



Information Technology – Corporate Assessment Follow-on Review

Monmouthshire County Council

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Status of report

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The team who delivered the work comprised Greg Goold and Emily Owen.

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Summary report

1. Information Technology (IT) plays a crucial role in the efficient and effective operation of all public services. It can transform the way services are delivered, store vast amounts of often confidential information that can be retrieved quickly and easily, and it can facilitate effective engagement with local residents and stakeholders across the county. Used well, it can drive improvement and provide innovative solutions. However, if organisations do not manage software and hardware well, the consequences can be costly, services can fail to deliver, and positive outcomes may not be achieved.
2. In 2015, the Wales Audit Office carried out a Corporate Assessment at Monmouthshire County Council (the Council). In respect of IT services, our review considered whether the Council's approach to using technology was positively supporting improvement.
3. Our Corporate Assessment concluded that the Council was developing its IT arrangements in order to support its strategic vision, but more work needed to be done. We came to this conclusion because:
 - the Council had a strategy for the use of technology, but this did not show the extent of planned improvement needed to demonstrate success;
 - the IT programme had appropriate member and officer oversight;
 - the Council had an appropriate structure to oversee IT delivery;
 - satisfaction across the Council with IT services was mixed;
 - the Council had IT risk management processes in place, but there were weaknesses in the reporting of IT risks to the Corporate Risk Register; and
 - the Council was evaluating its IT services, and regularly received feedback on performance from the Shared Resource Service (SRS¹) to the Council in 'performance dashboards'.
4. In our Corporate Assessment we reported that:

'Whilst some very high level IT risks are included in the Corporate Risk Register, risks relating to the replacement Social Services IT system project are not. There is a project-specific risk register, but some key risks are not considered. The Social Services IT system project contains some significant risks such as confidentiality of information, its development by an external company (CMC²) with no track record of developing these complex systems and the requirement for significant changes to working practices. Furthermore, the future of CMC² as a software developer is uncertain, which highlights potential risks around ongoing support for this complex and critical system. Unless risks such as these are clearly documented, rated and mitigated against, the Council places itself at considerable risk as a consequence of its approach to IT developments.'
5. The Council has now implemented its new Social Care and Health IT system – 'Flo' – but CMC² has now ceased trading and the SRS has taken over the ongoing maintenance of Flo; the risks highlighted in the Corporate Assessment are therefore considerably heightened.

¹ SRS is a collaborative IT provision in South Wales that provides ICT services to a number of public sector organisations.

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6. In 2015, the Wales Audit Office reviewed SRS and concluded that 'The strategic vision for the SRS was not formally established at the outset, which contributed to weaknesses in how the emerging service was managed and governed. Partners acknowledged these issues and were addressing them as part of an ongoing internal strategic review.' Whilst Monmouthshire was not a founder member of SRS, it had subsequently joined the partnership and the Council needed to assure itself that weaknesses identified in the Wales Audit Office review were resolved and would not affect the quality of services received by Monmouthshire. In 2016, more Gwent councils were set to join the partnership.
 7. In April 2016, we reviewed the Council's progress in addressing issues raised in the 2015 Corporate Assessment in relation to IT.
 8. We concluded that the Council has made progress in some areas, but the overall arrangements for managing IT services are disjointed and do not adequately allow the Council to demonstrate good governance, value for money or impact.
 9. We came to this conclusion because:
 - the Council has not yet developed a clear enough plan to implement its iCounty Strategy, and oversight arrangements need updating;
 - the Council has made significant efforts to ensure that planned changes to IT service providers do not disrupt provision of its IT services, but the arrangement with the SRS is not underpinned by formal agreements;
 - due to the lack of a Social Care and Health Directorate risk register, the Council cannot be assured that risks to the Flo system are appropriately escalated; and
 - the Council has a number of initiatives to improve the effectiveness of its IT services, but it is unclear how these will help it measure and demonstrate impact.

Proposals for improvement

10. We have made the following additional proposals for improvement that recognise the progress made by the Council and reflect emerging issues. The Council should:

P1	Review and revise the iCounty Business Plan for 2016-2019 by setting out clear and measurable actions to enable senior managers and members to effectively monitor and manage progress of its implementation.
P2	Review membership of the Digital Board following changes in software provider to ensure no conflicts of interest.
P3	Negotiate and agree commercial grade Service Level Agreements with SRS in advance of new organisations joining the partnership to support sound governance, and to enable the Council to measure service delivery, and assure itself that its IT needs continue to be met.
P4	Complete the database of systems used by the Council, identifying information such as contract details, costs, and the comments of the system owners, to support the Council in its strategic management of IT resources.
P5	Review the Council's risk management arrangements to assure itself it manages risks consistently across directorates and identifies, escalates, and addresses risks in a timely and appropriate way.

Detailed report

The Council has not yet developed a clear enough plan to implement its iCounty Strategy, and oversight arrangements need updating

The Council has an IT strategy (iCounty), but its business plan setting out how it will deliver the strategy is not fit for purpose

11. Our Corporate Assessment report 2015 concluded that ‘the Council was developing its Information Technology arrangements in order to support its strategic vision, but more work needed to be done’. Consequently, this follow-on review considered the progress made by the Council to develop a plan to deliver the vision and to facilitate the monitoring of progress.
12. The Council approved its Digital Strategy, iCounty, in June 2014, setting out its vision to improve Council services and build sustainable and resilient communities through the use of technology.
13. iCounty included a ‘Digital Roadmap’ (the Roadmap), which set out the direction of travel the Council deemed necessary to achieve its vision. This Roadmap identifies key priorities and themes to improve the Council’s internal systems, to digitally enable its communities, and to create commercial products and assets. However, the Roadmap is not a detailed plan for delivering iCounty; it does not include specific actions or targets for delivery.
14. The Council approved its iCounty Business Plan for 2016-2019 on 13 April 2016. The iCounty Business Plan describes the progress made over the previous 18 months, and priorities for the following three years. It does not, however, include a complete set of detailed actions setting out the steps necessary to deliver iCounty. It lacks timescales for many of the steps, and does not include specific and measurable delivery targets. Until the iCounty Business Plan is complete, setting out clear and relevant actions, the Council will find it difficult to demonstrate progress and impact as it will not be able to effectively monitor and hold officers to account for the delivery of iCounty.

The Council has arrangements in place to monitor implementation of iCounty, although, it has not formally reviewed membership of the IT Board to reflect changes in IT support

15. Our Corporate Assessment 2015 report concluded that ‘the ICT programme has appropriate Member and officer oversight. The Digital Board meets regularly and oversees the implementation of the iCounty Strategy it advises, but has no decision-making powers. The Board consists of two Cabinet Members, representatives from CMC² (a Council owned Community Interest Company) and SRS, and Council officers. The Digital Board reports to Cabinet periodically.
16. The Council’s Digital Board continues to meet regularly and oversees the implementation of iCounty. However, although more councils have joined the SRS over the last year, and CMC² is no longer one of the software providers used by Monmouthshire Council, the Council has not formally reviewed membership of its Digital Board since our Corporate Assessment in 2015 to ensure no conflicts of interest.

The Council has made significant efforts to ensure that planned changes to IT service providers do not disrupt provision of its IT services, but the arrangement with the Shared Resource Service (SRS) is not underpinned by formal service level agreements

Users are positive about the new Social Care and Health IT system, but its future is uncertain in light of the development of an all-Wales solution

17. Councils and NHS Wales organisations are working in partnership towards an all-Wales social care record system. The Wales Community Care Information System is proposed to standardise the collection and maintenance of social care and health records across Wales. A rolling programme to implement this system has been proposed, and the first such implementation is being piloted.
18. As a necessary precursor to any move to such a system, the Council identified a need to ‘get its own house in order’, and to ensure that its data was accurate and reliable.
19. Our Corporate Assessment report 2015 identified that the Social Services IT system project contained some significant risks such as: confidentiality of information; the system’s development by an external company (CMC²) with no track record of developing these complex systems; and the requirement for significant changes to working practices. Furthermore, the future of CMC² as a software developer was uncertain, which highlighted potential risks around ongoing support for this complex and critical system.

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20. The system developed by CMC², has two versions which are designed to meet the different operational needs of Adult and Children's Services. 'Flo' supports Adult Services, and 'Plant' supports Children's Services. In the remainder of this document, reference to Flo covers both versions of the system.
 21. CMC² designed Flo following consultation with practitioners in the Council's Social Care and Health Directorate. During the pilot of the Flo system, staff identified some early system problems; these have now mostly been resolved, and the system is very popular with those users. The system is described by users as simple, intuitive, accurate, and accessible. However, staff who are not within the integrated services, such as Health practitioners, are not able to fully realise the benefits of the system. For example, they have to create duplicate records that they leave with the service user at the time of the visit.
 22. Although the Council has implemented Flo across its Social Care and Health Directorate, and users are pleased with its performance, some problems remain. For example, users described the format of some reports, such as care plans, as being unsuitable and unprofessional in appearance. The Council has no clear plan to resolve these issues at present. Unless the Council ensures that users' needs are addressed, the full potential of the system may not be realised.
 23. In addition, with the potential move to the Wales Community Care Information System, the future of Flo is uncertain.

The Council has changed the way that it provides some of its IT services, but not all of these changes were planned strategically

24. The Council had planned budget savings in software licence fees in 2015-16 through its partnership with CMC². However, the CMC² Board took a decision, on 23 March 2015, to curtail activities in software development because it had failed to generate sufficient income. This decision was unexpected by the Council and had an unplanned impact on its strategic plans, including the Medium Term Financial Plan 2015-16 to 2018-19, and on its ongoing support for the Flo system.
25. SRS currently provides IT services to Gwent Police, Torfaen and Monmouthshire Councils. The Council has been involved in decisions to extend SRS's services to other councils. Blaenau Gwent Council joined the partnership in June 2016, increasing the staff resource from 128 staff, to 159. SRS is reported, by IT staff within Monmouthshire Council, to be an effective delivery agent for the Council, with clear plans to maintain hardware, databases and services.

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- 26.** As a result of the changes to CMC², SRS has now taken over maintenance of the Council's Flo system and will provide technical support to its Social Care and Health Directorate. SRS will also monitor developments of the Wales Community Care Information System as an option for the Council to consider. SRS has increased its capacity to provide this additional support to the Council; it is utilising a former employee who was pivotal in the development and implementation of Flo. This individual is now contracted to SRS (funded by the Council), for a period of three months, to hand the system over to SRS. Two other posts migrated back from CMC² to SRS, and SRS is currently advertising for an additional software post.

The governance of the Council's relationships with IT providers remains weak and is still not robustly supported by formalised agreements

- 27.** In March 2015, in a report to the Council's Economy and Development Select Committee, officers highlighted that 'there was still work to be done in order to ensure that SRS meets business needs, and how to identify whether it does meet business needs'. This statement remained true in June 2016 as little progress had been made by the Council to support good governance of the arrangement with SRS, and demonstrate whether the Council is receiving value for money from the SRS service.
- 28.** The SRS has developed Memoranda of Understanding with its customers. The Memoranda give a high-level description of the roles of the various partners, but do not constitute a detailed description of service levels for each partner. The supporting commercial grade Service Level Agreements (SLAs), which should specify the levels, standards and costs of the services to be delivered by SRS to the Council only exist in draft form, and have not been agreed between the Council and SRS. Council staff do not know the content of the draft SLAs, therefore, they will not know whether they are receiving the expected levels of service, or whether to raise any concerns with their managers.
- 29.** Each of SRS's customers have client side officers responsible for monitoring performance. In Monmouthshire, the Digital and Technology Manager and her team meet with SRS fortnightly to monitor outstanding work, and to influence the future allocation of resources to, and priorities for, the Council. Although working relationships are positive between SRS and the Council, the service cannot be properly managed without the agreed specifications that should be included in the SLAs. This constitutes a very real risk to the Council, especially if individual relationships change, for example by a turnover of staff.
- 30.** The completion of the SLAs to ensure that they meet Monmouthshire's needs would enable the Council to have a clear specification of the services SRS should deliver. This is essential to hold SRS to account, and to underpin any future disputes or negotiations relating to changes of circumstances (for example, as SRS expands or councils are reorganised). Furthermore, without an SLA, members are likely to find it more difficult to gain assurance that the Council receives value for money for IT services.

Due to the lack of a Social Care and Health Directorate risk register, the Council cannot be assured that risks to the social care system are appropriately escalated

31. Our Corporate Assessment in 2015 reported that:

‘The Council has IT risk management processes in place, but there are weaknesses in the reporting of IT risks to the Corporate Risk Register. Whilst some very high level IT risks are included in the Corporate Risk Register, risks relating to the replacement Social Services IT system project are not. There is a project-specific risk register, but some key risks are not considered. The Social Services IT system project contains some significant risks, such as confidentiality of information, its development by an external company (CMC²) with no track record of developing these complex systems, and the requirement for significant changes to working practices. Furthermore, the future of CMC² as a software developer is uncertain, which highlights potential risks around ongoing support for this complex and critical system. Unless risks such as these are clearly documented, rated, and mitigated against, the Council places itself at considerable risk as a consequence of its approach to IT developments.’

32. The Council maintains a Corporate Risk Register that includes a number of risks linked to its IT infrastructure, such as schools not having the necessary IT infrastructure, and that insufficient ICT infrastructure and skills in the county have the potential to lead to social and economic disadvantages. The risk register clearly includes the expected elements of a risk register, such as mitigating factors, future actions, and risk owners at officer and member level.

33. The Council also maintains project specific risk registers. For example, there is a project level risk register for its Flo system, which also includes the expected elements, and specifically covers the need to involve SRS in the ongoing support of Flo following the withdrawal of CMC² from the market. Other risks such as the system not fully meeting the needs of Health colleagues, referred to above, are not included in the project-specific risk register, although this issue is clearly a risk to gaining staff commitment and engagement to the Flo system.

34. Although corporate and project-specific risk registers exist, the Social Care and Health directorate risk register is still at an early stage of development. This constitutes a significant exposure as risks cannot not be consistently identified, monitored, managed and addressed at the directorate level, and may not be properly escalating changing risks. This undermines the effectiveness of the Council’s overall risk management arrangements to regularly monitor and update risk registers throughout the organisation.

The Council has a number of initiatives to improve the effectiveness of its IT services, but it is unclear how these will help it measure and demonstrate impact

- 35.** The Council has a network of 44 digital champions spread across the organisation. The digital champions attend system specific user groups, and liaise with staff in their directorates, then provide feedback on user requirements relating to software and hardware to the Council's Digital and Technology Manager. It is unclear how the digital champions systematically collect feedback from across the organisation, and prioritise this when reporting to the Digital and Technology Manager.
- 36.** The Council is building a database of over 80 systems used by the Council, identifying information such as contract details, costs, and the comments of the system owners. Previously, this information existed across a number of locations, but the task of collating the information is not yet complete. The Council does not, therefore, have a comprehensive record of systems to inform its strategic management of IT services.
- 37.** The Council's select committees monitor the performance of the Council's IT services, and the iCounty Strategy and IT Provision are subject to review by select committees periodically. However, without a clear action plan to support delivery of the iCounty Strategy, the impact of select committees is hampered, as it will be difficult for members to effectively and robustly challenge progress.
- 38.** The Council takes part in the Society of IT Managers IT Benchmarking Survey, but it is unclear how the Council uses this information effectively to drive improvement in IT services.

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