

Cabinet Committee on Performance Improvement

Meeting to be held on 12th April 2016

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. The report covers October to February of 2015/16.

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 comment on and note the contents of this report.

Background and Advice

This report sets out the performance of the County Council's strategic partner, BT Lancashire Services Ltd (BTLs), against agreed performance indicators for October to February of the 2015/16 financial year. In addition to this, the report sets out the wider approach adopted to ensure the ICT and payroll services support the organisation and contribute to the strategic priorities and objectives of the County Council.

The scope of the strategic partnership is as follows:

ICT Service

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

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

Achievement of Key Performance Measures

The key performance indicators against which BTLS is monitored are set out at Appendix 'A'.

ICT Services

All contractual performance indicators have been met through the period Oct 2015 until February 2016 and performance against the contractual targets remains strong. Although performance appears strong there have been some problems, most specifically recent issues with the corporate telephony platforms (Cisco and Skype for Business) affecting various elements of functionality. The disruption was mitigated by migrating Cisco users to Skype. The issues impacting on Skype were particular functionality including transferring external calls and use of keypad when presented with an IVR menu on out-going calls. Whilst the Service Level Agreement (SLA) target for this specific issue breached due to the time taken for resolution, the overall SLA target for Priority Two Incidents was achieved for February 2016.

Whilst the contractual targets must be measured and monitored it is equally important that the ICT service supports the strategic direction of the County Council and works together with the County Council to ensure priorities are met. In some cases, savings targets are predicated on the need for investment in ICT or maximising the potential of the systems that we currently have. The ability of the partnership to deliver to this wider agenda should also be considered and the key activity undertaken in the reporting period is set out below;

- The Digital Inclusion agenda is a priority for the County Council and a pilot scheme in some council buildings has commenced which will enable citizens to access high speed wi-fi from local libraries. Burnley Library, Longridge Library, Duke Street Children's Centre in Chorley and Poulton Children's Centre in Morecambe have all been enabled with high speed broadband and public wi-fi that is accessible to members of the public. At the same time the devices

available at these sites have been reviewed and replaced with more flexible devices such as Google Chrome Books, low cost desktop devices and laptops that are equipped with lower cost software licences. In addition to this a 'bring your own device' option is encouraged, in particular for those who are taking up training opportunities that are available. Early feedback is favourable and will be formally assessed at the end of March. The feedback from the pilots will be used to shape and influence the County Council's public offering in public centres in the future.

- Phase One of the project to implement the Tribal EBS system (which provides details of courses for customers) for Lancashire Adult Learning (LAL) went live at the beginning of October 2015. This work has been a key part of responding to the LAL inspection. In order to implement the new system successfully it has been necessary to resolve database security issues with the supplier and the sign off of both User Acceptance Testing from the County Council's Information Governance team.
- Integration with other public service, in particular health, is a key component for partnership working. A range of initiatives are currently underway to support this agenda. During the reporting period a direct connection to the N3 network (a secure network which interlinks all NHS sites and associated suppliers, allowing National Services to be delivered to the County Council) has been installed successfully. This provides a platform for sharing data and Public Health Data services and Child Protection Information Sharing (CP-IS) were amongst the first services that have transferred to the network. The transition was completed without any disruption to services involved. Other services will transition as part of a roll out scheme;
- The Capscan replacement project went live on 6 October 2015 and enables all addresses/postcodes to be checked and verified before letters are sent out. This will reduce the cost of failure as only letters with valid addresses/postcodes will be sent out and those that are incorrect will be addressed and rectified. The new system developed by BTLS uses imported Ordnance Survey data direct and has been installed on 10 systems within the County Council. A key benefit of the system is that it will also check new addresses/amendments at the point of input. In the longer term this will help with the roll out of automated print and mail services and could also lead to reduced postage costs in the future.
- By the end of January 2016, the CLEO 3 project saw the successful migration of 262 schools and 196 corporate sites, with a further 37 circuits ordered for the next round of core migrations. This provides schools with faster and more reliable superfast broadband.

Payroll and Recruitment Services

All contractual and non-contractual performance targets were met between October 2015 and January 2016. The following is a summary of key activity completed during this period:

- User Acceptance Testing was carried out on an amended ICT solution for the Local Government Pension Scheme Assumed Pensionable Pay calculations for members who have reduced pay due to sickness or maternity. The solution was signed off and scheduled to go into the Oracle production environment in January 2016.
- As part of the process for strengthening internal governance with the County Council, a project has been established to cleanse staffing hierarchies and to ensure that all staff are set up correctly within the new organisational structure. In excess of 1,300 changes have been made to the hierarchies. New end to end processes have been designed and agreed to support the new arrangements in the future and to ensure that hierarchies remain up to date and are linked to the staffing budgets.
- Work on the Lumesse/Oracle integration project has continued in particular the development of a 'Sandbox' environment. This provides an isolated, secure application, mirroring the live production environment, to allow for third party developments and in-house testing by both Recruitment Services and HR, prior to migrating it back to production.
- Pension re-enrolment of County Council employees from 1st January 2016 was completed successfully. All employees affected were re-enrolled in Oracle and letters were dispatched.
- Also in relation to auto-enrolment, letters were sent out to those pension members who opted to take advantage of the 50/50 facility, reducing their main scheme contributions to pay half the contribution that they would in the main scheme. As these members will be opted back into the main scheme from 1st February 2016, the letters provided details of how they can opt back out should they so wish.

Other Developments

Revised Contract Monitoring and Governance Arrangements

The new governance arrangements in place since December 2014 continue to be reviewed and developed. The new Cluster/Portfolio groups and how they have been operating have been reviewed both in terms of membership of the groups and frequency of meetings. Membership of the groups in particular needs revisiting in some key areas to ensure that both the right mix of work is being commissioned and that progress is monitored correctly.

As reported previously there has been an opportunity to review the financial management arrangements and particularly the non-affordability spend with BTLS. In particular this has focussed on spend on PC's and laptops outside of the desktop refresh budget. Better scrutiny of requests for new equipment coupled with better management of the desktop refresh has resulted in a much lower spend on PC's and laptops in 2015/16 compared with 2014/15. The non-affordability spend in 2015/16 has reduced by more than £500,000 as at the end of January 2016 compared with the total spend in 2014/15. In addition a saving of £1 million has been delivered on the

affordability budget in 2015/16 through the Schedule 11 budget which covers both ICT infrastructure and desktop refresh. This is an on-going saving. The existing mobile phone contract is also being renegotiated and a new contract expected to be signed shortly, this again will allow better management of the mobile phone estate as the organisation downsizes but also better tariffs which will reduce the mobile phone charges.

As part of previous financial strategies, an additional savings target of £2m on the BTLS contract has been approved. A partnership approach is being adopted to identify where these savings can be achieved. In some cases there may be some actions or decisions needed by the County Council to reduce costs that are charged to the affordability budget in order for the costs to be reduced. Work on this key project is progressing to ensure that the target can be fully achieved.

Data Centre

The data centre, located in the County Hall complex is ageing and is a key risk to the County Council. Failure of the data centre would be damaging to the organisation and whilst improved disaster recovery arrangements have been put in place over the last year, there is still more to be done. Identifying a future solution for the data centre is a key priority and options will be presented to Management Team in April. Options are likely to include replacing the data centre at County Hall or looking at other operational models, including moving to a cloud storage strategy for some aspects of the business and using external data centres for others. This needs careful consideration, review and challenge but is of critical importance. There are also likely to be cost and funding implications of any changes in particular as many suppliers now are moving away from capital purchase to ongoing revenue funding for licences and software. The impact of the County Council's Medium Term Financial Strategy (MTFS) will clearly need to be factored in.

Core Systems

The County Council has made significant investment in a number of core systems over recent years. Some of these have been implemented and others are still in implementation phase. This section sets out key issues and deliverables in relation to the core systems;

Asset Management Programme

This has moved into its Implementation stage, across all three of its constituent projects – Highways, Property Management and Capital Programme Management. The three ICT systems have been configured by the suppliers and testing of these systems has commenced. Training plans have been developed for the systems and the training courses are currently being scheduled. Local work instructions are being written to ensure that everyone involved will understand the new processes and how to use the new systems. Change Champions, Super Users and Process Owners have been identified within the service areas impacted by the programme. During the next stage of the programme, the emphasis will shift so that the Change Champions and Process Owners take over ownership of the business change and of ensuring readiness for go live within the service areas. The Property Asset Management

System and the Capital Programme Management systems are scheduled for 'go live'; in May. This will bring significant benefits to the County Council, particularly in relation to monitoring and delivery of the capital programme. This system is already operating as a programme management tool for the County Council's savings programme.

Customer Access Service

The replacement of the customer access system was agreed in December and the contract awarded to an industry leading system called Genesys and a company called Anana who work with Genesys to implement the system. Work has now commenced on planning the implementation with an expectation of a go-live during the summer. This is a like for like replacement on go live but the new system will have many of the building blocks needed to assist services in the digital by default agenda and the exploitation of the systems new features will quickly follow, as Customer Access look to meet their own savings targets by exploiting the technology and encouraging channel shift.

Library Management System

Talis Alto has not been upgraded since 2009 and is now seven versions behind. The version of Alto in use is out of official support from the supplier Capita. In addition the hardware that the system runs on is also coming to end of life and needs to be decommissioned by October 2016. Work has commenced on the upgrading of Alto but this has to be done incrementally with a completion date of September 2016 for the full hardware and software upgrade. In addition the upgrade of all the PCs in libraries to Windows 7 is now completed. This will ensure that the new system can be operated from all libraries and that the efficiency savings can be achieved across the board.

Education Management System

The Startwell Service provides a broad range of business services to the children, young people and families of Lancashire. These businesses are supported by many ICT solutions, the primary two being Liquid Logic and Impulse. A review by BTLS has identified that many Startwell Services are poorly supported by the existing Impulse system. The main reasons for this outcome were:

- Significant functional gaps and poor suitability for current processes and operations
- Poor reporting capabilities which are partly satisfied by the ad hoc use of Microsoft Access and Excel
- Poor or no integration with other systems e.g. Capita SIMS and Liquid logic
- Some instances of lack of statutory compliance
- No support for Electronic Document Records Management (ERDM)
- Inadequate levels of security in both access to information and audit
- The product has not been upgraded for a number of years meaning it is no longer supported

In addition to the above it should be noted that the Online Admissions system which is a statutory function supporting parents and carers with identifying school places is

also end of life. This needs to be replaced to mitigate the risk of the County Council being unable to allocate school places effectively. As such the requirement for a new system has been agreed. BTLs has identified through extensive review with the services that the new version of CACI's Impulse will meet the large proportion of customer requirements. Taking this approach of upgrading with the same company allows the County Council to re-use existing licenses which helps with managing costs of overall ownership. An approach as to how to proceed with this project taking valuable lessons learnt from the Children's version of Liquid Logic (LCS) implementation needs agreeing and work commencing to ensure a successful implementation by August 2017 to meet the statutory deadlines of schools admissions.

Separately to the above exercise, work is being undertaken regarding the Early Help function and the approach to Early Help Care Plans (EHCP). The decision on using Liquid Logic for this has been taken and work is now underway to scope the project in terms of requirements and an implementation plan is currently being worked on.

The upgrade of the impulse system and the online admissions system was planned for September 2016. Due to resources being prioritised on other activities within the service area, it was not possible to continue on the original timeframe. Measures are being undertaken to address the most significant risks and issues with the system with the view to having a full upgrade by August 2017. Work is underway with the service area to identify suitable resources to support the project.

Autonomy

The Autonomy system was initially purchased to ensure the County Council was compliant with the requirements of the Care Act. The key benefits of the system is to provide individuals with access to information and support which is relevant to their needs at each stage of their life journey and to submit on-line financial assessments. It also provides local authorities and their partner agencies with facilities to prioritise and manage the volume of activity efficiently. Even though some of the Care Act requirements have been delayed, implementing the system is considered to be beneficial particularly in managing demand. Go live of the system was planned for April 2016 but has been delayed. There are a number of reasons for the delay;

- **Single Sign On:** The lack of a single sign on process would mean that clients would have to have separate log in and password details for each module within Autonomy, i.e. financial assessments, information and guidance etc. In order to encourage uptake a single sign on policy is actively encouraged by the County Council. Liquid Logic who own Autonomy is currently developing a single sign on portal.
- **Integration:** The integration with the financial system, ContrOCC, is not operating effectively and a number of system fixes are required. These are being progressed and until they are fully tested and signed off, the system will not go live.
- **Information and Guidance:** The resource to ensure information and guidance on the system is up to date and relevant has not been defined and identified.

Without this, the information on the system will quickly be out of date and clients will not receive the service they need. Again, actions are underway within the service to ensure this is identified prior to a 'go live' date. It is anticipated that autonomy will go live in the next few months.

Liquid Logic

The implementation of the Liquid Logic systems in 2014 has caused problems across a range of services and was an area of focus in the recent Ofsted report on children's services. An initial assessment identified that many of the problems related to poor quality data migrated from legacy systems, social workers not following processes and suppliers not using the new system. A lot of work has been undertaken to identify the cause of the problems and to resolve some of the problems and will continue until processes and the system are as effective and efficient as they can be. To take this forward, it has been necessary to adopt an integrated approach that brings together the core systems team with front line services to develop solutions. The teams are now linking in with Newtons as they redesign processes, as any changes in processes need to be supported by the system and we need to ensure the integration with other systems work too. The approach adopted to date has looked at;

System	Identifying any system issues that are contributing to the problems. As part of the process, BTLS, Liquid Logic and Oxford Computing have carried out a high level diagnostic and assessment for the Adults version of Liquid Logic (LAS). A separate healthcheck for LCS was carried out by Liquid Logic in conjunction with children's services.
Maintenance and Governance	Ensuring processes are defined and developed to ensure changes in staffing hierarchies, approvals and access to the system are up to date and that as staff change these are reflected in all systems not just Oracle.
Finance	Identifying key metrics and also workflows. Identifying and mapping key dependencies that impact on finance and also key processes to be carried out by finance. This includes payments, billing and financial assessments.
Reporting	Identifying key reporting requirements and what can be produced from the system. The accuracy and validity of reporting is directly impacted by the accuracy and speed at which information is input into the system.

The majority of these workstreams have been embedded within the Transforming Social Care Programme. This is in recognition that one part of the business cannot influence all of the changes required. For example, changes to working practices are only effective if they are supported by the system and that the required reporting outcomes are deliverable. The fact that the work is firmly embedded is creating good working relationships between the service and the other key stakeholders, including Core Systems/Transformation, BTLS, Finance and Business Intelligence. There is

also a healthy recognition that all changes need to be assessed before they are actioned to ensure that there are not any unforeseen consequences.

Key Findings and Actions

- **Configuration vs Customisation**

All systems need to be configured to integrate with other systems within an organisation. Whilst this is absolutely necessary there becomes a point when too many changes mean that the system has become customised and may not operate in a way that it was intended. In Lancashire, Liquid Logic has been customised which means that processes are inefficient, and creating lots of unnecessary tasks. This is impacting on social worker time and also memory capacity within the system.

- **Case Management vs Task Management**

It has been established that LAS is essentially a case management system and is used as such by most other authorities. Decisions were however made within Lancashire that the system would be customised to become a task management system. As a result of these a large number of tasks are generated and the ability to identify all tasks for one particular client is lost. Adults Social Care has confirmed that they wish to use the system as a case management system. Work is underway with Liquid Logic to make the necessary changes to the system.

- **Governance**

Governance arrangements have been improved. Each time a system change is requested, a standard approach needs to be adopted to ensure there are no unintended impacts of a change. The governance process has been documented and agreed with all relevant Heads of Service. Processes have been designed and developed so changes to staffing structures, staff moving within or leaving the organisation are captured on a weekly basis and are updated in the system. This means that workflows within the system are always up to date and that approvals always go to the correct member of staff. It will also improve the accuracy of performance monitoring information.

- **Integrations**

None of the County Council's core systems are stand alone. They are designed to integrate with other systems so that as a council we have one version of the truth and that information flows between other relevant systems. End to end processes are currently being developed to ensure that once the County Council has been notified of a change it is made in in such a way that it is reflected in all the systems. This is still a work in progress but will have significant benefits once it is available.

- **Transition**

Transitioning changes into the work environment is key. A transition process has been designed that will ensure that all changes are considered fully before being implemented and this includes upgrades to the systems. Upgrades occur on a regular basis and it is important that the County Council keeps pace with these to ensure that systems remain supported by the

supplier. Whilst system upgrades can rectify faults and issues raised by service users they can also bring in additional functionality and benefits. Whilst the intended impact is good, managing this into a work environment can cause disruption. A process that will see changes identified, communicated and in some instances reflected in more training support or updated guidance has been developed. This process, if effective, will work with the services involved to ensure the timing of any significant upgrades can be managed in a timely and controlled manner.

- **Support Model**

A centralised support team has been created within the core systems team. This effectively operates as a helpdesk for all social workers to ensure that all issues are raised in a central place and can be resolved in a consistent way. This model is working well. Performance measures and monitoring processes are being developed to ensure problems are resolved quickly as is exception reporting. This will be useful for managers in identifying inconsistent working practices or failure to follow agreed processes.

- **Work trays**

Work trays was a major problem and there was little understanding of why tasks were building up and what needed to happen to reduce them. The fundamental and basic lack of knowledge about work trays meant that they were unmanaged and that in at least one instance, tasks were being allocated to work trays that had been set up for teams that no longer existed and in others they were being allocated to staff who had moved to a different role or had left the County Council. The hierarchy work set out earlier in the report that has been undertaken for the County Council to improve governance, has been extended to other non-Oracle systems including Liquid Logic. This has improved the work flows and also means that the County Council will be able to obtain accurate performance information. This work is also linking in closely with the 'Project Accuracy' work that has been commissioned by the County Council from Newtons to improve the quality of data within the system. Correcting the hierarchies is a key element of this work and therefore the work underway will support the outcome of the project.

- **Yoga devices**

Yoga devices have been rolled out to front line social workers. Some social workers were using these whilst others were not. Following a review of the issues, some simple changes have been made to forms that are loaded onto yogas so that they are in a compatible format and can be easily used on the mobile device.

- **System Changes**

Lancashire Care Foundation Trust (LCFT) staff were not recording information on the system as they were having difficulty accessing the system and remembering passwords etc. The self-serve facility to enable these users to change their passwords has been enabled. This has increased usage of the system.

All the LAS templates have been amended so that:

- Address blocks are formatted in a way that means that all letters can be sorted in the mail room using the Whistl PremierSort software which means that the County Council is able to benefit from the mail discount for more of its outgoing post.
- Margins settings mean that letters and forms can be sent via the Minkz software in the mail and print room. This means that when rolled out, social workers will be able to send letters from their Yoga devices and that these will be printed and posted automatically without social workers having to return to an administrative base. The letters will also be automatically saved in the appropriate place on the County Council's electronic filing system (documentum) and that these can be issued without having to return to an administrative base.

A piece of work is to be commissioned to upload a list of current GP surgery's into the LAS database. This will enable social workers an easier way of finding the surgery they need.

Address lists for the whole of the UK have been uploaded which reduces the need for social workers having to contact the systems team to input addresses outside Lancashire.

A new Deprivation Of Liberty (DOLS) module has been developed and will go live in April 2016.

Customer Feedback

Payroll and Recruitment, October 2015 to February 2016

During the period from October 2015 to February 2016 customer feedback for the Payroll and Recruitment service saw 19 complaints and 14 compliments received. Of the 19 complaints, following further investigation four were closed after it was determined that they did not relate to errors or faults within the service areas. The remaining complaints included three related to delays in processing, one an overpayment and another due to the non-issue of a letter (at the time of writing a number remain open whilst investigations continue.)

February 2016 saw the most compliments received during the period (seven) with more than half relating to school visits undertaken by the service. Comments included, "I found the visit extremely helpful. It has given me a better sense of how to handle requests...", ". It helped clarify areas I was unsure of and also reinforced my understanding of the systems." and "Very useful and would not hesitate to recommend to others"

	Customer Feedback – October 2015 to February 2016
Compliments	14
Complaints	19

ICT, Payroll and Recruitment, October 2015 to February 2016

During the period from October 2015 to February 2016 customer satisfaction with the services provided by ICT improved as evidenced by only seven complaints being received as opposed to 54 compliments. Four of the seven complaints related to issues with Xerox, The issues with the Xerox contract have been escalated and measures are being put in place to improve the ongoing issues. Complaints are dealt with by members of the Business Relationship Management team, who contact the complainant to ensure a satisfactory resolution to the issues raised. This demonstrates the benefits being realised by the continuing focus ICT Services are applying to customer care, not just in complaint avoidance, but also in how the service deals with complaints when things go wrong.

An analysis of which teams of the County Council are submitting compliments shows that these are coming from across the organisation from areas as diverse as the Special Educational Needs & Disability Team to Public and Integrated Transport, from Libraries and Museums to Wellbeing, Prevention and Early Help. This indicates that the customer focus initiatives currently being undertaken are delivering positive results across the whole business.

	Customer Feedback – October 2015 to February 2016
Compliments	57
Complaints	7

BTLS Staffing Update

As previously stated BTLS aims to be recognised for delivering service excellence for its customers. At the same time BTLS is also striving to ensure its staff feel valued, respected, involved and informed in the direction of the organisation, and in particular, establishing culture and practices that ensure BTLS can be a sustainable healthy unit staff are proud and engaged to work in. In previous reports, BTLS has confirmed it was undertaking periodic voluntary 'all staff' engagement surveys. The third of these was undertaken in July 2015 and was reported on previously. The next of these surveys will take place in early summer 2016.

Key activities to report over the past quarter include:

- Staff round table events are now being held at alternate sites (Preston and Ormskirk) to enhance visibility and direct engagement for staff with BTLS Senior Management Team. The most recent was held in early December at Ormskirk for Payroll and Recruitment and West Lancashire Borough Council Revenues and Benefits staff.
- Completed final phase of relocation of BTLS staff back in to Lancashire Point.
- Held 4 Info Bite sessions - 'Managing Your Time More Effectively', 'Managing Capability', 'Building Your Resilience' and a mop-up session of 'Managing Attendance' with 25, 67, 20 and 20 attendees respectively.
- Added to the BTLS eLearning programme to align with the County Council's additions, for example Terrorism and Community Safety.
- User Acceptance Testing completed for Oracle Phase II Developments – this development will include a new starter induction process and current employee training records with planned go-live 1st April 2016.
- 2 County Council Health and Safety Audits – ICT Services and Education Services. Both completed with positive outcomes. One Corrective Action in relation to Lone Workers recommended in ICT has been addressed by making Personal Safety eLearning mandatory where applicable to the job role requirements.

BTLS has completed its Pioneers leadership training programme for managers, with 119 staff (approx. 25% of all BTLS staff) having attended the 4 day programme. BTLS is currently collating feedback from the staff who attended the event to determine the success and pointers for future programmes for other BTLS staff.

BTLS has also commenced a restructure of ICT referred to earlier in this report which aims to complete by end March 2016.

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/Tel

N/A.

Reason for inclusion in Part II, if appropriate

N/A