Cabinet Committee on Performance Improvement
Meeting to be held on 8 June 2015

| Electoral Division affected: |
| All |

BT Lancashire Services Limited Service Governance and Performance Monitoring Report
(Appendix 'A' refers)

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Executive Summary

This report provides an update on the Service Governance and Performance Monitoring of the County Council's strategic partnership with BT which came into effect on 1st April 2014. The services that remained with the strategic partnership are ICT, Payroll and Recruitment. The report covers the final two quarters of the first year of operation of the new arrangements.

Further information providing a more comprehensive measurement of service delivery is provided at Appendix 'A'.

Recommendation

The Cabinet Committee on Performance Improvement is asked to note the contents of this report.

Background and Advice

1. **Key Performance Measures**

   Appendix 'A' holds the detailed performance indicators for both services. The summary of performance and key activity in each quarter can be summarised as follows:

   ICT Services

   The scope of the ICT Service is set out within Schedule 19 of the amended Service Provision Agreement between the County Council and BTLS dated 16 April 2014 ("the Service Provision Agreement"). The Service is currently delivered through:

   - Provision of a Customer Service Desk function.
   - Desktop, Network and Infrastructure Support.
   - Support of key applications.

- Delivery of ICT projects and Service Improvement Plans.

Quarter Three

All contractual performance targets were met during Quarter Three 3 2014, with three of the five priority categories achieving 100%. As a consequence, performance for Quarter Three 2014/15 remains strong across the board with all priorities meeting or exceeding their contractual targets.

The following is a summary of key activity completed during Quarter Three 2014/15:

- The new transformation jobs site went live in October 2014, supporting the restructure element of the County Council's Transformation programme.

- Windows 7 was rolled out to the majority of the PC estate at the County Hall site.

- The Child Protection Information Sharing Project received positive media attention following its launch earlier in the year detailing how Lancashire were leading the way in introducing new ways of working.

- The main Lancashire County Council website and home page went live and the look and feel has been modernised to reflect the changing uses of County Council's customers. This major change encouraging self service was successfully implemented with minimal impact to users.

- During December 2014, ICT Services have been finalising the contract schedules for suppliers who will be delivering the new Highways, Property and Project Management systems; workshops have also been held with both BT and Procurement to progress the supplier contract process.

Quarter Four

Quarter Four saw ICT Services continue the strong performance demonstrated in previous quarters across all Priorities. All contractual performance targets were met during Quarter 4; two of the five priority categories achieved 100% with the remaining three priorities achieving 99%.

The following is a summary of key activity completed during Quarter Two 2014/15:

- Of all 5,246 incidents logged in March, 76% were incidents fixed within eight hours.

- MS Lync Messaging service was enabled in January 2015 for all Lancashire County Council users of Windows 7 and Microsoft Outlook 2013.

- The new Oracle Expenses system went live in February 2015 for both Lancashire County Council and South Ribble Borough Council, for around 46,000 users, with the project being delivered on schedule.

- In February 2015 the final stages of delivering ICT functionality to the new West Lancashire Youth Zone were completed.

- BT Lancashire Services' Design and Project Delivery teams have been working together during March 2015 and successfully completed the Proof of Concept testing for the Lancashire Patient Record Exchange Service (LPRES).

- ICT Services staff continued to work with Lancashire Adult Learning to support them in developing their service through improved use of ICT. Trials of the Pro-Achieve and Pro-General software have been successfully completed and this allows monitoring of learner achievements to be undertaken and the team are now looking at introducing other software products in this area.

Payroll and Recruitment Services

The scope of Payroll and Recruitment Services is set out within Schedules 24 and 25 of the Service Provision Agreement between the County Council and BTLS dated 16 April 2014 ("the Service Provision Agreement"). The Service is currently delivered through:

- Payroll Services: Various teams undertaking payroll and pensions' processing work and handling the transactional enquiries that cannot be dealt with at 'first point of contact'.

- Resourcing: Undertaking job analysis and design and providing 'end to end' recruitment support services. Assessment centre activities are also supported

Quarter Three

All contractual and non-contractual performance targets were met within the quarter.

The following is a summary of key activity completed during Quarter Three 2014/15:

- Following Cabinet's approval of the report setting out plans to reorganise the County Council, the Lumesse Transformation Project was signed off and the recruitment for posts at Grade 11 and above commenced. The posts went live on 10 October 2014.

- Also within Recruitment Services, the internal performance indicator for employment offer documentation (conditional) being issued within 48

hours, following receipt of the necessary approvals to recruit, hit 100% for the first time this year.

- Within Payroll Services, User Acceptance Testing of the new online payslip was completed and the new design was implemented in November 2014. The payslip is now printed on standard A4 stationery rather than the special stationery which will make financial savings.

- The Lumesse Stakeholder Working Group was established in mid December 2014. The focus of the group is looking at current issues, future developments and suggestions for improvements and positive feedback was received in relation to the changes that have been implemented so far.

Quarter Four

Again all contractual and non-contractual targets were met within the quarter.

The following is a summary of key activity completed during Quarter Four 2014/15:

- The new Oracle expenses solution was delivered to Lancashire County Council in February 2015. This was a very successful implementation with little impact across the board.

- In terms of Lancashire County Councils' Transformation Project, positive feedback was received during a review of Phase 1 along with a formal request for Recruitment Services to compile a Proposal to manage Phase 2.

- The Payroll Service gained the Chartered Institute of Payroll Professionals (CIPP) Payroll Quality Partnership (PQP) accreditation following assessment on 19 February 2015.

2. Revised Contract Monitoring and Governance Arrangements

The new contract monitoring arrangements have now been running since December 2014 and are proving productive. This is evidenced by the improved engagement between the two organisations through the new ICT arrangements involving portfolio review meetings for all the key service areas such as Social Care, Oracle, Asset Management and Culture which manage the commissioning of work ensuring that projects meet the corporate priorities. All major developments will now be approved through ICT Steering Group who will also be developing and monitoring an ICT Strategy that is being drawn up jointly with BTLS in line with the emerging Corporate Strategy.

The new partnership is working well and this is further evidenced through recent audit reports which have been given a rating of 'Substantial Assurance' to all three previously identified areas of risk under the former OCL arrangement. These were:

- Funds flows between the County Council and OCL.
- Performance data quality and monitoring of OCL's performance.
- ICT network user management

The first year of the new Partnership has now completed and an annual review is being prepared by BTLS which will also look forward to the coming year and our plans for continuing key developments particularly around Phase 2 of the restructure impacting the Oracle eBusiness Suite but also the Asset Management Programme. This report will first be presented to the Lancashire County Council Management Team.

3. Update on Core Systems

Phase 1 of the restructure was concluded successfully and changes to the Oracle eBusiness Suite and other systems made without any disruption to service across the board which was a real achievement considering the very tight timescales that the project was working to. Key achievements have been a clean hierarchy for the Grade 11's and above with the remainder of the organisation being hooked in correctly and all anomalies and queries being carefully managed through a central point. A new intranet homepage and navigation has been introduced removing, across a number of systems and interfaces, all references to the old directorate structure.

A post implementation review of the Care Portal and elements of Liquid Logic has been undertaken involving a number of stakeholders across the organisation but also including providers. From these sessions, specific task and finish groups were established and work is underway to ensure that the findings are being progressed and that the required changes are being implemented. The initial benefits realisation document is also being reviewed and evaluated against current performance.

The Asset Management Programme is continuing in earnest. Line management of the project team has transferred to the Director of Corporate Services and work is already underway to support the team, ensure appropriate resources are available and engage with new stakeholders following the recent transformation. To do this, membership of the programme and project boards are being reviewed and revised and a separate transformation group will be created to ensure that processes are reviewed and transformed so that the benefits of the system are maximised. A blueprint for the system is currently being drafted that sets out the vision for the system. This has already been completed for the highways element and has been well received.

4. Education Update

Under the revisions to the partnership it was agreed that BTLS would consider taking on direct accountability for the Schools CLEO/ICT service and the

associated income/costs, thereby releasing the County Council from financial risk and cost related to schools leaving the service along with associated future infrastructure investments. Following a thorough review, BTLS has agreed with the County Council to accept and take on such responsibility effective from April 2015.

As a result all BTLS ICT staff engaged in delivering these Services have been brought together into one integrated team focused on delivery, support and services to some 700 Lancashire and Cumbria schools with the primary aim of providing a more cost effective, improved and expanded range of products and services to the Education sector.

A key enabler to improving and enhancing the bandwidth, quality and competitiveness of the Service to schools is the transformation of the CLEO network, principally achieved by utilising the SFBB roll-out across the region. This transformation has started and should be materially completed over the next 12 months.

In addition the range, quality and cost of ICT products available to schools has been improved with the launch of a new on-line catalogue. This includes more than 20,000 IT products, available to order on-line with fast delivery times and continually updated and price benchmarked. This is provided in partnership with BT Business Direct a UK leader in the market and an established, trusted provider to the Education sector across the UK.

5. BTLS Staffing Update

BTLS want to be recognised for delivering service excellence for its customers and in delivering that ensure its staff feel valued, respected, involved and informed in the direction of the organisation, and that the culture and practices employed ensure BTLS is a sustainable healthy unit that staff are proud and engaged to work in.

To bring focus and measure progress on these people objectives, BTLS undertook its first voluntary staff survey in June 2014. All BTLS staff were invited to take part and say confidentially (anonymously if preferred) whether they felt their ideas and opinions counted, how engaged and motivated they felt about working for BTLS, whether they thought the future direction of the organisation was clearly communicated, whether they felt their achievements were recognised and rewarded, and where they felt improvements in the organisation or any aspects could be made. Based on the scoring from staff captured in the survey an overall staff engagement score was calculated which is used, along with overall staff numbers returning the survey, to measure progress.

The June 2014 survey was the first for BTLS and forms the baseline. This survey now repeats twice a year, the second completing in December 2014. At that point the results showed:
- increases in overall staff engagement of 6% from the first baseline survey
- number of staff responding increased from 45% of the organisation to 52%

As well as scoring staff are invited to make comments/suggestions etc. which are captured and reviewed by BTLS management team.

In parallel, and also in response to feedback in the survey, BTLS also:
- Shares organisation goals and objectives, highlighted via:
  - Bi-annual Service Area Briefing Sessions for all staff
  - Publication of the BTLS Business Plan
  - Annual face to face 'all BTLS staff' event

- Has improved staff communications via:
  - Monthly team meetings
  - Team Brief for Senior Managers
  - Monthly 'Newswire'
  - Monthly Service Area eBlasts

- Has Increased staff engagement via:
  - Chief Operating Officer's quarterly 'Round-Table' event
  - 1:1's between staff and managers at least every six weeks

- Launched a Revised Reward and Recognition programme(complimentary/in line with Lancashire County Council)

- Invested significantly in staff development:
  - Launched Pioneers leadership development training for >50 BTLS managers combining the Lancashire Way and BT's 'Space to Lead' principles

The next survey is planned for July 2015.

Consultations

BTLS have been consulted and contributed to this report and its content.

Implications:

This item has the following implications, as indicated:

Risk management

This report is for noting and therefore a risk analysis in relation to the content on this report has not been required.

List of Background Papers

Paper	Date	Contact/Directorate/Tel
N/A		