

## ICT – MOUCHEL PLUS MEASURES OF OUTPUT AND VALUE

*IT and Transformation - the Panel wished to see more information and reassurance on the Mouchel contract. Also on IT, the Panel asked if there was a measure of value/output.*

### Information and reassurance on the Mouchel contract

#### Background

- 2003 - Hyder Business Services (HBS) were awarded the contract for ICT and People Services (payroll and HR transactions) and a Business Improvement Service (BIS) on 1<sup>st</sup> August 2003 following a lengthy competition process.
- 2007 - HBS were taken over by Mouchel. Also in 2007 the BIS was decommissioned in agreement with Mouchel.
- 2013 - The Council's Contract expires on 31<sup>st</sup> July 2013 and Mouchel have presented to the Council detailed Business Cases proposing a contract extension for both ICT and PS service areas.
- All assets are owned by the Council.
- Council-wide spend on ICT is approximately £8m, only one third is managed by the IT Client
- The other two thirds consist of supplier maintenance, licences, developments and staff support costs procured by and spent by services. Approximately 600+ systems are operated across the Council.
- The ICT Service Plan presented to Members on 16 January sets out a number of challenges and planned activities which are to: centrally control and govern all ICT activity (spend, investment, development etc) across the Council; to rationalise the systems portfolio, focusing on fewer systems that can be used by more services and reduce overall spend on ICT.
- Enterprise Architecture work has concluded and is being incorporated into a radical IT Strategy which is expected to be finalised by the end of March 2012, ready for approval by Strategic Directors Group in April.
- **The Panel is invited to contribute to the development of this strategy.**

#### Measures of output / value

- Mouchel has been a reliable ICT infrastructure provider for the Council, ensuring service continuity, good helpdesk support services and a good out-of-hours response, particularly when there have been incidents ranging from snow to fire and loss of power to buildings, though the management and approach to projects and business innovation has not always been as successful.
- Performance of service delivery and project is measured through monthly KPI reports and status reports and annual customer satisfaction surveys.
- The ICT function has been part of a Cipfa benchmarking group since 08/09.
- Cipfa advise that the benchmarking information *...is a tool to help you take a view on the value for money provided by your corporate support services.*
- The Council's ICT function is benchmarked against all other members of the benchmarking club. Performance over the last two years is summarised at Appendix 1.
- This shows that there have been some improvements in some cost indicators, in incident responses and performance, though overall the service is about the same 09/10 and 10/11.
- It should also be noted that benchmarking data is indicative only, what one Council includes in a score and what another includes will not always be the same, however having the Unitary Authority average, Lower Quartile, Median and Upper Quartile measures gives a good indication of where we are.

In terms of efficiency, Mouchel has worked with the IT Client over the last few years to deliver:

- Invoice 1 contract reductions of over £800K between 10/11 and 12/13, with no reductions in service
- We have reduced pressures on IT reserves by a further £1.2m.

The Transformation Service Plan makes reference to the key works planned in regards to ICT including a cash savings target of £1m reduced spend, without reducing service. This will be achieved by implementing the ICT plan and is not

dependent upon any individual supplier. These savings are linked to the emerging IT strategy and are to be delivered over three years and are on top of significant savings already achieved.

## ANNEX 1 - 09/10 performance compared to 10/11

	09/10	UA avge	LQ	Median	UQ	10/11	UA avge	LQ	Median	UQ
ITP1 Cost of the ICT function as a % of organisational running costs	2.0%	1.6%	1.4%	1.5%	1.9%	1.9	3.4	1.3	1.8	3.7
ITS1(a) Cost of providing support per end user	£148	£475	£125	£180	£638	£146	£622	£164	£296	£459
ITS1(b) Cost of providing support per workstation	£190	£481	£156	£198	£646	£210	£651	£178	£338	£497
ITS2 End users per workstation	1.28	1.04	0.96	1.01	1.17	1.44	1.13	0.89	1.03	1.26
ITS5(a) Acquisition cost per desktop	£482	£499	£429	£482	£599	£464	£583	£429	£474	£676
ITS5(b) Acquisition cost per laptop	£878	£776	£642	£734	£873	£886	£893	£677	£866	£978
ITP3(a) Percentage of incidents resolved within agreed service levels	95.1%	88.7%	87.2%	91.3%	95.1%	97.2%	91%	88%	93.3%	96.2%
ITP3(b) Number of incidents per user	9.2	6.6	4.2	5.6	8.0	6.9	7	4.6	6.2	8.3
ITP4 Project delivery index (average score)	7.0	6.4	5.7	7.0	7.6	7	6.6	6	7	7
ITS3 Unavailability of ICT services to users	0.13%	0.16%	0.05%	0.13%	0.19%	0.11%	0.31%	0.07%	0.13%	0.49%
ITS4 % of end users are able to access the network and systems remotely	13.5%	31.1%	13.3%	22.6%	38.4%	24.1%	33.7%	13.1%	24%	43.7%
ITP6(a) Commissioner satisfaction average score	3.16	3.37	3.04	3.23	3.32	WAITING RESULTS				
ITP6(b) User satisfaction average score	3.14	3.48	3.18	3.61	3.80	WAITING RESULTS				
ITP7 Management Practice Indicators in place (averaged out of 10)	6.0	6.5	6.0	7.0	7.0	6	7	6	7	8.75
<b>Missing Data for B&amp;NES:</b> ITP5 % of the top 5 transactional based activities which are made via e-enabled channels										
ITP2 ICT Competence of end users										

**KEY:** UA avge - Authority average; LQ - Lower Quartile; Median; UQ - Upper Quartile

For cost and incidents we would wish to be as close to LQ as possible; for performance, customer satisfaction and management practices, we want to achieve UQ scores