1,241,441
Superannuation	179,517		194,203
Overtime	6,000		6,000
Recruitment Advertising	1,500		1,500
<u>Direct Costs</u>			
Mileage	8,000		8,000
Travel Costs	520		520
Training	18,480		18,480
Stationery	0		0
Books/ publications	100		100
Photocopier	320		320
Hospitality	1,000		1,000
Advertising	0		0
Grants & Subscriptions	2,060		2,060
Equipment / Furniture	2,000		2,000
Telephones (Incl calls)	2,150		2,150
Computer Hardware - Technical upgrade	0		0
Census Central Maintenance/licences	486,816		548,787
	1,965,611		2,026,561
Local Computer Licence/maintenance	691,775		617,228
Operational Revenue Budget	2,657,386		2,643,789
Revenue Projects	60,000		375,000
Capital Projects	0		180,000
Total Budget Capital & Revenue Budget	2,717,386		3,198,789
	2017/18		Increase/
% Split between Councils- Operational costs	Operational	Contribution	decrease from
	Budget Share	Rate	2016/17 budget
Horsham	736,113	27.70%	43,514
Mid Sussex	873,153	32.86%	47,765
ADC/WBC	1,048,121	39.44%	-77,682

Report to CenSus Joint Committee

9th December 2016

By The Head of Revenues and Benefits (CenSus)

➔ INFORMATION REPORT

CenSus Revenues and Benefits report.

Executive Summary

This report sets out the 16/17 year to date performance of CenSus Revenues and Benefits and activities undertaken by the service

Recommendations

The Joint Committee is asked to note the performance and activity of the Service.

Background Papers	-	None
Consultation	-	None
Wards affected	-	All
Contact	-	Tim Delany 07889 721964

2. Performance – 16/17

- 2.1 Benefits/CTS - stats are at appendix 1. Overall Performance to the end of October has overall claims targets missed by a small margin but changes of circumstances target being exceeded...
- 2.2 We have shifted priorities a little to reduce change of circumstances clearance times to help minimise official error (administrative delay) overpayments.
- 2.3 DHP – stats are at appendix 2. Expenditure has been closely monitored and is within expected budget for this time of year. Discussions are taking place with each authority on the desired way that DHP payments are to be awarded to cases that are subject to the revised benefit cap (see para 5).
- 2.4 Revenues - stats are at appendix 3 – CT collection at the end of October in Mid Sussex was marginally off target and slightly more so in both Adur and Horsham.
- 2.5 NDR – collection is of concern (although the gap between collection and target has narrowed this month). Both Adur and Horsham now seem to be mirroring the Mid Sussex performance during last year. A large piece of work analysing various aspects of the caseload and payment patterns did not reveal any reason for the reduction in the percentage collection rates see summary at Appendix 4). Common to surrounding authorities, collection is down in year although figures show that collection overall is achieved albeit that increasing amounts are now being collected once the year has ended...

3. Budget

- 3.1 The position outlined shows a surplus against budget to date of £68K for Census Revenues and Benefits, to the end of September as detailed in the table below. This is to be 'surrendered' as a saving for the year.
- 3.2 The staffing budget is overspending, whilst there is additional Enforcement Income and Grant income, which more than mitigate this. Significant variations are further explained below:
- Employee costs – Additional costs are as a consequence of the use of agency staff to backfill Revenue posts. Until required staffing figures 'post Adur departure' are known it is not proposed to recruit to these vacancies.
 - Grant Income – Additional grant income has been received for new burdens in 2016/17 in respect of Implementing Welfare reform; Single Fraud Investigation Service; Pension Credit Assessed Income; Real Time information and Fraud; Error reduction Incentive Scheme; Benefit Cap changes; Universal Credit set up costs and Local Authority Data Sharing programme. It has been possible to manage the costs of these new burdens within existing resources and therefore the grant income received to date is contributing to the surplus achieved.
 - Fees and Charges – Additional income as a result of increased enforcement activity in the half of the year.

Revenue	Revised Budget	Budget to date	Actual after prepay / accrual adjs	Variance
	£	£	£	£
Employee Costs	2,750,368	1,375,184	1,471,893	96,709
Transport Costs	71,610	35,805	25,829	(9,976)
Supplies and Services	715,386	357,693	306,753	(50,940)
Total Expenditure	3,537,364	1,768,682	1,804,475	35,793

Grant Income	0	0	(60,370)	(60,370)
Fees & Charges	(565,330)	(282,665)	(326,628)	(43,963)
Miscellaneous Income	(3,000)	(1,500)	(1,077)	423
Total Income	(568,330)	(284,165)	(388,075)	(103,910)
Net Expenditure	2,969,034	1,484,517	1,416,400	(68,117)

4. Staffing/recruitment

4.1 All teams excepting Revenues are full staffed. Until the 'post Adur' staffing requirements in Revenues is known Agency staff will continue to be employed rather than a recruitment exercise being run.

5. Benefit Cap

5.1 We have now received details of all those claims affected by the benefit cap. The numbers are as follows –

Adur	70
Horsham	74
Mid Sussex	103

6. Single Person Discount (Council Tax)

6.1 This exercise is being run one authority at a time. The exercise for Adur has been completed... 292 SPD were cancelled resulting in additional annual income of £102,304 in CT due. The 292 cancellations represent 18% of the cases checked. Cases selected for check were on a risk assessed basis following reference to information held by credit agencies.

6.2 The exercise is now almost complete for Horsham and has just started for Mid Sussex...

6.3 The cost of this exercise will be in the region of £30k in total, with £8k of this being met by WSCC; the CenSus portion of the cost will be met from the current budget Significant sums in excess of the overall cost will be raised following the cancellation of SPDs to which there is no longer an entitlement.

7 Subsidy Audit

Initial Qualification letters have been issued by the auditors. Work on these is being undertaken but it appears that there will be subsidy claw-back for all 3 authorities. A verbal update will be provided at the meeting.

8. Next Steps

8.1 None

9 Outcome of Consultations

9.1 None

10 Other Courses of Action Considered but Rejected

10.1 None

11. Staffing Consequences

11.1 None

12 Financial Consequences

12.1 None

2016/17 - performance -average days to process

HB/LHA													
New Claims	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	YTD
Adur	16.2	20.6	17.2	17.5	18.2	15.6	18.7						17.6
Horsham	17.0	21.1	17.5	19.5	16.4	16.1	19.4						18.2
MSDC	19.0	20.3	17.7	19.0	16.9	16.7	18.5						18.3
CenSus	17.5	20.6	17.5	18.9	17.0	16.2	18.9						18.1
Target	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	
Changes	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	YTD
Adur	8.2	7.5	11.7	11.5	9.0	5.7	7.7						8.7
Horsham	9.4	9.5	12.3	11.2	9.3	6.9	5.9						9.3
MSDC	8.3	9.6	12.9	11.3	9.5	6.6	7.6						9.4
CenSus	8.6	9.0	12.3	11.3	9.3	6.5	6.8						9.2
Target	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	
CTRS													
Claims	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	YTD
Adur	18.2	21.7	17.7	19.1	19.0	17.6	18.4						18.7
Horsham	22.9	23.5	17.8	23.4	16.9	18.7	21.7						20.6
MSDC	24.1	21.2	19.4	20.4	19.1	21.2	19.0						20.5
CenSus	22.1	22.2	18.4	21.2	18.2	19.5	20.0						20.2
Target	18.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	
Changes	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	YTD
Adur	7.8	7.2	12.4	11.6	8.9	6.1	8.1						8.8
Horsham	8.1	10.0	13.3	11.2	8.6	7.3	7.4						9.6
MSDC	8.5	8.0	13.4	10.8	9.6	6.7	7.6						9.2
CenSus	8.2	8.4	13.1	11.2	9.3	6.7	7.7						9.2
Target	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	

DPH – Expenditure and commitment at 31/10/16

	DHP claims awarded	Budget	DHP committed	Percentage of budget committed
ADUR				
U/O claims	13		£ 9,718.38	
Benefit Cap claims	6	£ 30,745.00	£ 10,438.99	
Other' claims	33		£ 16,174.57	
Total	52	£102,994.00	£ 36,331.94	35%
net of Cap and current spend		£35,917.06		
HORSHAM				
U/O claims	29		£ 17,822.37	13%
Benefit Cap claims	11	£38,868.00	£ 27,652.01	20%
Other' claims	44		£ 23,540.92	17%
Total	84	£140,904.00	£ 69,015.30	49%
net of Cap and current spend		£33,020.70		
MID SUSSEX				
U/O claims	24		£ 15,658.05	12%
Benefit Cap claims	12	£22,614.00	£ 13,991.44	11%
Other' claims	54		£ 35,135.86	28%
Total	90	£126,392.00	£ 64,785.35	51%
net of Cap and current spend		£38,992.65		

16/17 Collection Rates

ADUR CT		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	March
	Collected	11.2%	20.5%	29.7%	39.0%	48.2%	57.5%	66.8%					
	Target	11.5%	20.8%	29.8%	39.1%	48.2%	57.6%	67.3%	76.6%	85.7%	94.7%	96.4%	98.0%
NDR		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
	Collected	10.4%	18.5%	28.6%	37.3%	46.8%	56.1%	64.8%					
	Target	9.9%	19.8%	30.0%	39.3%	47.9%	57.3%	65.9%	74.2%	81.9%	90.8%	94.6%	98.0%
HORSHAM CT		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	March
	Collected	11.3%	20.7%	30.0%	39.4%	48.9%	58.2%	67.6%					
	Target	11.3%	20.8%	30.5%	39.9%	49.5%	59.0%	68.5%	78.0%	87.4%	96.7%	97.3%	98.8%
NDR		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
	Collected	12.2%	19.7%	28.1%	36.8%	50.2%	59.0%	67.5%					
	Target	12.4%	21.0%	29.4%	38.0%	50.8%	60.1%	68.8%	76.7%	86.6%	91.9%	96%	98.0%
MSDC CT		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
	Collected	11.4%	20.8%	30.2%	39.4%	48.5%	57.8%	67.4%					
	Target	11.3%	20.8%	29.9%	39.2%	48.3%	57.7%	67.5%	76.8%	86.1%	95.3%	97.0%	98.8%
NDR		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
	Collected	11.2%	19.0%	28.0%	36.6%	48.3%	56.9%	65.6%					
	Target	10.7%	19.3%	28.1%	36.8%	48.5%	57.7%	65.9%	74.0%	83.4%	90.8%	94.6%	98.0%

Horsham NNDR Collection Rate – Summary

The purpose of this exercise was to investigate possible reasons for the reduction in the Horsham NNDR In- Year Collection Rate in recent years.

A number of possible factors were investigated. After analysing and considering all the evidence there does not appear to be any over-riding reason for the reduction in collection rates. I outline the conclusions below:

- The introduction of 12 monthly instalments has not had the impact expected. Most of the companies taking advantage of the scheme are the “big payers” and although the rates are collected over a longer period of time, these are companies however that pay on time. So by the end of the year, when we do our final calculations, they have paid all that is due. Smaller companies might experience cash flow problems and so payment drag in to the next financial year. However, due to the sums involved, this would not have a significant effect on the overall collection rate. This is also backed up by data provided by the “On-Going Collection Rates”. There appears to be no significant increase in receipts for the period following the end of the financial year.
- The collection rate on Empty Properties does pull down the overall rate; however this has been consistent since the amount of relief available was reduced. In addition, the impact is not significant if you compare the amount charged for occupied to empty properties. (It is also likely that Empty Properties have always been a drag on the collection rate however the separate rates have just not been available before).
- A void property is created on our database when the next liable person is unknown. If there was a high level of void accounts being created, this might highlight delays in bills being issued, which may have a detrimental effect on the collection rate. However, no evidence was found of this.
- Large ratepayers have not been making late payments and therefore had no adverse effect on the collection rate.
- No evidence was found of any significant changes in recovery action, whether pre-or post- summons. There do appear to be more post summons activity which may indicate that previously payments were made following a reminder, but they are now paying further down the recovery path. However, total arrears figures themselves have not changed significantly.
- A large volume of accounts or a single large payer where the debt has been written off due to insolvency, liquidation or bankruptcy, would be indicative of previously unpaid instalments/balances. However, the number of debts written off has fallen since 2012, (which reflects the economic recovery) and no single significant business failure has made any impact.
- Neighbouring authorities are also experiencing reductions in their NNDR collection rates and the feedback so far from them this year is the same.

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Report to CenSus Joint Committee

9th December 2016

By the Director for Corporate Resources

INFORMATION REPORT

Not exempt



CENSUS JOINT COMMITTEE - QUARTERLY ICT SERVICE UPDATE

Executive Summary

Purpose of Report

1. To report to the CenSus Joint Committee both the CenSus ICT service performance (see Appendix 2 for service performance graphs) and the budget position to period 6 2016/17 (November 2016).
2. To report to the CenSus Joint Committee on the status and impact of any significant incidents that have occurred within the last reporting quarter (Appendix 3).
3. To present to the CenSus Joint Committee a summary status of 2016/17 ICT Project Portfolios.
4. To report to Joint Committee on the progress of structural & process developments for Census ICT.

Summary

1. The focus of work over this period has been to maintain a continuing good level of service for partners. This has been managed while also implementing measures to mitigate risks and reviewing capital and revenue projects in the light of the Cloud Readiness/laaS reports for each site.
2. The operational spend for Census ICT as at October 2016 is £1.54m which is an overspend against the year to date budget of £3k. The full year forecast for operational spend is currently £2.638m which is £6k less than the 2016-17 budget of £2.644m. Expenditure totalling £121k has been spent on revenue projects to October 2016. The projects are within budget except for the Helpdesk project, where a small overspend is covered within savings delivered elsewhere. This project is being closely managed and will be rescope if required.
3. Service performance continues to be above SLA targets, and There have been 9 CenSus wide service interruption events during the reporting quarter (p1 level) with lost Business time in excess of 30 minutes. These incidents have been managed effectively and remedial action taken promptly.
4. LogRhythm Implementation has commenced this week, following scoping and install (phase 1) which has been completed. The table below summarises progress on the CenSus workplans which are proceeding as planned.

Table of CenSus Work Plans

Workplan	Workplan Description	Status	% Complete	Start Date	Notes and Status Update
ICT Work Plan Portfolio					
CEN - P1 - Backup Remediation		●	4%	17/08/16	Two sites upgraded to latest version of software
CEN - P1 - PSN GFI Languard	Vulnerability and Patching Software Upgrade and Rollout	●	66%	21/09/16	Software upgrades are completed. Feature Config to commence
CEN - P1 - PSN LogRhythm Implementation	Tool for Protective Monitoring (logs actions). Installed at all sites but work required to fully configure to log data. There is budget allocated for 2016/17.	●	21%	07/11/16	Implementation Resourcing to be Planned
CEN - P1 - Service Desk System Replacement	Procure and Implement Service Desk Tool. Replacement for HoTH. There is budget allocated for 2016/17.	●	63%	02/05/16	Work underway to configure customisations
CEN - P2 - Internet Provision	Provision of 3 resilient Internet Connection	●	23%	07/11/16	Requested quote for work.
CEN - P2 - PSN Firewall Configurations Review	Following on from Firewall upgrade StuartP recommends reviewing all configurations as there are issues	●	10%	01/07/16	Firewall Management Consoles separated. Remaining Work to be Scoped and Resourced.

Recommendations

The Joint Committee is asked to note:

- i. The operational performance of the CenSus ICT service.
- ii. The current status of the CenSus & site specific ICT project progress.
- iii. The progress on Project Portfolio Workplans.
- iv. The status of major ICT incident occurrence within the last quarter.

Reasons for Recommendations

- i. To ensure the Joint Committee has sufficient information to carry out its responsibilities and is kept up to date with the current position in relation to the Census ICT service;

Background Papers	CenSus ICT Performance Statistics Quarterly Service Interruptions
Consultation	Census Programme Management Board
Wards affected	All
Contact	Jane Eaton, Director for Corporate Resources Email: Jane.Eaton@horsham.gov.uk Tel / Mob: 01403 215300

Background Information

1. Introduction

This report contains the CenSus Joint Committee quarterly ICT service update covering current service delivery performance, financial & project status.

2. Statutory and Policy Background

2.1 Statutory background

N/A

2.2 Relevant Government policy

N/A

2.3 Relevant Council policy

N/A

3. Details

3.1 CenSus ICT Service Performance

The ongoing focus of CenSus ICT management across all sites continues to be to maintain a balanced approach to resourcing of Service & Project Delivery activities to ensure that the historic peaks & troughs of performance in both areas are minimised & that Business requirements are fully met in all areas.

The rolling 12 month Service Performance details have been included within Appendix 2.

3.2 CenSus ICT Financial Status

2016-17 Census ICT Budget Monitoring April 2016 to November 2016

Operational Service

The operational spend for Census ICT as at October 2016 is £1.54m which is an overspend against the year to date budget of £3k. The two vacancies, the Head of Census ICT and the Security Manager, have contributed to a reduction in the overspend of £46k reported in August. Maintenance costs continue to overspend due to Commvault costs exceeding the budget, but a new Microsoft enterprise agreement has created savings within supplies and services. The full year forecast for operational spend is currently £2.638m which is £6k less than the 2016-17 budget of £2.644m.

Revenue Projects

Expenditure totalling £121k has been spent on revenue projects to October 2016. The projects that have started and have activity are the Service Desk Replacement & Infrastructure as a Service (IaaS) review & forward strategy. The projects are within budget to date apart from the service desk which remains £4k overspent. This overspend however can be covered by the unspent budget for the 'Replace Asset Management Software' project – which is no longer needed given the functionality provided by the new service desk tool. The PSN project is currently forecast to overspend by £23k due to patching works.

Capital Projects

The capital expenditure for the same period is £128k against the SAN Replacement project. It is anticipated that this project will come in around £34k below budget.

Census ICT - April to Oct 2016

	Original Budget 2016/17	Budget 2016/17 YTD	Actual April to October	Variance	Year End Forecast
	£	£	£	£	£
Operational Revenue Costs					
Employee Costs	1,443,144	841,834	847,066	5,232	1,443,144
Transport Costs	8,520	4,970	5,571	601	9,550
Supplies & Services	643,338	375,280	356,155	-19,125	626,517
Central Census Maintenance	548,787	320,125	336,197	16,071	558,344
Total Operational Expenditure	2,643,789	1,542,210	1,544,989	2,779	2,637,556
	Original Budget 2016/17	Budget Carry Forward Requested	Actual April to October	Variance	Year End Forecast
Revenue Projects (Incl carried forward from 15/16)	375,000	71,000	121,239	-324,761	444,145
Capital (Incl Carried forward from 15/16)	180,000	187,150	127,774	-239,376	332,224

3.3 CenSus ICT Project Status

The following is a summary status report of the Current CenSus ICT projects.

3.3.1 Existing Projects

CenSus: Infrastructure Monitoring – In Progress

SCCM (a tool for control of issuing of system updates) has been deployed on all 3 sites, & Server Security patching is now automated where possible, although ongoing work continues to streamline the processes around patching with the agreement of the Business & Application Support teams.

CenSus: GCSx email migration to Government Cloud – complete

All CenSus Partners' GCSx email accounts have been successfully migrated to the Government Cloud.

CenSus: Migration to Microsoft Office 365 (Horsham & Mid Sussex) – In progress

The roll out of Office 365 (Cloud based email) for Mid Sussex is progressing with Members and Officers successfully migrating across to the Office365 platform. Intune Mobile Device Management (MDM) for corporate owned devices is in pilot at MSDC (will be deployed at HDC as part of the Windows 10 remote access project). Mobile Application Management has already been developed for access via personal devices and is in use for the Members.

3.3.2 Additional 2015/16 Business Plan Projects

The following is a summary status report of additional Census ICT projects.

Business Continuity/Disaster Recovery Testing - complete

Work to condense the number of backup technologies in use and therefore reduce the annual licensing costs is underway.

Work on implementing the recommendations in the PTS Backup Audit report is underway with Adur & Worthing and HDC already upgrading the Veeam Backup Software to Version 9. Additional work is progressing with a 3rd party to leverage the newer features of this software in preparation for usage of cloud based backup/DR solutions.

Work on the development of costed ICT DR/BC plan has temporarily put on hold while the Cloud Adoption, Future Horsham and Future of CenSus strategies are developed as these are major inputs to the project.

Use of non-Council devices to access Council systems securely – ongoing

Excitor G/On tokens (that allow the secure connection of a non-council PC/Laptop to Council systems) have been deployed at both HDC & MSDC & are available for Adur-Worthing for roles where there is a business requirement to access systems remotely & an advantage (both financially & from a productivity perspective) to do so.

For Council devices, a Microsoft technology (“Direct access”) that is significantly smoother in operation. HDC are in the process of rolling out and it form a part of an ongoing remote access Windows 10 project, Adur & Worthing and MSDC are in the pilot stage.

3.3.3 Major Council Initiatives requiring CenSus ICT Support

The following is a summary update of those Major Council initiatives requiring CenSus ICT support:

Adur - Worthing: Digital strategy - In Progress.

- Outstanding. System now migrated to on-going support status. Compliance of Google service configuration to CESG (Central Government) security requirements has been confirmed through involvement of a CLAS consultant in March 2016. Medium term, a migration strategy for historic Outlook files will require to be implemented to ensure maximum financial (licencing costs) benefits are realised.
- Infrastructure as a service (IaaS) strategy
 - In Progress. The council have approved the IaaS strategy papers and have authorised further investigation works leading to a procurement exercise. The project has been paused to allow MSDC and HDC to complete their own IaaS readiness assessments, with the intention being to progress the delivery of IaaS services across the three sites as a joint project, discussed in a separate paper to Committee entitled Future Of the Census ICT Partnership: “The Census Cloud”
- New Telephony Service
 - Implemented and in Production. Adur-Worthing are now operating the Avaya telephony service for both enterprise and contact centre telephony services. Service support is provided by CenSus and the Digital teams backed off to the 3rd party supplier, Overline. CenSus and Digital are working alongside Overline to resolve some post-implementation issues, including capability to pause and resume contact centre call recording in order to retain compliance with Payment Card Industry Data Security Standards (PCI DSS). Until this is resolved no call recordings are being made.

Future Horsham Business transformation programme – in progress

- A number of avenues for investigation for transforming Horsham operations & driving through efficiencies & new ways of working are currently being evaluated; CenSus ICT & Horsham Applications team are involved from a technology perspective to support this work.
- Remote working: in progress. Horsham Development team in conjunction with Census ICT are planning the implementation of NDL which allows more mobile working through customised forms and applications. As part of this project and to help the council move forward with better ways of working the Windows 10 / PC refresh project has been initiated.
- Digitising customer transactions and communications: in progress. A project has been initiated to look at the top customer transactions with the Council and how these can be made more efficient and meet user needs more effectively.
- Infrastructure as a service (IaaS) strategy: in progress. Cloud readiness assessment has been received and gives the green light to moving towards IaaS. This project is being picked up as part of the “Census Cloud” future Census ICT Partnership Strategy.
- As the core network is a key part of the Councils ICT infrastructure we now have a fully managed network support service with an external company, this allows for more support resilience and proactive monitoring.

- Eduserv have delivered a Cloud Adoption Assessment for Mid Sussex Highlighting that it is in an Excellent Position to continue with its adoption of cloud services. This project is being picked up as part of the “Census Cloud” future Census ICT Partnership Strategy.

4. Future strategy for Census ICT

The restructure of the Census ICT partnership is complete. Following this, work has been ongoing across the partnership to identify the roadmap for Census ICT for the next five years. Given all three sites are investigating the opportunities around cloud based infrastructure as a service, the shape and role of the partnership is likely to change.

A report to joint committee has been tabled outlining the proposed new approach.

5. Major ICT Incident Update

There were 9 cross CenSus service incidents at Priority 1 level within the quarter; for completeness, an overview of site specific P1 incidents of greater duration than 30 minutes has been included as Appendix 3.

6. CenSus Project Portfolio 2016/17

The Redhat Linux implementation Project has now started with a meeting to discuss timescales organised for December 2016.

The following table summarises the Project Portfolio for 2016/17.

Project	Capital/ Revenue?	Total Cost	Delivery schedule	Status
Replace CenSus SAN	Capital	£150K	Q1/2	Census/HDC & AWC Complete.
Identity & Access Management tool	Capital	£30K	Q2	This project will not go ahead and the Future Census Strategy report recommends using this budget to fund Cloud Transition.
Hardware & Consultancy	Revenue	£60K	Throughout year	Ongoing
Firewall upgrades	Revenue	£30K	Q1/2	Work complete
PSN compliance	Revenue	£60K	Q1/Q2	Work complete
Infrastructure as a Service (IaaS) review & forward strategy	Revenue	£90K	Phase 1 in Q1	All reviews complete
Replace Asset Management Software	Revenue	£25K	Q2/3	Required functionality likely to be incorporated into the new Service Desk tool
LogRhythm Security Intelligence tool	Revenue	£20K	Q3	This is implemented across the partnership. Currently investigating

				training for staff to make best use of the tool.
WAN exit strategy	Revenue	£50K	Q2-4	This project will not go ahead and the Future Census Strategy report recommends using this budget to fund Cloud Transition.
Service Desk tool replacement	Revenue	£40K	Q1	Work underway

7. Risk Management

A comprehensive CenSus ICT Risk Register is maintained & reviewed on a monthly basis by the CenSus ICT Management team; the current top 5 risks (& associated mitigation strategies) currently are:

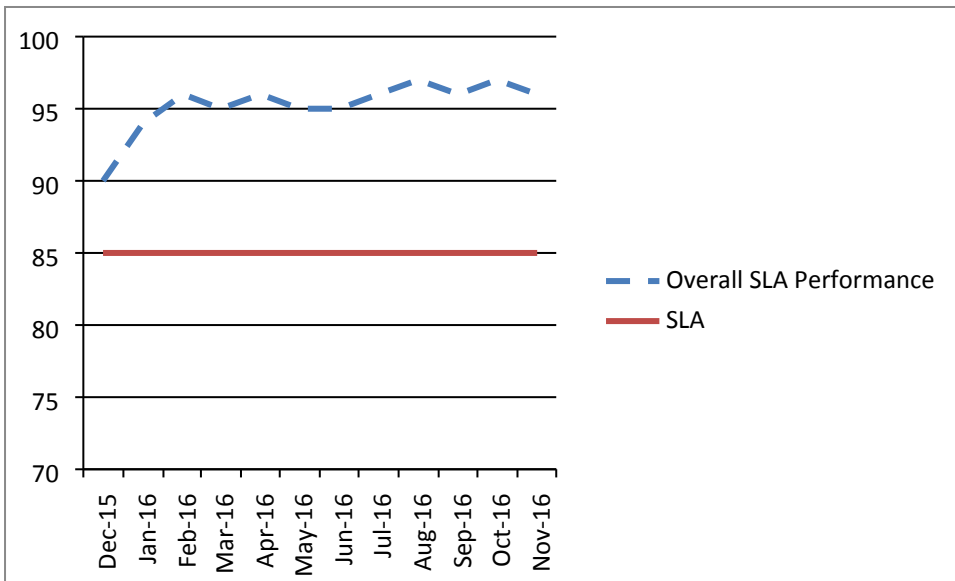
Risk Description	Controls
Insufficient capacity to cope with business workloads and unexpected demands (for example introduction of unforeseen legislation, office move, varying strategic directions of Partners)	<p>Ensure that adequate resources are identified and included in project costs – ongoing.</p> <p>Ensure staff resources with key skills are utilised across partnership sites – encouraged wherever practical; emphasised to all relevant staff within the restructure process - being actively implemented.</p> <p>Monitor ongoing service capacity levels (weekly) and take appropriate action as necessary – ongoing action</p>
Failure to maintain service delivery in the event of disruptive events e.g. fire, flood, power failure, IT failure, Industrial action etc.)	<p>Develop & maintain departmental business continuity plan in line with site specific BCP/DR processes – now in place. Audit (external consultants) being performed May/June 2016 to validate robustness of technology & processes together with IT staff knowledge.</p> <p>Utilise planned power down windows at Data Centre to test processes – in place in conjunction with WSCC – occurs on a 6 monthly basis to coincide with WSCC maintenance windows.</p>
Penalties imposed due to failure to meet government agenda and or legislation	All CenSus management to keep abreast of changes and report implications to the Head of Census ICT – ongoing review through monthly Management meetings.
Failure to implement and manage agreed security controls	<p>Project in place to automate patching processes wherever possible & agree maintenance windows for patching & testing of servers with system users where necessary.</p> <p>An ITIL compliant Change Control process has been in place for > 1 year - has greatly reduced the risk (incidence) of errors & downtime.</p>

<p>Compromise of IT systems due to unknown vulnerability (software, hardware, physical and staff behaviour)</p>	<p>Training and awareness programme for staff</p> <p>All non-essential administration accounts have been deleted to minimise the potential for errors & introduction of vulnerabilities.</p>
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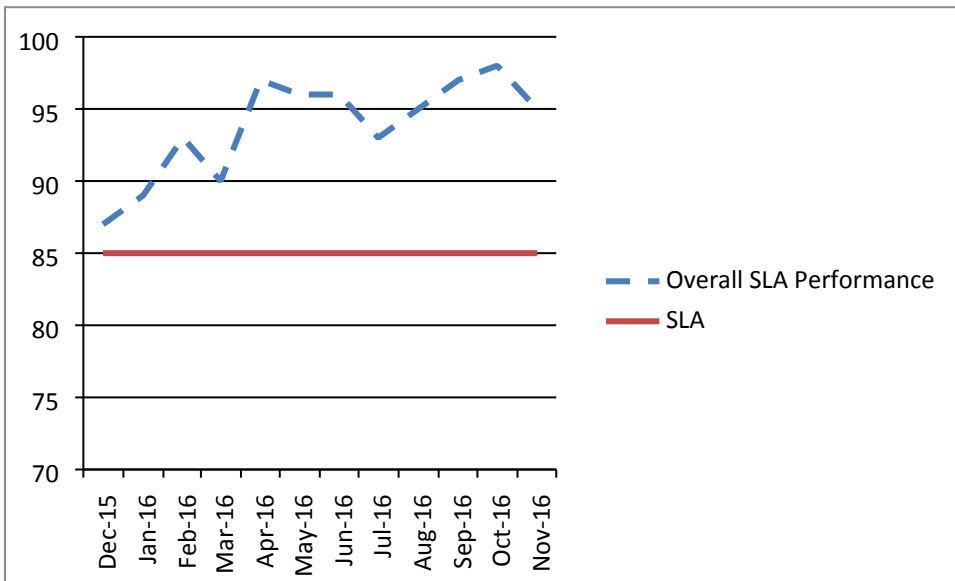
Appendix 2. CenSus ICT Performance Stats Dec 2015 – Nov 2016

% Calls Resolved Within SLA

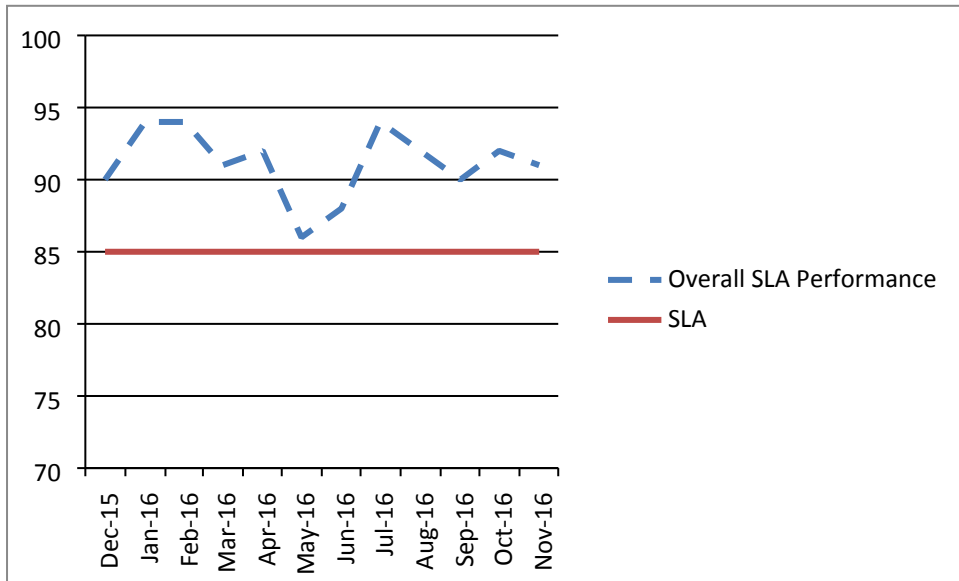
CenSus overall



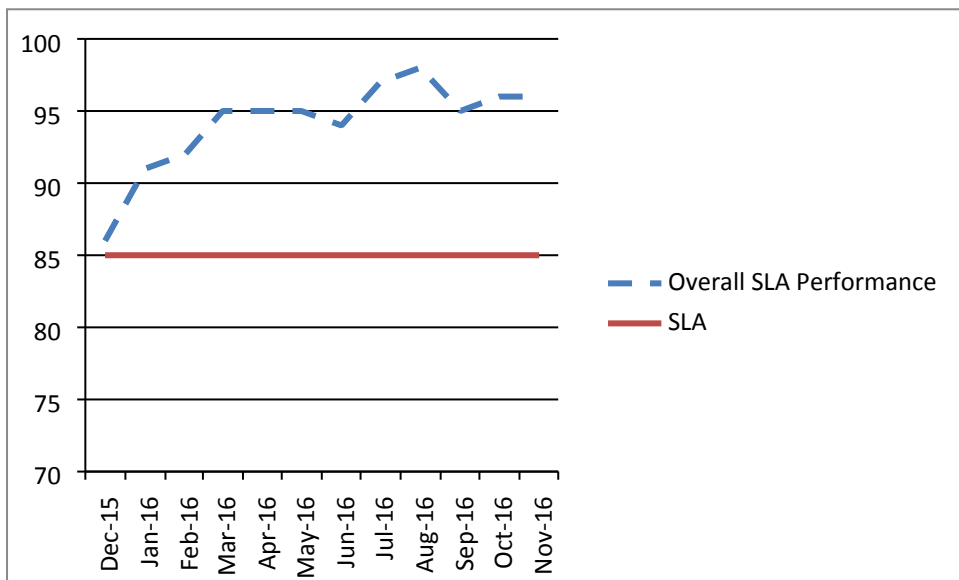
Adur-Worthing



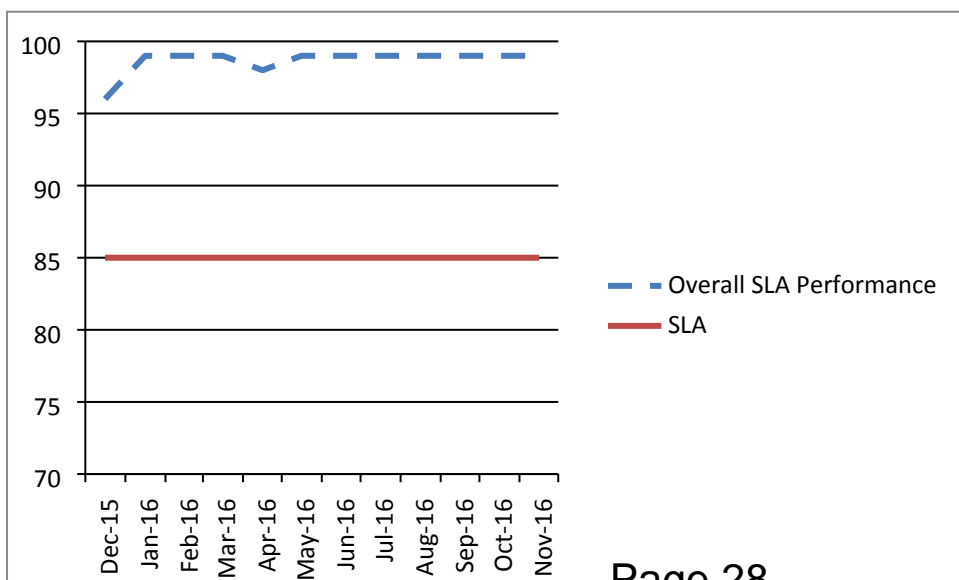
HDC



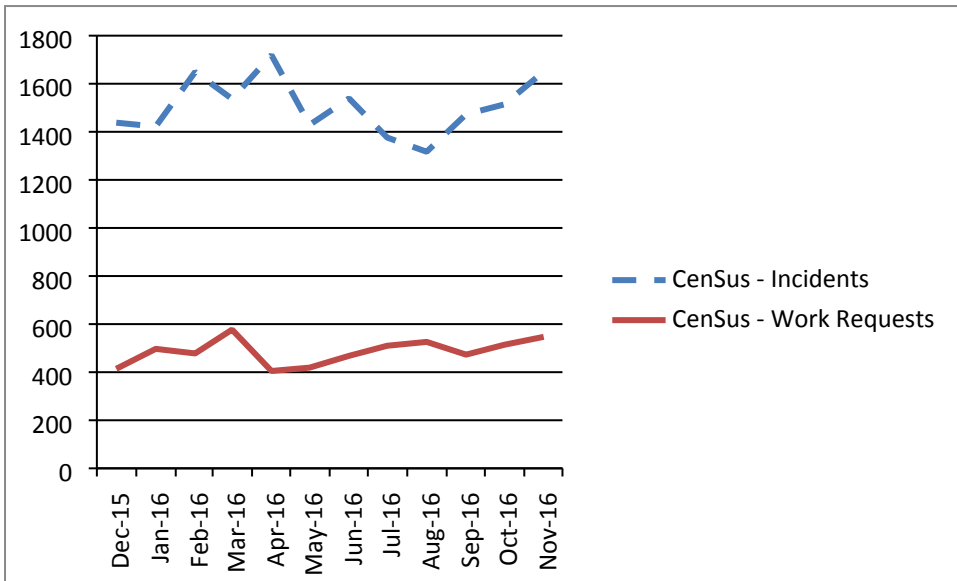
MSDC



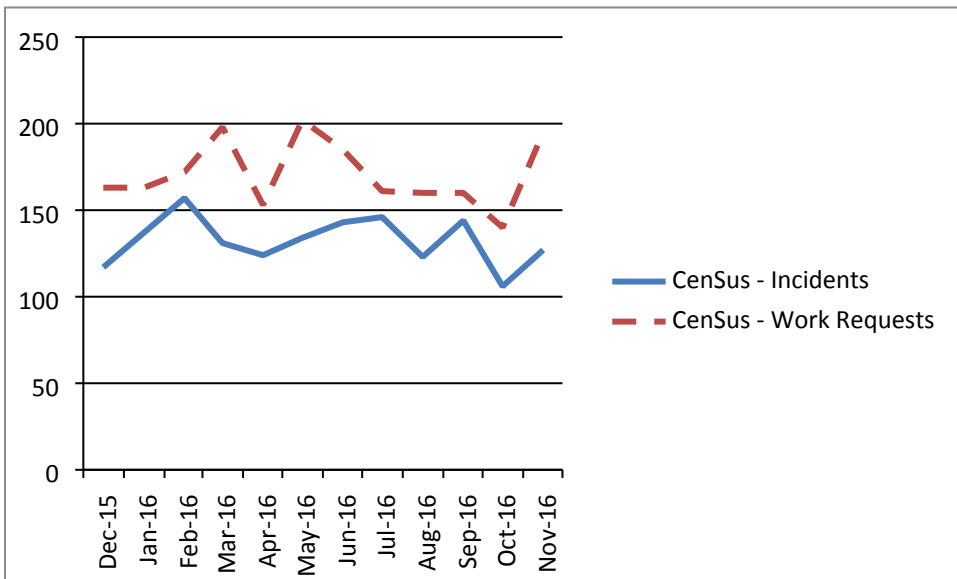
Help Desk



Calls Raised – CenSus overall

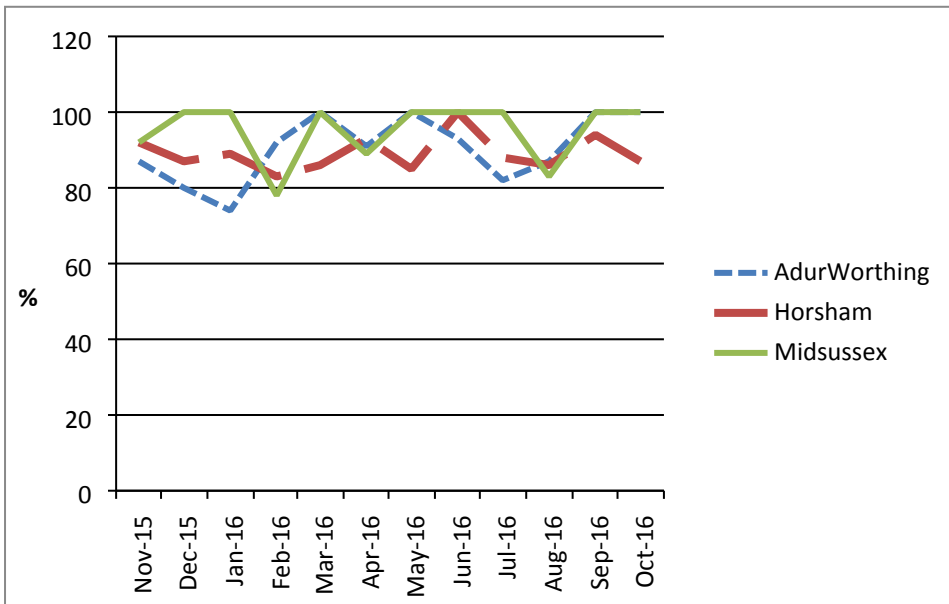


Calls Outstanding – CenSus overall

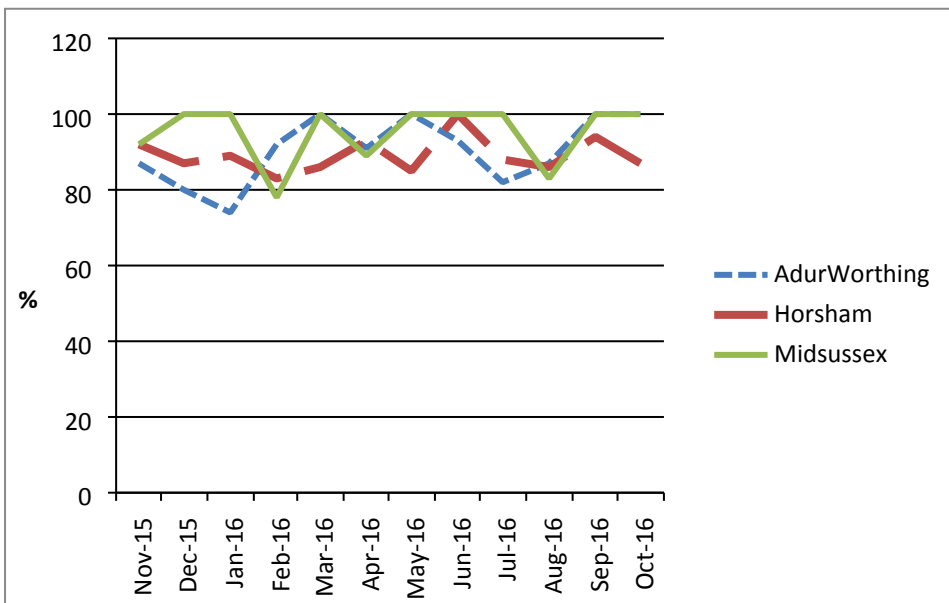


Customer feedback survey results - % satisfaction ratings.

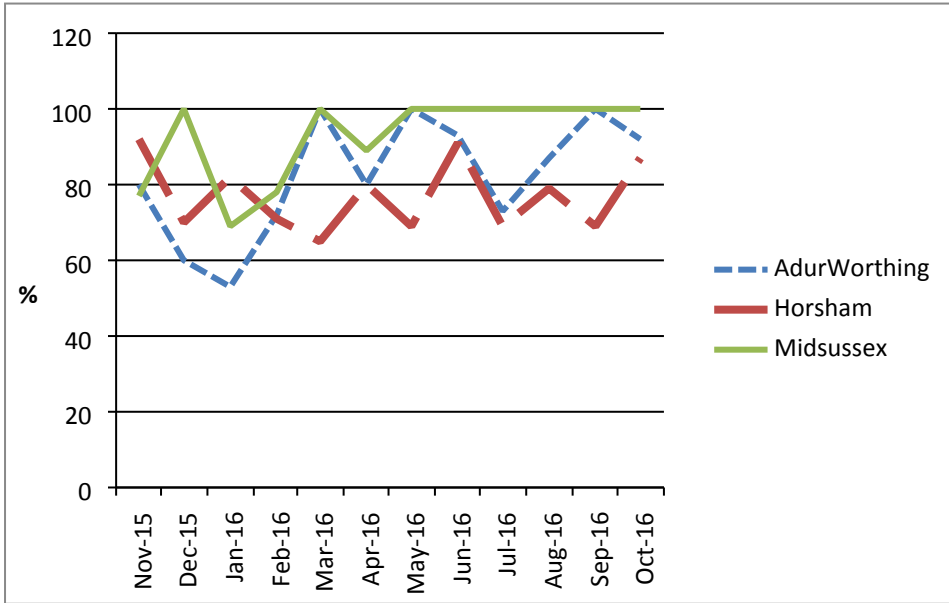
Ease of Contact



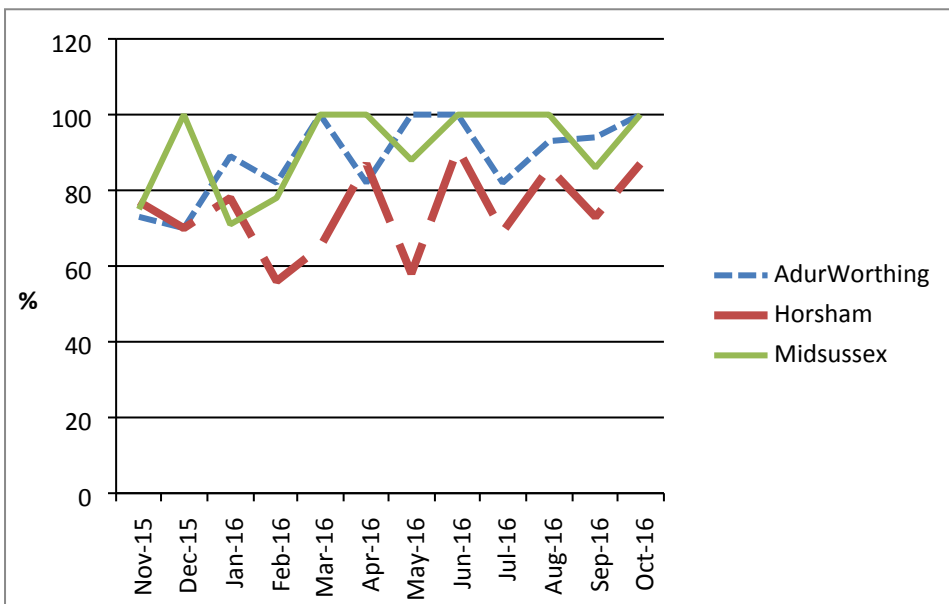
Satisfaction of Service from Service Desk



Response time



Customer Communications



Appendix 3 - Quarterly Service Interruptions

There have been 9 CenSus wide service interruption events during the reporting quarter: - the following is a summary of site specific interruptions (P1 level) with lost Business time in excess of 30 minutes.

Adur Worthing

P1 incidents > 30 minutes in the reporting period.

Date: 09/09/2016:
Issue: IM131286 South Downs Leisure – Field Place Connectivity lost across whole site
Cause: Unknown
Effect: Intermittent loss of site connectivity from 09:39 until approx. 14:55 on the same day.
Solution: Unknown, the incident was reported to Capita, however they did not perform any remedial action, but service was restored by 14:55. CenSus kept the case open for monitoring for a further period of time, the problem did not reoccur.

Date: 19/09/2016:
Issue: IM131432 South Downs Leisure - Loss of internet connectivity at Splashpoint
Cause: Broken fibre connection in local exchange – BT Resolution
Effect: Loss of site connectivity from 15:32 until approx. 16:30 on the same day. Incident formally marked as resolved at 17:26 as we were awaiting a confirmation from Capita that the issue was fully resolved.
Solution: BT Repair to fibre link

Date: 03/10/2016:
Issue: IM132656 South Downs Leisure – Loss of access to Clarity System
Cause: Software Error – a routine monthly server restart did not complete properly
Effect: Loss of access to Clarity for several hours (incident not reported until 09:02, but would have been down for longer). Impact on Leisure Centre front of house booking systems
Solution: Full restart of Clarity application and database servers

Date: 17/11/2016:
Issue: IM136018 South Downs Leisure – Loss of access to Clarity System
Cause: Software Error - Failed service on the Clarity SQL Server
Effect: Unable to operate tills, security gates and membership services. Voicemail message received at 06:45 with no contact number given. Incident formally logged at 08:34 and resolved at 09:15
Solution: Restart 'Nimbus' service on the Clarity SQL Server

Horsham

P1 incidents > 30 minutes in the reporting period.

Date: 02/11/2016:
Issue: IM134823 Access to Census network lost
Cause: Unexpected failure in VMware host.
Effect: Loss of access to Census systems on Census network from 8:30 to 9:00.
Solution: Host and servers restarted.

Mid Sussex

P1 incidents > 30 minutes in the reporting period.

Date: 19/09/2016:
Issue: Virus Outbreak
Cause: Ransomware embedded in an email was activated by user.
Effect: Files on user accessible shares encrypted by virus.
Solution: User's workstation isolated from the network and wiped and rebuilt. Network files encrypted by virus identified, removed and original files restored from backup.

Date: 28/09/2016:
Issue: IM132524 Outbound e-mail failures
Cause: Mail server listed on Spamhaus blacklist
Effect: External recipients who utilise Spamhaus blacklist to detect Spam rejecting e-mails from MSDC.
Solution: Contacted Spamhaus and request delisting of MSDC's mail server. Performed required checks on mail server to satisfy Spamhaus of integrity of mail server.

Date: 02/11/2016:
Issue: IM134823 Uniform and corporate Information@work systems unavailable
Cause: CenSus based VMware server became unstable and shutdown guest machines.
Effect: Uniform and corporate Information@work users unable to access systems.
Solution: VMware server affected power cycled and allowed to re-join farm. Shutdown guests brought back on-line.

Date: 09/11/2016:
Issue: IM135411 CenSus hosted systems unavailable
Cause: Faulty fibre router
Effect: All systems utilising CenSus SAN unavailable
Solution: Router restarted and all servers brought back on-line.

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Report to CenSus Joint Committee

9th December 2016

By the Director for Corporate Resources

INFORMATION REPORT

Not exempt



CENSUS JOINT COMMITTEE – FUTURE OF CENSUS ICT PARTNERSHIP: “The Census Cloud”

Executive Summary

Purpose of Report

1. To report to Committee the progress made in determining a new strategic approach for the Census ICT Partnership over the next three years.
2. To get Committee approval for the strategy and to reallocate unspent budget to fund the transition to the new model, and to confirm new governance arrangements.

Summary

1. Over the course of the Census ICT Partnership the technology market has developed and matured. As a result of this, the nature of the Partnership must adapt to ensure the member Councils are making the best use of the latest developments in ICT and continue to deliver high quality, cost effective services.
2. Each of the three sites within the Partnership have undertaken ‘Cloud Readiness Assessments’ – reports which outline the potential for the Councils to move to hosting data centres in the cloud, rather than on servers on Council premises. These reports are available to members on request.

All the reports have given the go-ahead for the move, and all the Councils are strategically aligned on making this move. Given this alignment, there is an opportunity to redesign the Partnership to enable the individual Councils to deliver their own digital and technology strategies whilst making the most of the opportunities that collaboration and sharing infrastructure can bring.

3. This is made up of four main elements:
 - a. The transition of each Council’s data centres to the cloud
 - b. The transfer of staff to be employed by the Council where they are based
 - c. A review of the governance arrangements of the Partnership
 - d. A review of the cross-site, shared roles within the Partnership
4. This report requests that Members approve the new strategic direction, that they approve the reallocation of unspent budgets to fund the work involved, and that they approve the proposed governance arrangements.

The Joint Committee is asked to:

- i. Approve the new strategic direction of the Census ICT Partnership to a shared cloud hosting environment, called the “Census Cloud”
- ii. Approve the reallocation of unspent budgets to fund the transition to the new model
- iii. Approve the proposed governance arrangements for the new “Census Cloud” partnership

Reasons for Recommendations

- i. To set the future direction of the Census ICT Partnership to continue to deliver modern, high quality ICT infrastructure services to the member Councils.

Background Papers	
Consultation	Census Programme Management Board
Wards affected	All
Contact	Jane Eaton, Director for Corporate Resources Email: Jane.Eaton@horsham.gov.uk Tel / Mob: 01403 215300

Background Information

1. Introduction

- 1.1 Over the course of the Census ICT Partnership the technology market has developed and matured. ICT infrastructure and its support has increasingly become commoditised making market solutions both financially viable and improved value. For many of the Census partners this has meant an increase in the number of applications that are provided as a service, not requiring hosting at a site and with greater integration and mobility options. For example: Worthing and Mid Sussex are using Salesforce, a cloud based Customer Relationship Management system hosted in the cloud; Worthing and Horsham have the system supporting Parking services hosted in the cloud; and productivity suites (Google and Microsoft) for all Census partners are either in the cloud or moving there. Therefore, the Census ICT partnership as it is currently configured is at a crossroads. There is the option for all the sites to break away and deliver their strategies separately, or to redesign the partnership for a new way of operating.
- 1.2 All three sites have had cloud readiness assessments completed, which outline the viability of the Councils moving away from on-premise data centres to cloud hosted 'infrastructure as a service'. All the assessments give the green light with some minor caveats, all of which are very similar concerning resources, such as budgets and skills.

This points to there being an advantage in a Census-wide initiative to transition away from on-premise data centres to public cloud infrastructure, notably around economies of scale, the ability to continue to share the hosting of applications and data where appropriate, and in developing a shared talent pool in the new skills required to operate within the new environment.

- 1.3 The reasons for switching to a cloud strategy are as follows:
- **Increased resilience** – the sheer scale of operation of large cloud providers such as Amazon, Microsoft and Google means that the availability and uptime of their platforms cannot be rivalled by in house offerings. Disaster recovery is a major risk for all three sites at present and the move to the cloud will help mitigate this
 - **Better performance** – again, the scale available to cloud providers means that the latest technology is available and supported, meaning our technology will run quickly and efficiently
 - **Access to skills and knowledge** – as a group of relatively small district and borough councils, with limited financial resources, it is difficult to recruit staff with skills and knowledge in the latest developments in IT infrastructure. Working with much larger, specialist organisations will ensure that niche and expensive skills will be available to us when we need them.
 - **Information security** – we can maintain our emphasis on excellent IT security by tapping into the greater resources and knowledge that our partners will be able to provide. Utilising the guidance issued through central government on cloud security, we can ensure we deliver maximum flexibility in our technology stack whilst also ensuring our data is as secure as it has to be.
 - **Narrowing focus** – district and borough councils are already responsible for the delivery of a wide range of different services. Our focus in an increasingly pressured financial environment must be on those areas where we have the opportunity to add value. Technology infrastructure is an area with a well established market of highly commoditised products and services, the effective use of which will enable us to focus on our areas of specialism and avoid getting distracted.
- 1.4 The Census Partnership in the future will be comprised of the "Census Cloud": a jointly procured and managed cloud hosting environment for applications and data; and a contracted-out managed service to support that environment. This will provide the Councils with the modern, flexible and robust infrastructure needed to deliver services in the manner in which our customers expect in the digital age.

Agenda Item 7

- 1.5 Given the reduced scope of on-premise infrastructure, there will be a reduced need for staff to support that infrastructure. To enable each Council to be able to quickly make their own strategic decisions around staffing and support, it is proposed that all site-specific staff are transferred under TUPE to be employed by their host Council. The roles affected by this are:
- Site Service Delivery Managers
 - First, second and third line support technicians.
- 1.6 Furthermore, there are four shared roles across the Partnership which do not have a specific Council focus. Starting January 2017 there will be a review of these roles to assess whether they will be needed under the new strategy. These roles are:
- Service Desk Manager
 - Technical Design and ICT Programme Manager
 - Finance and Procurement Officer
 - Project Co-ordinator
- 1.7 Staff and Unions were informed of these developments in early December 2016, before the publication of this report.
- 1.8 The project to transition the three sites into the cloud will take an estimated two years to complete. The stages of the project are as follows:
- **Design** – the procurement of a design of the new cloud hosting platform, what products and features are required, along with costings and support requirements. The design will also account for all the security issues relating to hosting Council data in the cloud
 - **Financial projection** – it is inevitable that the Councils will ‘double pay’ for a period of time as the data centres are wound down and the new cloud hosting environment scaled up. A financial projection will be produced to enable the Councils to understand at which stages costs can be removed from local provision to ensure the project delivers best value for money
 - **Procurement of the environment and the managed service** – before transition begins, we will need to purchase the new cloud hosting environment and also the managed service to support it for us
 - **Planning** – a full project plan will be put together, outlining which systems and data will be moved to the cloud when
 - **Implementation** – The project will then begin in earnest and we will expect to see a constant, steady flow of applications and data being re-hosted in the new environment, and eventually the local data centres at the Councils closed down.
 - **Close down** – once everything has been moved that can be moved, a short exercise will be carried out to consider what is left on-premise and how it is best supported.
- 1.9 To ensure successful delivery of the transition, a dedicated project manager will be recruited with specific experience of moving on-premise data centres into the cloud. This role will be jointly funded through Census project budgets.

Several projects have been identified that are currently in the programme and budgeted for, but will not be needed given the new strategy. It is recommended that these budgets are reallocated to the transition project. Details are provided in section 6.

- 1.10 Given that the nature of the Census ICT partnership is dramatically changing, and that the pace of the transition project is likely to be too great to sensibly fit into the current meeting structure, it is proposed that the governance of the Partnership be changed.

The proposal is that local officers keep the relevant executive members for their authority up to date with the project progress through existing meeting arrangements, which should be more regular than the current quarterly meeting arrangements.

A quarterly progress report will be generated for the transition project and this will be circulated to all members of the Joint Committee. However it is proposed that the Committee does not need to physically meet unless on an exception basis where a Member feels an issue should be discussed in Committee.

2. Statutory and Policy Background

2.1 Statutory background

N/A

2.2 Relevant Government policy

N/A

2.3 Relevant Council policy

N/A

3 Next Steps

3.1 Subject to members' approval, the next steps for the Census Cloud strategy will be to:

- Recruit the Cloud Transition Project Manager during January 2017
- Scope the work involved and begin the implementation of the TUPE transfer of Census staff to their host Councils from January 2017
- Review the shared Census roles (Service Desk Manager, Finance and Procurement Officer, Technical Design & ICT Programme Manager, and Project Co-ordinator) to determine whether they will be needed under the new strategy
- Go out to procure for the Cloud Environment Design in February 2017
- Develop the financial projection and transition project plan when the design has been delivered
- Once the project plan and financial projection has been agreed, the project implementation phase will begin.

3.2 It is estimated that the transition project will take two years from start to finish.

4 Views of the Policy Development Advisory Group and Outcome of Consultations

4.1 Consultation has been carried out with the Census staff to ensure they are aware of the potential impact of the new strategy on their roles.

4.2 The three cloud readiness assessments that have been delivered for the Councils outline the pros and cons of the new strategy, and all give the go ahead for the transition.

4.3 During the design, financial projection and project planning stages, consultation will take place with all involved in the work, and expert guidance will be used to ensure all necessary views are considered.

5 Other Courses of Action Considered but Rejected

5.1 The Partnership could choose to break up and not continue in any form in the future. However this would mean that opportunities would not be realised around collaborative working and sharing of resources.

- 5.2 Continuing with the Partnership in its current configuration is not an option that could be considered because it cannot support the direction of travel of the technology strategies of the member Councils.

6 Resource Consequences

Finance

- 6.1 The full business case for the transition to the cloud is to be developed as the first stage of the project, where the design for the new environment can be put together and costed up. Alongside this will be a financial projection of the local staffing requirements needed to maintain the remaining local infrastructure and future hardware investments that will no longer need to be made.
- 6.2 There are unspent budgets from the 2016-17 Census ICT budget that can be repurposed to fund the initial work on the cloud transition. These budgets are:

	HDC budget	MSDC budget	AW budget	Total
Identity and Access management tool	£10,000	£10,000	£10,000	£30,000
WAN Exit strategy	£16,667	£16,667	£16,667	£50,000
Cloud Based Back up	£19,000	£19,000	£19,000	£57,000
Infrastructure as a Service reviews	£20,250	£27,000	£20,000*	£67,250
Total				£204,250

* Adur & Worthing did not fund their Infrastructure as a Service review through Census and this budget does not appear in the current Census budget. Adur & Worthing will therefore need to add matching funding for this element of the budget.

- 6.3 As part of the design phase of the transition project, a full financial projection will be developed, demonstrating when investment in the new platform will be required and when savings will be realised. These savings will include planned investments in hardware in the data centres that will no longer be required under the new arrangements, and staffing changes as a result of reduced local support requirements.
- 6.4 As more financial resource is required, Committee will be asked to approve bids as part of the budget process.

Human Resources

- 6.4 The new Census Cloud strategy will mean that the local requirements for support of infrastructure will be very different in the future. Because the skill set required to support the new environment will be very specialist, a managed service will be procured to deliver this capability.
- 6.5 To enable each site to manage the resources needed to deliver the local technology strategy flexibly, the first, second and third line support staff and the Site Service Delivery Managers will be transferred to be employed by the Council where they are based. This process will begin early in 2017. Individual Councils within the partnership will then be able to decide about the most suitable level of local support needed on top of the managed service.
- 6.6 Furthermore, there are still four shared roles across the partnership and a review will be undertaken in early 2017 as to the future of these roles.
- 6.7 In order to manage the transition project, an experienced dedicated project manager will be appointed to work across the three sites, ensuring that the project is complete on time and in budget.

These roles are:

- Service Desk Manager
- Technical Design and ICT Programme Manager

- Finance and Procurement Officer
- Project Co-ordinator

6.8 Staff have been briefed on the potential impact on their roles and all changes will be managed in consultation with local HR teams and Unions.

7 Risk Assessment

7.1 The following high level risks have been identified at this stage:

7.2 **Lack of knowledge and skills** – the current Census ICT team has little experience of cloud hosting environments and technologies and this risk must be mitigated by buying in experience via consultancy in the short term and an ongoing managed service in the medium to long term.

7.3 **Budget** – financial savings are not a key driver for the transition to the cloud, with the principle benefit being in productivity and resilience. However, cost will be an important factor in the project, with the potential for long periods of ‘dual running’ becoming prohibitively expensive. Realistic financial projections and strong budget management will be vital in mitigating this risk.

7.4 **Bandwidth** – with all applications and data hosted in the cloud and accessed via an internet connection, the dependency on each council’s connection to the internet will be dramatically increased. Early engagement with the County Council and Capita, who manage the Wide Area Network, will be very important, as will exploring other connectivity opportunities, such as the Gigabit Coast project being explored by Adur & Worthing.

7.5 **Security** – every possible action must be taken to ensure that the new technology environment provides the security required by the Councils to ensure compliance with PSN requirements. There is a great deal of specialist, professional security knowledge that can be tapped into in this area to help mitigate this risk

7.6 **Loss of skills and knowledge** – with the potential for staff to leave the partnership, they are likely to take knowledge and experience with them. Much of this knowledge will be around the old way of doing things, which won’t be needed in the future, however during the transition it will need to be managed carefully to ensure exposure is kept to an absolute minimum.

7.7 As part of the project planning for the transition, a comprehensive risk register will be produced and regularly updated.

8 Other Considerations

8.1 Ensuring our IT infrastructure is robust and fit for purpose ensures that Council services can continue to be delivered in a timely and cost effective manner, benefitting all the residents and businesses of the three local authority areas within the partnership.

8.2 Cloud computing offers many benefits in terms of sustainability, with the greater scale of large providers able to deliver ‘green IT’ more effectively than small, in house data centres. There will be a sustainability element in the scoring for the procurement of the new cloud hosting platform to ensure the Councils are meeting their obligations with regard to protecting the environment.

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