HIGHLAND COUNCIL

Committee: Corporate Resources Committee

Date: 24 May 2018

Report Title: **ICT Transformation and Network Refresh**

Report By: Depute Chief Executive and Director of Corporate Resources

1.   **Purpose/Executive Summary**

1.1   This report provides Members with a status update on the major ICT modernisation programmes now underway. These programmes cover the transformation activities within the Wipro contract and the refresh of the Council's ICT networks.

1.2   At the February 2018 meeting of this Committee, Members were told that issues with both the technical implementation of the Wipro solution and the overall programme management have meant the programme has not progress as planned. Since that meeting significant progress has been made with the Network Refresh programme. A revised overall plan for the ICT Transformation programme has been provided and new contract milestones have been aligned to this plan. Wipro are now delivering against this revised plan.

2.   **Recommendations**

2.1   Members are asked to consider the update on the ICT Transformation and Network Programmes.

3. ICT Transformation Programme

3.1   Members were informed in the February 2018 meeting of this Committee that several technical issues had been identified from a small pilot rollout of Microsoft Office 365 and that the Council had raised concerns about Wipro's programme management. These issues had led to delays in the Transformation Programme of approximately 1 year for the corporate refresh and 6 months for the curriculum refresh. Wipro were asked to provide a recovery plan.

3.2   An end to end recovery plan for the programme has been provided by Wipro and contractual delivery milestone dates have now been aligned with this plan. These milestones have several roles in the contract – they define points at which payments are made to the supplier, they have delay payments attached to them if they are missed and they provide clear "go/no-go" decision points for progressing the programme. In redefining the milestones, it is only dates that have changed compared to the original contract. All contractual protection for the Council stands against the new dates. The Council has some protection in the agreed contractual milestones and the contract overall continues to be delivered to budget.

3.3   The agreed key milestone dates are:

	Original Date	Revised Date
Corporate Refresh 50% complete	30th August 2017	15th February 2019
Corporate Refresh 100% complete	1st December 2017	23rd July 2019
Curriculum Refresh 50% complete	30th December 2018	9th July 2019
Curriculum Refresh 100% complete	1st December 2019	11th June 2020
Active Directory Transformation complete	1st April 2017	20th June 2020

These dates show a delay of 18 months for completion of the corporate refresh and 6 months for curriculum. The delay to corporate refresh is largely due to the technical issues being faced with Office 365 which have had a knock-on effect to progression on testing with more pilot users. Due to the complexity of these technical issues, Microsoft are now fully involved with Wipro in getting to a resolution. Assuming that these issues are resolved according to the plan, pilot testing should be able to commence again in July 2018 with full rollout commencing in November 2018.

The large shift in the date for the Active Directory Transformation is due to a change in approach and has no impact on the other aspects of the programme.

3.4   This significant delay is clearly not a good situation for the Council. However, the Council team now feels that the plan is deliverable and has the appropriate level and quality of Wipro management behind it. The additional input from Microsoft is also a positive development and will add technical expertise to the programme.

3.5   It is recognised that the delay to refresh of computers will have an impact for some members of staff. It has therefore been agreed with Wipro that where there is an urgent service need to refresh equipment sooner, then new HP devices will be rolled out with a Windows 7/Office 2010 build. These devices will then be swapped out for Windows 10/Office 365 devices when the refresh project catches up.

4. Network Programme

4.1   With the closure of the SWAN Transition project, the Network Programme is now dedicated to the refresh of local wired and wireless networks in Council buildings. As

previously reported to Committee, this work is a pre-requisite for the rollout of Chromebooks in schools and to enable the necessary network performance in offices.

4.2   The Network Programme is now being managed as an integral part of the ICT Transformation Programme with Wipro responsible for all delivery. It is referred to separately in this report to highlight the very good progress that is now being made in this aspect of Wipro delivery.

4.3   Following Wipro's re-planning work and appointment of a new sub-contractor to undertake some of the site works, activity on the ground for the network refresh is now progressing well again. As of 10th May 2018, the progress was:

Phase 1 installs:
- All 3 Associated School Groups (Dingwall, Millburn and Portree) complete – 38 schools;
- All corporate sites complete – 120 sites;

Phase 2 and Phase 3 surveys:
- All Phase 2 and Phase 3 surveys scheduled with the final date for Phase 3 surveys being 23 August 2018;
- To date 67 of 106 Phase 2 surveys have been completed;

Phase 2 installs:
- Installs at Kinlochleven ASG complete;
- Install dates for Phase 2 sites through to the middle of July 2018 as follows (subject to agreement from the schools for access):
    o Kingussie ASG – completion due 14 May 2018
    o Gairloch ASG – completion due 23 May 2018
    o Mallaig ASG – completion due 11 June 2018
    o Ardnamurchan ASG – completion due 20 June 2018
    o Lochaber ASG – completion due 25 June 2018
    o Plockton ASG – completion due 13 July 2018
    o Charleston ASG – completion due 18 July 2018

Guest Wi-Fi:
- Testing underway at Inverness Town House, Dingwall Library and Dingwall Academy till start of June 2018;
- Preparation for launch of guest Wi-Fi at refreshed Wi-Fi enabled sites on Monday 2 July 2018 – pending successful testing;

There are also a number of background configuration changes that have either happened or are planned to happen very soon.

4.4   Currently the network refresh is running slightly behind schedule against the original plan. However, Wipro's new plan will accelerate rapidly over the coming months aiming to bring the completion of site installs forward from the original September 2019 date to March 2019. It may be possible to reduce the delivery time still further and all attempts will be made to beat the March date.

5.   Chromebook Rollout

5.1   The rollout of Chromebooks to schools is being managed for the Council by the Care and Learning Service. Wipro involvement in this project is limited to the provision of the

refreshed networks in schools and ordering of the Chromebooks.

5.2   Chromebooks have now been rolled out to all schools in the first 3 ASGs (Millburn, Dingwall and Portree) and are being successfully used by pupils. Devices are ready to roll out at the next ASGs – the Phase 2 schools listed in 4.3 above. Now that progress is being made on the network refresh it is expected that Chromebook rollout will begin to accelerate again, and significant numbers will be in use at the start of the new academic year. As Wipro look to further speed up the network refresh, Care and Learning Service will determine with Head Teachers whether it will be possible also to speed up the Chromebook rollout and bring that to completion ahead of schedule.

5   Unified Communications

5.1   The Unified Communications project has not been reported specifically to this Committee for a while as it has been delivering successfully to plan. A closure report is likely to ready for the next meeting outlining the success of the project and the benefits delivered.

5.2   A quick update is provided here to make Members aware of the very good progress that has been made. In addition to VC solutions across 11 sites, new telephones have been installed in all schools in scope for the project, HQ, Inverness Town House, Dingwall and Fort William Area Offices. All remaining corporate sites in scope will be completed by June 2018. This will allow "internal" no-cost calls between the larger Council offices along with a number of modern telephony features. The rollout of new computers by Wipro will then enable Integration of the Avaya telephony solution with the Microsoft tools such as Skype.

6.   Implications

6.1   **Resource** – Wipro's Transformation Programme is being delivered largely on a fixed price basis with the budget variability only due to the actual numbers and prices of hardware devices that need to be purchased to enable the programme with the latter being out of Wipro's control. Contract changes have been agreed with Wipro that provide protection to the Council's budget going forward, with the strategic aim of ensuring that there is no impact to the ICT revenue or capital budgets due to the delay.

6.2   Several new key milestones have been set and failure to meet them will result in delay payments due to the Council. Payment to Wipro of the outstanding capital milestone has not been made and will not be until there is evidence of delivery. Similarly, release of milestone retentions, from earlier milestones that were met, will not be made until future contract performance points are met.

6.3   **Legal** - The Council must adhere to the contract provisions within the contracts it has signed for all ICT contracts in order to ensure that work programmes remain on time and that any contractual penalties are avoided. Legal support was budgeted for to cover the exit from Fujitsu and the transition to Wipro. That support is still being called on regularly to advise on complex contractual and commercial areas, to ensure that the Council's interests are protected.

6.3   **Community (Equality, Poverty and Rural)** - There are no implications arising from this report.

6.4   **Climate Change/Carbon Clever** - There are no implications arising from this report.

6.5   **Risk** – Overall the level of risk to the programme is reducing as deliverable plans are followed. The potential is still there for further delays to the programme either due to poor supplier performance or technical difficulties leading to these high-level risks:

- The ICT revenue budget coming under further pressure due to delays in moving to the target operating model;
- Pressure on the ICT capital budget due to price rises for hardware – although indications are that prices are now starting to improve;
- Disruption to service due to legacy ICT equipment being in use for longer;
- Loss of key Wipro and Council temporary specialist resources due to the extended delivery;
- Late delivery of benefits impacting on Council Redesign and efficiencies necessary for the Council to meet budget challenges.

In addition, there is an overall risk of the deterioration of the partnership with Wipro threatening future relationship and contract performance, but this risk is also reducing as the local account team starts to show meaningful improvements.

These risks will continue to be managed through the ICT Implementation Programme Board and will be the focus of programme governance going forward.

6.6   **Gaelic** - There are no implications arising from this report.

Designation: Director of Corporate Resources

Date: 10 May 2018

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