
Scrutiny Review - Information Technology

MONDAY, 4TH DECEMBER, 2006 at 19:00 HRS - CIVIC CENTRE.

MEMBERS: Councillors Cooke(chair), Bull, Dogus, Gorrie, Hare, Hoban and Kober

AGENDA

1. APOLOGIES FOR ABSENCE

2. URGENT BUSINESS

The Chair will consider the admission of any late items of urgent business. (Late items will be considered under the agenda item where they appear. New items will be dealt with at item 6 below.

3. DECLARATIONS OF INTEREST

A member with a personal interest in a matter who attends a meeting of the authority at which the matter is considered must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.

A member with a personal interest in a matter also has a prejudicial interest in that matter if the interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the member's judgement of the public interest.

4. PRESENTATION - IT SERVICES IN CONTEXT - BY THE HEAD OF IT

5. REPORT ON APPROACH AND TERMS OF REFERENCE (PAGES 1 - 12)

To agree terms of reference for the review:

To agree the terms of reference for the external reviewer:

To agree the process for selecting and appointing the external reviewer.

6. NEW ITEMS OF URGENT BUSINESS

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Agenda item:

Overview and Scrutiny Committee**On 4th December 2006**

Report Title: **Proposal for Approach to Scrutiny of Key Projects Delivered by Haringey IT Services During the Period 2003 - 2006**

Forward Plan reference number (if applicable):

Report of: **Assistant Chief Executive (Access)**

Wards(s) affected: **All**

Report for: **Key/Non-Key Decision**

1. Purpose

1.1 To propose the approach to be taken by the Council, through the Overview and Scrutiny Committee, in order to provide appropriate scrutiny of the Haringey IT Services department's management of key projects delivered in the period 2003 – 2006.

2. Recommendations

2.1 To agree the Terms of Reference for the Scrutiny Review Panel (Appendix 1).

2.2 To agree the Terms of Reference for the external reviewer (Appendix 2).

2.3 To agree the process for selecting and appointing the external reviewer.

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3. Executive Summary

The Council has decided to scrutinise the effectiveness of the management of key projects by the IT Services department over the period 2003 – 2006. As the number of projects involved is large, this proposal outlines:

- 3.1 How a representative sample of projects might be selected for scrutiny, taking into account that the Tech Refresh project must be included in the sample;
- 3.2 How an external party might be engaged to carry out the detailed discovery and analysis work on the selected projects as required to develop recommendations for improvements in project management and governance of future projects;
- 3.3 How the findings of the external party might be presented to a Scrutiny Review Panel made up of Members and providing leadership for the review. Suggestions are included for the membership of this panel and for a draft timetable for the panel to meet in order to progress the scrutiny process.

4. Reasons for any change in policy or for new policy development (if applicable)

- 4.1 There is no change of policy directly recommended within this report.

5. Local Government (Access to Information) Act 1985

- 5.1 No supporting documents are referred to in this report.

6. Selection and Appointment of External Reviewer

- 6.1 A contract will be let to an external party to act as reviewer to undertake discovery and analysis in relation to a sample set of projects, and leading to recommendations for improvements in the project management and governance of future IT projects specifically and Council projects in general.

6.2 Proposed outline procurement route:

1. Scrutiny Review Panel to agree criteria to be used to evaluate reviewer candidates. High level criteria that each reviewer candidate will be judged against are expected to include, but might not be limited to, the following:
 - a. Proven ability and experience in conducting this type of review (quantitative and qualitative metrics for assessing this are still to be determined);
 - b. Degree of access to relevant comparative information about other organisations;
 - c. Level of credibility that their findings would have, based on the market's perception of, for example, the candidate's reputation and authority;

- d. Cost (the Panel will need to agree beforehand a maximum budget for the review exercise);
 - e. Availability (the Panel will need to agree beforehand the desired time window for the review exercise).
2. In order to ensure the external party's impartiality, it is proposed that potential candidates are exclusively research/advisory organisations, and are not in the market to develop/implement solutions. Then from basic market research to identify such organisations that at least superficially seem capable of meeting the first three criteria above, create a short-list of possible candidates. The current short-list, which may be added to, consists of the following organisations:
 - a. Gartner Group (globally recognised technology/market analysts)
 - b. Forrester (globally recognised technology/market analysts)
 - c. Butler Group (technology/market analysts focused on Europe)
 - d. British Computer Society (trade body for British computer professionals)
 3. Send a Request for Proposal (RFP) to short-listed candidates and await their responses by an agreed deadline date.
 4. Deal with requests for clarification from candidates during the period between sending of the RFP and the deadline for receiving proposals.
 5. Receive final proposals from candidates on the deadline date – this may lead to a presentation by each proposing candidate to the Panel on a date soon after.
 6. Use the criteria agreed in 1 above to select and appoint the preferred candidate.

7. Project Plan for Scrutiny Review

- 7.1 The proposed high-level plan for setting up and conducting the scrutiny review is given below:

Setup of Scrutiny Review

Early October – Departmental management meet with Chair – Cllr. Cooke – to discuss approach and Terms of Reference.

Scrutiny Review Panel Meetings

Early December 2006 – Inaugural Panel meeting

January/February 2007 – Selection of outside advisory company

From a pool of advisory companies, which meet the appropriate selection criteria,

And after a presentation to members (of Scrutiny Review Panel and Executive), choose an organisation to carry out an evaluation according to the attached Terms of Reference. Advise Executive. Cost to be borne by IT Services

department.

End April 2007 – Consider advisors report and questions arising

May 2007 – Scrutiny Review Panel Report for Executive

8. Comments of the Director of Finance

- 8.1 It is anticipated that the cost of the 15 days of work to be carried out by the external reviewer will be in the range of £20,000 to £25,000, depending on the number and seniority of the external staff assigned to carry out the work, and that this cost will be contained within the existing ITS revenue budget for 2006/07.
- 8.2 The anticipated maximum cost is subject to the Scrutiny Review Panel not substantially changing the external reviewer's Terms of Reference or directing the external reviewer to undertake work outside of the Terms of Reference.

9. Comments of the Head of Legal Services

- 9.1 The proposed procurement route is consistent with the norms of good practice for procurement and its adoption is allowed under the waiver provisions contained within the Council's Contract Standing Orders.

10. Equalities Implications

- 10.1 There are no equalities implications.

11. Use of Appendices / Tables / Photographs

- 11.1 Appendix 1 shows the Terms of Reference suggested for the Scrutiny Review Panel.
- 11.2 Appendix 2 shows the Terms of Reference suggested for the external party engaged to undertake the review.

APPENDIX 1

Terms of Reference for Scrutiny Review Panel

Background

The Council commissioned the development of an Information Systems Strategy that would enable the Council to meet the future demands on IT to support the Council's objectives of improving its services and the delivery of those services, and delivering its eGovernment Agenda. One key component of this strategy was the 'Technology Refresh', or 'ICT Infrastructure Refresh', which aimed to deliver the IT infrastructure and associated systems that would provide an appropriate platform for Haringey to fulfil its ambitions. Other key components were a number of individual IT projects that addressed specific service improvement goals and/or specific items on the eGovernment agenda.

The Council now wishes an independent review to be made of the success or otherwise of a representative sample of these programmes and projects leading to an objective assessment and recommendations for future improvements to the management and governance of IT projects specifically, and where findings are relevant, of Council projects in general.

Scope

Against the context of the Council's IS Information Technology Strategy as approved by the Council's Executive on 8th July 2003, in view of the Council's anticipated future demands on technology, and in support of the eGovernment Agenda, review:

1. Whether the new infrastructure and associated systems have enabled the meeting of the Council's objectives, e.g. the eGovernment Agenda and the delivery of improved services?
2. Whether a sample of individual projects intended to meet specific Council objectives met their own project objectives and delivered the expected benefits, and whether they were delivered in line with the Council's project management framework? (Selection of the sample of projects will be the responsibility of the external reviewer working to agreed Terms of Reference and subject to approval by the Scrutiny Review Panel).
3. Whether the new infrastructure/systems and the outputs of other IT projects have left the Council better able to meet its future business requirements and whether the planned level of investment in ICT is sufficient to support the meeting of these requirements?
4. Considering the Technology Refresh programme specifically, and complementing but not repeating the Audit Commission's review, review:
 - Whether the technical solution chosen was an appropriate option to meet the objectives set for the programme?
 - Whether the implemented solution meets the objectives set for the programme?

- How is the solution performing and what is the customer perception?

Outputs

1. An objective assessment of how well and how far the new IT solutions deliver against the IS/IT Strategy compared to other organisations of similar size and complexity?
2. Customer feedback
3. Recommendations for the future.

Approach

The scrutiny review will be lead by a Scrutiny Review Panel selected from Members and reporting to the Overview and Scrutiny Committee.

Given the large volume of specialist technical work required to deliver the outputs of this review, it is proposed that an external party with the required specialist skills be brought in to undertake this work under the high-level direction of the Scrutiny Review Panel.

The Scrutiny Review Panel will agree the Terms of Reference (ToR) for the external reviewer (see Appendix 2) and select the external party to be used (see section 6 of the main report). It will then provide high-level direction to the external reviewer during the course of the review, and receive the findings of the review in the form of a report and presentation from the external reviewer, with an opportunity for cross-examination.

It will be noted that the ToR imply that Council Members and officers will take certain actions to support the review.

The proposed high-level timetable for the review activities and milestones is given in section 7 of the main report. It is proposed that the review activities of the external reviewer be time-boxed to 15 days over an elapsed timeframe of 5 weeks.

Membership of Scrutiny Review Panel

The suggested membership of the Scrutiny Review Panel that will receive the findings of the external reviewer is as follows:

Cllr. Cooke (chair)

Cllr. Bull

Cllr. Dogus

Cllr. Gorrie.

Cllr. Hare.

Cllr. Hoban.

Cllr. Kober

APPENDIX 2

Terms of Reference for External Reviewer

Background

Haringey Council ('the Council') commissioned the development of an Information Systems Strategy that would enable the Council to meet the future demands on IT to support the Council's objectives of improving its services and the delivery of those services, and delivering its eGovernment Agenda. One key component of this strategy was the 'Technology Refresh', or 'ICT Infrastructure Refresh', which aimed to deliver the IT infrastructure and associated systems that would provide an appropriate platform for Haringey to fulfil its ambitions. Other key components were a number of individual IT projects that addressed specific service improvement goals and/or specific items on the eGovernment agenda.

The Council now wishes an independent review to be made of the success or otherwise of a representative sample of these programmes and projects leading to an objective assessment and recommendations for future improvements.

[Note that in the rest of this document the term "reviewer" refers to the external party engaged by the Council to undertake the independent review, and where an individual pronoun is used to refer to the reviewer, it may equally apply to a team or corporate entity.]

Purpose of this review

The purpose of this review is threefold:

- To assess the success of the programmes and projects that are within its scope, measuring them against the specific criteria given, including comparisons with similar programmes and projects at other organisations of similar size and complexity to the Council.
- To make recommendations for specific actions that would improve ongoing benefits realisation for the assessed programmes and projects.
- To generalise from the range of programmes and projects reviewed in order to suggest enhanced processes and methodologies that could be applied to future programmes and projects to improve their chances of success.

The outcome of the review will be presented to the Council's Scrutiny Panel in the form of a formal report document, to be supported by a presentation by the reviewer to the Panel and an opportunity for the Panel to cross-examine the reviewer.

Scope of review

This review is required to assess a representative selection of programmes and projects completed by the Haringey IT Services department in the period August 2003 – January 2007. The list of candidate programmes and projects is given below and the reviewer is expected to select a minimum of four and a maximum of six that are to be

assessed in addition to the Tech Refresh programme. In selecting the additional programmes and projects for assessment, the reviewer is expected to select at least two for which comparative information from other organisations is available to the reviewer, with the comparison organisations to be used being subject to approval by the Scrutiny Panel.

- Tech Refresh – the Council-wide ICT infrastructure and systems refresh programme
- Insourcing – a programme to restructure the Haringey IT Services department in order to implement industry best practice at a level appropriate to and in support of the Council's requirements
- eGovernment – a programme of work which included:
 - BVPI 157
 - eForms – 129 online business process related forms for internal and external use
 - Major redesign of Haringey website
 - New Homes for Haringey website
 - 54 Priority Service Outcome projects including:
 - E-Payments – online payments
 - eDemocracy – webcasting; electoral management system; minutes & agenda system
 - E-Planning – planning and building control
 - Enforcement – online licensing applications and register
 - Web GIS – property-related and street works information
- Major projects:
 - eCare – Framework-i implemented in Social Services
 - Siebel – implementation of Public Sector version of this CRM solution; transition of maintenance and support supplier from Serco to CapGemini
 - SAP – SRM4 implemented; “quick wins” delivered
 - Leisure Management System – replacement system at all 3 Haringey Sports & Leisure centres
 - LLPG – creation of corporate Local Land & Property Gazetteer (LLPG) and daily contribution to maintenance of National Land & Property Gazetteer
 - Property Management System – Manhattan system implemented for Facilities Management Helpdesk and Commercial

Note that the quality of the Tech Refresh programme's governance and its adherence to the Council's Project Management Framework methodology (Haringey PMF) up to mid 2005 has already been assessed and reported upon by the Audit Commission – this report will be one of the reference documents for the current review.

Review approach and review criteria

Bearing in mind that the review is of the performance of specific individual programmes and projects leading to specific and general recommendations for the future, the approach covers the process for reviewing individual programmes/projects and the process for compiling the final report.

The general review approach will be similar for all programmes/projects reviewed, although the reviewer will be expected to adapt the specifics of the approach as appropriate for each programme/project in agreement with the other participants in the review process.

At the highest level the review approach will consist of gathering relevant information about each project, digesting this information, assessing the success of the project based on this information, and then reporting the results of the assessment.

As performance in applying the Haringey Project Management Framework (PMF) will be part of the assessment criteria, the reviewer will be expected to familiarise himself/herself with the main requirements of the Haringey PMF prior to beginning the review.

Where comparison is to be made with external programmes/projects, the comparative assessment should be clearly documented in a separate section of the assessment report.

The reviewer will be expected to plan the review of each project so that key project personnel and other relevant parties can be made available to provide the necessary input to the review while ensuring the minimum distraction from their day-to-day duties.

The general approach and high level criteria for each project are expected to be as follows:

(Note that in the following steps 1 – 7 the reviewer will be able to gather verbal input from the relevant parties as well as reviewing the relevant documents.)

1. The reviewer will gain an understanding of the objectives of the project and the high-level specifications for the main project deliverables through a review of the relevant project documentation, e.g. PID, product descriptions/specifications.
2. The reviewer will examine sample products of the project management process, e.g. highlight reports, project plan, risk and issue logs, change control logs and lessons learned logs, in order to assess the effectiveness with which the Haringey PMF was applied to the project.
3. The reviewer will examine the main outputs (deliverables) of the project to assess the extent to which they met their specifications and the objectives of the project.
4. Where comparative information is available from other organisations, the reviewer will make the relevant comparisons and document the outcomes.
5. The reviewer will assess customers' satisfaction with the delivered outputs where customer feedback is readily available, e.g. in the form of customer surveys that have already been completed.
6. The reviewer will assess the extent to which the intended benefits of the project have been realised, and/or the plan for further realising them in the future.
7. The reviewer will prepare a short report on the findings of the review including

any recommendations for improving the realisation of the project's intended benefits.

In the case of the Tech Refresh programme and only this programme, the following additional criteria are also to be used:

- Appropriateness
 - Comparison of current objectives and requirements with originally envisaged objectives and requirements.
- Effectiveness
 - Agreed objectives compared with programme outcomes (what was desired and what was achieved)
 - Agreed requirements compared with programme outcomes (more specific than objectives)
 - Extent to which agreed objectives and requirements changed from the original to the final and on what basis this was justified
 - To provide additional programme quality assurance the Insourcing programme that has followed on from the Tech Refresh programme has instituted a series of 3rd party independent challenges to its programme approach. These cover the following areas and therefore may be relevant input to this review:
 - Microsoft challenge to the legacy environment decommissioning and migration approach – the approach is highly dependent on the fitness for purpose of the new environment implemented by Tech Refresh
 - itSMF and British Computer Society challenges to the approach to ITIL implementation and staffing within the restructured IT Services organisation – the approach is partly dependent on the new environment providing increased efficiency and effectiveness in system management.
 - Internal Audit challenge to the approach to programme governance and budget management (in part a comparison with the Haringey PMF) – the approach taken in the Insourcing programme is seen as a continuation, with some improvements based on lessons learned, of the approach taken in Tech Refresh.
 - To provide operational quality assurance Microsoft have been conducting audits of how various core infrastructure components have been implemented by Tech Refresh. So far the following components have been audited and the reports on these are available to this review:
 - Active Directory
 - Exchange Server
- Efficiency
 - Extent of implementation compared with targets.

A comparison with suitable external programmes/projects is mandatory for the Tech

Refresh programme.

Once the short assessment reports for the reviewed programmes and projects have been completed, they will provide the basis for creating the final report to the Scrutiny Panel containing an overall assessment of programme/project performance and making recommendations for future improvements. For reference the short assessment reports will be included as an appendix to the final report.

Key Assumptions

In order to produce these outputs it is assumed that:

- The review will be time boxed to 15 days over an elapsed timeframe of 5 weeks
- The required personnel will be made available to contribute to the interviews (limited to core project team and subject to availability and reasonable demand on time)
- Suitable comparative information will be obtained regarding relevant programmes/projects at comparable organisations.
- Progress reports will be provided at key stages of the review (subject to further discussions)
- A presentation of key findings will be made to panel with opportunity for cross examination (subject to further discussions)
- The above outputs will be completed by dd/mm 2007, subject to further review and discussions

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