



2020/21 Annual Report

VERSION 0.1



3C Shared Services is a strategic partnership between Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council

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Section 1 - General Information

- 1.1 Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council commenced sharing Legal, ICT and Building Control services in October 2015. The formal Agreement between the authorities contains a requirement that an Annual Report is prepared on the services' activities and performance.
- 1.2 The Shared Services Agreement establishes a governance structure comprising a Management Board (containing the lead directors from each authority), a Chief Executives' Board and 3C Joint Shared Services Group (comprising of the leaders of each of the Councils). In addition, Senior Managers ensure the services have appropriate plans in place that are aligned to deliver against the priorities of the three partner authorities.
- 1.3 The Shared Services Agreement was renewed in 2020 and lasts until 30th September 2025. In addition to the Principles of Collaboration, following detailed discussions with the Member Joint Group, the Agreement now formally establishes a comprehensive set of Objectives of sharing:
 - To operate in partnership and support the objectives of the 3 Councils.
 - To inform the strategic direction of the authorities through the provision of guidance and advice.
 - To act as a catalyst of business change that promotes the transformation agenda of the 3 councils.
 - To provide further enhancement of services which support the delivery of the wider policy objectives of each Council.
 - To simplify and work harmoniously between services and authorities to deliver a more seamless, planned and predictable end-to-end service, which effectively delivers outcomes to residents.
 - To ensure ongoing delivery of services that are genuinely shared, where appropriate, between the relevant councils with those councils sharing the risks and benefits whilst having in place a robust model to control the operation and direction of the service.
 - To help identify and support the realisation of savings within the organisations where current ways of working do not maximise the opportunities for efficiency and effectiveness, within your areas of influence.
 - To deliver savings through, but not limited to, drivers of costs, reduced overhead costs and economies of scale.
 - To enable increased resilience through the recruitment and retention of high calibre staff by delivering greater succession planning and reduce reliance on the external recruitment market.
 - To minimise the bureaucracy involved in operating and interacting with the shared services.

- To pursue opportunities for working with new partners where the opportunity to generate additional income or deliver significant operational or strategic benefits to the authorities exists.
- To pursue procurement and purchasing efficiencies between partners and where appropriate beyond the organisations.
- To share specialist roles which individually, are not viable in the long-term.
- To deliver a customer focussed service, which has the understanding and meeting of customer needs at its heart.
- To operate in a transparent way on an individual council basis in relation to financial and operational performance and reporting.
- To work towards harmonised arrangements in these respects during the life of the Agreement.
- To adopt as a minimum a quantitative performance management culture – one that takes into account the perspectives of residents, staff, shared services, the 3 councils and elected Members.

The Annual Report contains specific details on the operation of the services and assessments of their performance against their objectives, on their financial performance and customer satisfaction and on the achievement of development projects.

Section 2 - 3C Legal Shared Service Annual Report 2020/21

2.1 General Information

- 2.1.1 At the end of 2019/20 The Practice was able to make a one-off saving of £119K (representing 10% of the budget) as a permanent reduction.
- 2.1.2 In the summer of 2020 internal audit carried out a review of the Practice and its performance against the original business case objectives, including governance arrangements, financial monitoring, spend on external legal advice, KPIs and training and professional development, as well as progress against this business plan.
- 2.1.3 The identified recommendations of the report have enabled improvement work to commence:
- a) The implementation of an improved way to commission external legal advice, including a simplified and consistent way to record the charges within the financial management system. This will ensure we commission and spend on external legal advice in a more consistent and efficient way.
 - b) The introduction of consumption charging for each partner council. The benefit of this model is that it allows each partner to identify workstreams and potential need to streamline client processes, as well as to consider viability of schemes including legal costs based on historical data and considering cost recovery.
- 2.1.4 Overall, the Practice was also able to function efficiently and effectively during the challenges faced from the Covid-19 pandemic, due to the ability to work remotely and in a more flexible way. A text and “WhatsApp” group has been established to improve internal communication across the service and where possible use of this will be refined in the coming year. This additional communication process has been successful during recent network outages and ensured the Practice remained operational.

The forecast for 2021/22

- 2.1.5 The Practice is currently scoping out a review of the current service offering which will seek to further ensure that it is providing an effective, efficient and valuable service to all partners, aiming to commence this work in the coming months. The first stage is to understand the current and future demands from across the partnership (including continuation of the implementation of the recommendations within the audit report) to review the existing operating model.

Key Performance Indicators

- 2.1.6 The year to date has seen a continuation of the improvement in the level of hours recorded by fee earners.

- 2.1.7 The Practice continues to outperform against the KPI target of 90%, with this year seeing a 99% return on target hours, an increase from 92.5% last year. This is particularly encouraging given the challenges of dealing with the pandemic and against an increase in the target hours set this year.
- 2.1.8 The roll-out of Council Anywhere has certainly contributed greatly to providing the service with the necessary tools to deliver the service under a fully remote working platform and operation.
- 2.3.4 In relation to litigation success the figures demonstrate that the Practice has maintained a very steady success rate (94%) in excess of the KPI target (80%), whilst also handling an increased number of cases.
- 2.1.9 Additionally, The Practice has made positive progress in developing the role of the intelligent client and focusing on client needs, across the partner authorities. By working more closely with clients to understand their needs, the Practice will use their knowledge and expertise to source the most appropriate and cost-effective solution, on a case by case basis.

2.2 Financial Performance

2.2.1 The Outturn for 2020/21 is as follows:

Table 1 is showing what was the forecast budget for the year against the actual performance of the practice with a final column (variance) showing what this represents in terms of financial variance for the year.

| Outturn 2020-2021 | | | | |
|---|------------------|------------------|-----------------|-------------------|
| Descriptions | Budget | Actual | Variance | Note |
| Expenditure | 1,443,150 | 1,290,100 | -153,050 | Favourable |
| External Income | -242,058 | -182,937 | 59,121 | Unfavourable |
| Net | 1,201,092 | 1,107,163 | -93,929 | Favourable |
| *External Income budget is based on 2019-2020 actual income | | | | |

Table 2 shows the percentage split of hours consumed across the three partner authorities with the actual cost to each authority also shown

| Council | Hours Consumed | Actual £ |
|----------------|-----------------------|-----------------|
| CCC | 8996 (48.21%) | £400,697 |
| HDC | 3048 (18.01%) | £148,202 |

| | | |
|------|---------------|----------|
| SCDC | 5844 (33.78%) | £279,864 |
|------|---------------|----------|

Table 3 shows the original forecast contribution by each partner authority which was based on the previous year's consumption. This budget has been adjusted throughout the year based on the consumption forecast. The actual figure shown in column 2 reflects the hours consumed taken together with the operating costs of the practice with the variance shown by taking account of budgeted contribution against actual contribution.

| Contribution 2020-2021 | | | | |
|-------------------------------|-------------------|-------------------|-----------------|-------------|
| Partners | Budget | Actual | Variance | Note |
| Cambridge CC | -718,050 | -601,625 | 116,424 | Underspend |
| Huntingdonshire DC | -238,200 | -197,268 | 40,931 | Underspend |
| South Cambridgeshire DC | -486,900 | -308,270 | 178,631 | Underspend |
| Total Contribution | -1,443,150 | -1,107,163 | 335,986 | |

Table 4

| Ringfenced Income 2020-2021 | | | | |
|--|-----------------|-----------------|-----------------|---------------|
| Partners | Budget | Actual | Variance | Note |
| Cambridge CC | -116,359 | -21,493 | 94,865 | Underachieved |
| Huntingdonshire DC | -58,372 | -33,997 | 24,375 | Underachieved |
| South Cambridgeshire DC | -67,328 | -127,446 | -60,119 | Overachieved |
| Total Contribution | -242,058 | -182,936 | 59,121 | |
| *City - Underachieved income due to COVID19 and ringfenced income adjustment to SCDC | | | | |
| *HDC - Underachieved income due to COVID19 | | | | |
| *SCDC - Overachieved income due to ringfenced income adjustment from City | | | | |

2.2.2 The outturn for 2020/21 is £1,107,163 against a budget of £1,443,150. This is an underspend of £335,986 however this has been achieved by taking into account the external income which has been applied towards contribution by

individual partners. In doing so it should be stressed that the income applied has been ringfenced to individual partner authorities.

2.2.3 Table 2 above shows each Councils contribution together with hours consumed and the actual value of those hours as against that overall budget.

2.2.4 Performance against the income target of £242,058 for 2020/21 has seen income of £182,937 delivered. The deficit is as a result of a fall in external income due to a decrease in mainly planning and court fees relating to the impact of Covid-19. This has contributed to the overall deficit/surplus £

2.3 Service Performance

2.3.1 Staff productivity in terms of chargeable hours recorded comfortably exceeded the KPI of 90%. Taken against an individual target per fee earner (adjusted for those staff not working full time) of 1200 hours per annum, 17,888 hours were recorded in total across the Practice. If the equivalent of 1,200 hours per annum had been realised 15,859 hours would have been recorded. The Practice was therefore operating at 99% of total target level.

2.3.2 The success rate in litigation was 94% against a target of 80%. The figures are extremely encouraging and work currently underway with the client (developing the intelligent client role) will seek to build on this. HDC has a comparatively high number of cases in relation to debt recovery and parking prosecutions. Work is well underway to seek to enable the client to process more routine paperwork /activity on these matters which is a more effective mechanism for interfacing with court/public (HDC has just switched to processing claims via Money Claims On Line which will assist in reducing consumption moving forward).

2.4 Customer Feedback

2.4.1 Improved performance is also reflected in the customer satisfaction levels, with a 93% satisfaction reported for the year. Below a sample of the positive comments:

*"**** is always efficient, clear and keeps me in the loop. "*

"The matter was handled really well. It was a non standard lease but the solicitor drafted the new clauses and progressed the lease renewal efficiently"

*"This case was difficult to prosecute due to the age of the claimant and the pandemic crisis but **** achieved the outcome that the authority supported"*

*"I valued ****'s support and how responsive she was during the contract preparations. "*

2.5 Looking Forward

- 2.5.1 The roll out of Council Anywhere is providing an improved working platform for the Practice which is crucial to enable its progression and increase its ability to attract and retain staff. Efficient and flexible working arrangements are an attractive prospect for staff and aids in promoting the Practice as an excellent environment in which to work. Better access to IKEN and improved ICT systems will enhance flexible working and help to improve the success of future recruitment strategies, enabling the Practice to effectively secure and retain permanent employees.
- 2.5.2 The Business Continuity Plan for the Practice has been developed in light of the current Covid-19 pandemic and to reflect advances in flexible working arrangements for the Practice with associated strengthening of resilience.
- 2.5.3 Work will continue to ensure that the commissioning of external legal advice is cost-effective, consistent and efficient, with the implementation of robust methods of assessment and a triage process as well as the recording of spend through the financial management system, working with all three partner council's financial teams.
- 2.5.4 Following on from the audit review and in line with good practice, the Practice is currently scoping out a review of the current service offering, which will seek to further ensure that it is providing an effective, efficient and valuable service to all partners. The first stage is to understand the current and future demands from across the partnership to assess if the existing operating model is fit for purpose and future ready; this work will commence in the coming months. Proposed options of any future target operating model will be presented to the Shared Services Management Board and relevant Councillors for review and decision in due course.
- 2.5.5 It is vital that the great work of the past 12 months in developing the effective and cohesive relationship between client and lawyer continues, including continued development of efficient working practices to ensure best value for both parties. The use of consumption data for engagement with clients has provided a positive tool to focus attention on process/procedure. It allows any bottlenecks to be identified and has encouraged clients to work with the Practice to streamline processes and procedures to make best use of legal resource. The feedback from the clients has been extremely encouraging and the journey together to make best use of resources is one which will continue to be refined.

Section 3 - 3C ICT Shared Service Annual Report 2020/21

3.1 General Information

- 3.1.1 This year has been dominated by our need to support and managing the risks associated with the council's response to Covid19. Without exception, all ICT projects and workstreams during the year have been impacted in some way by Covid 19. Whether that was risk of delays in supply chains for goods and services, suppliers and partners not being able to be on council premises or our own staff having to work remotely, the impact was widespread and persistent. Alongside this, because all three councils went through rapid transformation of working practices, 3C ICT also had to respond quickly to new and additional demands and then continually adjust throughout the year to ensure staff / members were able to work effectively remotely and provide service to residents and members of the public.
- 3.1.2 This started in March 2020 when within a very short period of time after government announcements, staff were being asked to work from home, but needed to operate and access systems, services and support as if they were in the office. Within weeks, the vast majority of the office-based workforce were using their Council Anywhere devices to support home working. Consequently, there were heavy demands on multiple teams within ICT to support and guide users in the use of the technology and tools – Connecting remotely, how to use teams, diagnosing home broadband issues, requests for equipment to be shipped to home addresses, etc.
- 3.1.3 A combination of the design of the CA solution and the timing of the Council Anywhere roll out project made the switch to remote working possible in such a short period of time. Overall, staff feedback indicates a very positive experience and take up of the new technology that was delivered – numbers increased from a few hundred active users in Feb 2020 to over 1000 at the end of Q1. By the end of Q4 we have seen 2000 active users of Teams.
- 3.1.4 During the year, the councils have also taken the decision to increase the number of laptops and mobile phones issued to staff in order to support new methods of working. There has been a significant increase in the numbers of devices. In summary, 10% increase in laptops on the estate since March 2020, and 15% since the start of CA roll out. Alongside this the mobile device estate has also increased by 75%. This has added additional demand to teams within ICT with regards to supporting, managing, and maintaining equipment. A review of services will consider what recommendations to make to address any gaps with service delivery because of this increase.
- 3.1.5 While 2019/2020 FY was the year of major infrastructure projects, key projects continued to be delivered over the past 12 months, including delivery of some major applications supporting Housing, Waste and Shared planning service areas. In addition the wider ICT services also benefited from projects that provided increased data centre capacity, introduced a new mobile device management platform and some large scale infrastructure projects covering data centre resilience, firewall upgrades, Teams based telephony and the move of half of the data centre to a new location. The impact of Covid on projects

when it hit in March 2020 was not able to be fully anticipated but the associated risks and issues have been well managed throughout and a series of projects have and programmes of work have continued to be successfully delivered.

- 3.1.6 Financial targets for the year have once again been broadly been achieved in line with the business case objectives. Reductions and cost avoidance have been a key consideration during procurement processes across routine expenditure, systems, and software renewals as well as new services and projects. Underspends in some areas have been as a result of reduced demands, consolidating agreements, negotiations and supplier management processes. Examples include consolidating Microsoft licenses to make more efficient use of the enterprise agreement, discounts on mobile data excess charges, negotiation of contract reductions for City R&B contract renewal and removing parts of the MFD/printer fleet due to drop in demand and repositioning of devices.
- 3.1.7 The ICT Service Desk and the incident / request management process, which is often seen as the 'shop front' to 3C ICT has had to undergo significant change over the last 12 months to cater for different demands from staff. From a Covid point of view, operating procedures have had to adapt because of new working practices. Staff no longer have face to face access to support teams or the service desk. Therefore, 3C ICT have had to not only facilitate the service desk working remotely, but also change the way in which support is provided. This has been done through extra resource, greater use of; remote access tools, telephone advice, centralised management tools and additional health and safety measures if having to provide face to face service – in line with current Covid guidelines.
- 3.1.8 Following the initial spike in requests for service during Q1 and 2 due to Covid, we have seen a drop in the number of incidents and faults being reported by users in relation to their devices and applications. We observed this back in Feb and March 2020, but we are much more confident now that this is as a direct result of the introduction of Council Anywhere and the underpinning infrastructure. This means staff can have more confidence in the stability and reliability of the equipment they use and are now raising more requests for improvements and changes rather than faults.
- 3.1.9 The reductions in the numbers of faults logged with the service desk in comparison to 18/19 and 19/20, have been maintained throughout this year even though there were 2 major incidents that had short term impact on performance (Nov – Data centre outages, Feb/Mar – Lenovo laptop start up issues). This is a good position to build on in the coming year with the continuing trend of reduced numbers and lower impact of Priority 1 (P1) incidents. It has further evidenced that improvements in technology and well-designed solutions can deliver the required outcomes.

3.2 Staffing and Recruitment

- 3.2.1 This year has also been quite challenging for recruitment. Notwithstanding the logistics of running recruitment and onboarding in a remote manner we've seen the job market for ICT professionals change. It has taken several attempts to recruit a number of posts within ICT. Issues such as location, salary, uncertainty

about public sector funding have been cited as reasons of withdrawing applications or declining offers. The benefit of flexible working/remote working is no longer a distinguishing factor. We are now working much closer with HR partners to understand and mitigate these issues as well as trying to 'market' ourselves differently.

- 3.2.2 The departure of the Head of ICT and Digital in Jan 2021 allowed ICT and the shared services directors to consider a number of options on what kind of senior ICT management structure would best serve the councils in the short to medium term. The interim arrangement of having two deputy head of service roles supporting the head of service role has landed well so far. If the feedback received continues to be positive this will be included in the wider service review covering roles, responsibilities, functions and structure across the whole department.
- 3.2.3 In 20/21 the digital team continued with their recruitment of additional developers that were approved as part of the exercise of balancing the digital team budgets across the 3 councils. The recruitment process has been a little more difficult to run and manage under the current Covid restrictions, but eventually it has yielded results. The team scaled up steadily throughout the year rather than a big bang approach and the feedback so far is that the new capacity is being used, helped by the prioritisation of work from respective council digital boards/steering groups. The 'flex resource' has also been recruited and now gives the IC's additional options for delivery of digital work requests that are urgent / short notice and cannot wait for a future sprint to become available.
- 3.2.4 This year has also seen the digital team fill their key role of Digital Operation Manager. Issues such as monitoring and managing the day to day demands, the 'technical debt' of previous developments, implementing processes, procedures and technology for monitoring and reporting on public facing services are just a few areas that this role has started to progress and deliver.

3.3 Financial Performance

- 3.3.1 Financial management and reporting has also continued to improve throughout the year. And although overall the current outturn evidences that 3C ICT are delivering the savings as expected and in line with business plans, there is a risk that some reductions and savings achieved this year are not able to be tracked because they are not currently included in the baseline business case. Instead they are being swept up in recharges along with ad hoc ICT council spends.
- 3.3.2 The quarterly meetings with the council finance leads have been extremely useful and as a consequence we are close to agreeing a method of adjusting and quantifying the amounts to be included in the baseline business case – taking in to account growth and genuine recurring costs that should have been included in the original business case. In future years this will impact the total budget allocated by each council and may appear as an increase, but by being a more accurate reflection on costs, the ICT service can be better managed.
- 3.3.3 Provisional outturn position for 2020/2021:-

| | BUDGET | FORECAST | VARIANCE |
|------|-----------|-----------|----------|
| CCC | 2,991,556 | 2,935,626 | -55,930 |
| HDC | 2,084,951 | 2,073,801 | -11,150 |
| SCDC | 1,375,465 | 1,355,735 | -19,730 |
| | 6,451,972 | 6,365,162 | -86,810 |

3.3.4 The overall financial outturn still demonstrates a saving over the budget based on re-profiled business case approved in February 2018. The council are paying less for their ICT service against that agreed baseline in spite of a very challenging year due to Covid and increases in demands.

3.4 Service Performance, Customer Feedback and Service Delivery

3.4.1 KPI 1 Customer Satisfaction with 3C ICT as measured by receipt of both unsolicited (compliments, complaints and comments) and solicited feedback (feedback requests for all resolved calls and quarterly surveys), average remained just under target for the first 3 quarters of the year, mostly due to service outages during Aug (security certificate issue) and Nov (Data Centre networking issues). However, a rally with customer feedback during Q4 allowed the overall performance to be recovered and meet the annual target of 95%. KPI's 4 (3C ICT Resolution) and 5 (Request starters-moves-changes) performance has missed out on meeting performance by a couple of % with Amber overall for the year, but KPI3 Service Desk Resolution (measured by jobs resolved directly by the service desk at point of contact) has remained above target throughout the year. This fit well with the change of support model with the vast majority of staff having few options to come back in to the office for support and therefore relying more on the service desk. This was only possible due to the additional 'covid fund' funded additional service desk resource that had been brought in to assist.

3.4.2 Following the implementation of changes to the incident management process last year, problem management processes which look at root causes of incidents was introduced. This has had a positive impact by reducing the number of repeat incidents. Examples include RDS service issues, understanding performance issues certain applications, data centre resource capacity issues. This has contributed directly to the overall reduction in high priority (P1) incidents throughout the year.

3.4.3 The year hasn't been without its difficulties and challenges though. All three councils rely on the services and systems to be available. With Covid working practices, not only do staff need to access systems and services in different ways and for longer periods of the day, residents, businesses and members of the public have had a greater reliance on services. Especially access to Covid support and guidance.

3.4.4 A series of linked technical issues during Oct and Nov affected the data centre which meant availability fell below what 3C ICT aspired to. The entire 3C ICT team were acutely aware of the impact this had on not only council staff, but the quality of service being provided to residents, businesses and members of the public. Fixes were implemented as soon as the root cause (software bug) was identified, and since then stability has been restored. This has highlighted the reliance we have on a small number of global suppliers when using what is regarded as industry standard technology. This problem also surfaces when considering responding to cyber security alerts and risks – See Cyber security section below.

3.5. Cyber Security

3.5.1 2020 to 2021 has seen the trend of increasing cyber security demand continue. At the beginning of the year, the incident that hit Redcar and Cleveland Council had an impact on all councils around the country. Reviews, data returns, assessments, audits had to be picked up and fed back to the 'centre'/MCLG. This in itself took a lot of time and effort from managers and technical staff. However as we moved through the year, major international/global cyber security incidents also took time and effort. Three supply chain attacks in 6 months on major vendors, who are regarded as industry standard and leaders in their field have shown this trend is on the increase – SolarWinds, Mimecast, Microsoft. Previously we've seen 1 a year where the impact has been very limited, but these three have resulted in 100's a hours of work across multiple teams. A review of what skills and resources we need to allow to try and stay on top of this growing risk area is now underway and will most likely lead to options being presented and budget bids for resources/tools/services to help keep the councils and safe and secure place to work and conduct business with.

3.5.2 Appendix A provides a summary of the current cyber security risk assessment based on NCSC good practice.

3.6. Project Performance

3.6.1 Covid 19 response - Even though the Council Anywhere project completed roll out last year we are of the view that the benefits were not able to be fully realised or recognised until the impact of Covid hit the councils. Until that point the project had delivered the infrastructure improvements and replaced old laptops, but the value of enabling the work force to work remotely immediately and to allow continuity of service has only really been felt over the past 12 months. In addition, the ability to add telephony functionality to teams has allowed the council to continue to work from home and handle phone calls as if they were in the office. This was unplanned technical configuration work, but the phased roll out has meant by the middle of the year almost 1/3 of staff were already using Teams Telephony and valuable lessons were being learnt and able to be fed in to the formal telephony replacement programme.

3.6.2 Infrastructure and Data Centre - The project to disconnect the infrastructure from the legacy CPSN core network (which marked the closure of the EastNet Programme of Work) was achieved ahead of the hard cut off date. As well as the migration of the City Unify telephony and contact centre on to EastNet. This

included a test of the fall back service which had never been proven until that point.

- 3.6.3 Infrastructure projects also accounted for 2 of the biggest pieces of work over the past year. First off was the installation of the generator at PFH which greatly enhanced the resilience of the data centre services in the event of power supply issues in Huntingdon. Secondly the move of the Data Centre from Cambridge to Peterborough. Both projects required significant risk management relating to the availability and continuity of all on premise hosted services but these were managed successfully with no unscheduled downtime. These projects also provided the opportunity to run all hosted services from each half of the data centre infrastructure which provided assurance to each council that the integrity of data and services is protected in the event of a catastrophic failure at one site. There is one more test to perform during 2021 to 2021 which is running all services from the new site in Peterborough. This will be scheduled with agreement from the IC's and Directors in due course once peak activity relating to annual billing and elections is complete.
- 3.6.4 InTune - Migration of all mobile devices on to the new InTune management platform allowing the councils to make more of the investment in the Microsoft Enterprise agreement as well as supporting the roll out of Teams / O365 access to mobile devices. Also delivers better management, monitoring and security capability.
- 3.6.5 SCDC Telephony migration to Teams - Telephony service migration for SCDC was also another major project achievement during the year. This project not only migrated services for the entire council without any interruption to customer facing services, but significant unnecessary / unmanaged costs were identified with the legacy service. This is being fed into the wider Telephony and contact centre programme of work for the 3 councils taking place during 2021 to 2022.
- 3.6.6 Single print environment - This has delivered a truly integrated and seamless print service across all 3 councils allowing any member of staff to be able to print to / collect prints from any MFD device on any of the council sites. At the same time the number of MFD devices have also been reduced (by almost half) to allow further efficiencies and savings to be realised.
- 3.6.7 Waste Services - Follow on go live phases of the Yotta Alloy project have continued throughout the year with major go live milestones achieved – one for City and two for HDC.
- 3.6.8 Tascomi - For the majority of the year 3C ICT were delivering the technical elements of the programme of work, supporting service areas with their data migration processes and technical transition from separate legacy systems into a single cross partner solution. However, following the departure of the programme manager in Dec 2020, 3C ICT were asked to act as 'caretaker' programme manager to ensure risks that had emerged and put the overall programme at risk were adequately managed and that a basic implementation could go ahead on time so that legacy services could be decommissioned and avoid costly renewals. The programme of work has now been re-assessed and

split up into several follow up stages and is able to be handed over in a more manageable state to the service areas to pick up again.

3.6.9 PSN - The project for the PSN renewals for all 3 councils was completed with certificates of assurance being issued at different points during the year. However, the City pen testing had to be delayed and rescheduled due to Covid restrictions that affected all on site testing. This was done in consultation with and full disclosure to the national accreditors so as not to risk any kind of certificate lapse or exception reporting for City. Ultimately all 3 councils achieved PSN assurance, and for the coming year we've taken the first steps to consolidate the submissions with the aim of simplifying the process with the Cabinet Office. Pen testing and auditing for this has already started so that this year all 3 councils will align PSN submissions in to one document set for approval.

3.6.10 Project Processes - One of the objectives set last year was to implement changes to further develop the project and work request commissioning process. Previous feedback from within ICT, IC's and requestors pointed to issues relating to the transparency of scheduling and prioritisation decisions. Working closely with the IC's and key stakeholders a process review was undertaken and an updated assessment and scoring process was implemented and made visible to staff via SharePoint. This has been an enormous help in ensuring drivers and priorities are agreed collectively and all relevant parties are kept updated with decisions made. However due to volume of requests for projects and work requests, demand has far exceeded capacity. A backlog of 120+ items over and above what has been agreed with the IC's has built up. The interim Strategic Portfolio Manager is putting proposals together to be presented to IC's senior stakeholders on how to effectively and efficiently manage and report on the portfolio of work across the 3 councils. Initial findings show that the 130+ project requests combined with just 6 basic project monitoring points makes the overall portfolio of work unmanageable in it's current form.

3.6.11 3C ICT remain committed to working closely with the councils individually and collectively to manage those priorities and providing options on delivery of work highlighting risks and constraints that need addressing and presenting options and recommendations about changes to the overall approach.

3.7 Summary

3.7.1 Of the KPI's being reported 3 are above target and green, and 3 are just below (within a few %) at Amber within tolerance.

3.7.2 Savings and reductions over the pre-shared service position and in line with business case objectives have been delivered

3.7.3 Infrastructure improvements to address risks have been delivered and major milestones in technical DR testing achieved.

3.7.4 New digital services and improvements to existing services have been delivered working closely with IC's on meeting priorities that have changed regularly. Business grants and website updates are of note here.

- 3.7.5 Adapted to a completely new operating model to support staff over an extended period of time who have transformed and, in some cases, re-invented the way they work at individual, team and service area level.
- 3.7.6 Delivered projects under difficult conditions where resources, timescales and requirements have had to change, but maintaining quality and costs. However a review of the overall approach to projects is required because demand is far greater than capacity to deliver.
- 3.7.7 Managing the ever changing and ever-present local cyber security risks against the backdrop of International/Global incidents. In particular supply chain attacks have been a major problem in the 6 months of the year that we have to keep on top of.

3.8 For the future

- 3.8.1 Cyber security risks - Growth in the cyber security capacity and capability within ICT is needed as demonstrated by the unplanned for work during the year. Strategic and operational options and decisions required on what kind of approach we want to take.
- 3.8.2 Increased estate – Growth in devices across the estate has had an impact on the sustainability of 3C ICT support and management systems. Options and impact of different delivery models will be provided so that business cases can be developed to support additional funding for specific teams.
- 3.8.3 Infrastructure review and move to hosted/cloud – The output from the independent data centre technical review is currently in draft and will be presented to the Councils shortly. This will also include cost models for migrating to fully hosted services. This will give the Councils options to consider on how quickly or whether moving to externally hosted solutions provides the right balance of risk/cost/benefit.
- 3.8.4 Budget/baseline business case costs – Following a year of financial analysis associated with providing and developing ICT services, it's clear that there are many costs and charges respective finance teams would like to see included in the main business case charges. The introduction of these changes will require careful management so that the aims, objectives, savings and reductions outlined in the original business case agreement are not lost or ignored.
- 3.8.5 tFlex resource for digital team – With more requests for integration of data and systems to support the digital growth agenda as well as the expected growth in interest in developing mobile applications, the flex resource within the digital team should be called upon more often this year. We understand that service area's are finding it difficult to plan sufficiently far ahead to secure time in sprints, and rather than pushing work to the back of the queue, this will provide the IC's and Service Area's with more options to obtain digital team resource at short notice if funding is available outside of the annual bid process.
- 3.8.6 Benefits realisation and review of project delivery approach – This year CA has evidenced the benefits and value from the project to implement and roll out the new technology, but this is not done as a matter of routine by project/programme sponsors. The councils should consider if and how this

needs to be covered within the project and programme management processes as it can fundamentally change project briefs and business cases. The way in which ICT projects and work requests are commissioned, managed and delivered are also undergoing change now that scoring and prioritisation by the IC's is embedded. During Q1 we expect to consult on and issue guidance on key roles, responsibilities and accountabilities and process for ICT managing projects as well as controlling and reporting on the backlog.

- 3.8.7 Telephony and Contact Centre – The core telephony plus contact centre replacement will be a major technology transformation programme of work this year. It links to a number of major work streams that support multiple council priorities. This work has the potential to impact and transform every service area in each council and will need strong sponsorship, support, significant technical and non technical resources to be delivered successfully and provide the expected benefits.
- 3.8.8 Supplier management – Whilst this has improved a lot this year (as shown with City R&B renewal) and the Microsoft license consolidation work) it has also show this area still needs a lot more time and effort if it's to continue to deliver financial and service benefits across more services. Complexities due to the 3 council partnership arrangements and 3C ICT legal status are now emerging that were not fully appreciated previously. 3C ICT will continue to invest as much time as practical to ensure best value is derived from the priority and critical contracts as agreed with the IC's and councils.

Appendix A – Cyber Security Risk Management Summary

| AREAS FOR MONITORING AND MANAGING CYBER SECURITY RISKS. | | | | |
|--|------------------------------|---------------------|--------------------------------------|--|
| | NCSC 10 Steps Theme | Rating ¹ | RAG (0-3 red, 4-6 amber, 7-10 green) | Direction of travel since last Q. review |
| | Risk Management | 6 | AMBER | ↔ |
| | Secure Configuration | 7 | GREEN | ↔ |
| | Network Security | 7 | GREEN | ↔ |
| | Managing user privileges | 7 | GREEN | ↔ |
| | Incident management | 5 | AMBER | ↔ |
| | User education and awareness | 6 | AMBER | ↑ |
| | Malware prevention | 8 | GREEN | ↔ |
| | Monitoring | 6 | AMBER | ↔ |
| | Removable media controls | 8 | GREEN | ↔ |
| | Mobile Working | 7 | GREEN | ↔ |

The Improvements in the User Education and Awareness section this quarter is centred around the updated version of the IT Security Policy / Acceptable Use policy that is currently going through the Information Governance Groups at each council. “versions of the policy are currently being considered and awaiting sign off. One is an ‘abridged/cut down’ version which is a summary and provides all the main points in a short document, the second version is the detailed/full version which links from the summary version. Once this is signed off and a method of recording staff reading and understanding the policy, we will move from amber to green.

The steps required to bring the remaining themes to Green are as follows:-

Risk Management - Once we receive the final version of the audit relating to this process (due by the end of May 2021) and we complete any high/critical recommendations we can move this from amber to green. The aim is then to maintain Green by sharing the quarterly summary more widely than the Shared Service board, to also include, but not limited to each Councils Information Governance groups, and other senior managers within each council.

¹ Rating based on recognised good practice where zero is no controls in place or yet to be initiated, 5 is defined and managed and 10 is fully optimised and mature controls.

Incident Management - Work continues on the development of the Incident management section which involves internal sign off of the technical incident response plan. This should be complete by the end of May, and once we carry out some table top exercises to test the plan we can also move this from amber to green. To maintain Green there are a series of tests and exercises published by the NCSC we can run aimed at different stakeholder groups and levels.

User education and Awareness – This area is now being supported by the IG groups at each councils and once the joint update of the acceptable use policy is complete and the process of monitoring sign up is agreed, this can move from Amber to Green. To maintain green a review and update of annual refresher training is planned to be started this financial year with new and updated content to be published.

Monitoring – The activity required to move this theme from Amber to Green involves completing the implementation of additional monitoring and audit tools. This area is subject to regular reviews and change because of the continual changing threats that are emerging. Therefore maintaining green will be dependent on wider cyber security threat and risk trends and the development of a continual service improvement plan. This year will be the first time we have approached cyber security management this way and may benefit from a follow up audit review in 12months time.

Cyber Security briefing: -

The Cyber security risk management process has been subject to an audit by BDO and the early feedback (final report is still going through approval process before being submitted to the council) is that the process being used and follows does provide assurance that the right areas of cyber security risk management are being covered. We have also been working with MHCLG and their cyber security working group who are trying to develop a risk management dashboard. This approach (above) is more detailed than the early releases we have been asked to review, but we'll continue to monitor their developments in case it provides additional benefits.

Cyber security incidents of note

This quarter we have seen a number of global cyber security incidents that have affected us locally within the council.

The Fire Eye tools 'theft' that was mentioned last quarter that impacted the Solar Winds network monitoring tool that we use still continues to incur work for the technical teams as more information and data is released about the impact. The teams completed a rebuild of the environment in December and January, but have to continue applying out of cycle updates and patches as the supplier disclose more details about potential risks and vulnerabilities. This has taken several weeks work from 2 infrastructure engineers during this time.

At the end of Jan Mimecast disclosed details relating to compromise of security certificates that would undermine the security of some of their products. One of which we use as part of our email security layer. This required several days of work – often out of hours by the infrastructure team to run tests, apply updated certificates and checking logs to ensure our system had not been impacted by this breach.

At the beginning of March another major global cyber security incident involving Microsoft exchange services was disclosed. This related to a previously unknown

vulnerability that was being actively exploited worldwide in the 10's of thousands. Even though our systems were configured in such a way that we weren't immediately vulnerable to the exploit, the issue was so severe that all users of Microsoft Exchange were strongly advised to apply updates and check their systems for signs of compromise. There was a significant amount of advice and information coming out regarding this issue and updated advice continues to be sent out. To date this has required 2 engineers almost full time over almost 3 weeks to keep on top of this.

The trend over the past 2 or 3 quarters is that global supply chain attacks such as this are becoming more frequent. Instead of seeing 1 or 2 a year we are seeing several each quarter. This additional demand will be considered as part of our service review and may lead to a request for additional funding for cyber security resources.

Section 4 - Building Control Shared Service Annual Report 2020/21

4.1 General Information

4.1.1 3C Building Control was set up in October 2015 with the following objectives:

- Protection of services which support the delivery of the wider policy objectives of each Council.
- Creation of services that are genuinely shared between the relevant councils with those councils sharing the risks and benefits whilst having in place a robust model to control the operation and direction of the service.
- Savings through reduced managements costs and economies of scale.
- Increased resilience and retention of staff.
- Minimise the bureaucracy involved in operating the shared service.
- Opportunities to generate additional income, where appropriate.

4.1.2 When creating the shared service, the priorities were to improve capacity by expanding the skilled team with management arrangements that enabled resources to be deployed effectively and efficiently, the adoption of best practices and processes and to improve recruitment and retention in local authority building control services.

4.1.3 This Annual Report reflects progress against the Business Plan for 2020/21. The Plan contained detailed service information and was approved at partner committees in March 2020. Given the commercial nature of the service, only limited information has been included in this public report.

4.2 General Progress

4.2.1 The service review growth strategy is now complete and the new structure is in place as of 1 April 2021. Although the impact of Covid-19 caused some delay in implementation it provided a real opportunity in respect of transforming the service position in respect of future ICT and accommodation.

4.2.2 Recruitment has therefore been deliberately limited due to the service review and Covid-19, recruitment during the year consisted of one apprentice assistant and a fixed term administrative support assistant. One senior surveyor has moved to promotion at another Council and one technical support officer has recently decided to retire.

4.2.3 The Street Naming and Numbering function has now transferred to 3C Building Control from 3C ICT for all three partner Councils, along with demolitions. This ensures consistency across the partners and allows for resilience and greater efficiencies in the technical support function.

4.2.4 The team continues to improve its processes. Most applications are submitted electronically, and the service incorporates digital processes. The planned

programme of scanning of live historical files during 2020/21 has been delayed due to Covid-19 and will now take place in the new financial year.

4.2.5 In terms of the recognition received by staff during the year, the team were finalists again in the iESE Public Sector Transformation Awards in March 2021 for the efficiency and effectiveness category, winning either bronze, silver or gold. The order will be announced in September 2021. One member of the team is also a finalist in the European WICE (Women in Construction and Engineering) awards for her success in mentoring newly appointed team members within 3C Building Control, judging will be on 22 April 2021.

4.3 Financial Performance

4.3.1 The outturn position for 2020/21 is recorded in the table below:

| £ | Budget | Actual | Variance/Outturn |
|---------------------|-----------|-----------|------------------------|
| 3C Building Control | 1,910,120 | 1,740,221 | -169,899 Underspend |

4.3.2 It is a requirement that each Council contributes to the non-fee earning account for all statutory works for which the service is unable to charge.

4.3.3 The service is forecasting an increase in the deferred income.

4.4 Service Performance

4.4.1 Building Control had eight Key Performance Indicators for 2020/21 ranging from acknowledging and determining applications to customer satisfaction levels. These KPIs form part of the quality management system adopted by the service. The performance indicators for 2020/21 indicate the service continues to provide a quality service to its customers and exceeds performance targets.

4.5 Customer Feedback

4.5.1 For 2020/21 the Building Control Partnership has been collating data on the percentage of customers who overall have rated the service as good and above. The service forwards customer satisfaction surveys to all customers, including those who submit regularisations. This is captured via an online survey forms utilising Microsoft teams and returns are generally positive. An interim target of 75% has been exceeded with an actual rate of over 87% satisfaction which is an increase from last financial year.

4.6 Key Projects

4.6.1 3C Building Control has four projects identified in 2020/21 Business Plan.

- 4.6.2 The first two projects consist of a full review of the ICT infrastructure to maximise effectiveness of the team and enable agile working. This is interlinked with the second project, change management and implementing a digital service. The service is now progressing these with an ideology of a fully digitalised service and use of automation to improve the customer experience. A project initiation document will be submitted into CCC corporate programme office.
- 4.6.3 Various workstreams have been identified in the final two projects to extend discretionary services to customers and to regrow market share and develop commercial opportunities. These include providing energy, sustainability and climate change advice, clerk of works service and peer reviews in other Councils. These are all in train.
- 4.6.4 The team are currently reviewing requirements for office accommodation in the mid term and a project initiation document will be submitted to CCC corporate programme office. This will be a proof of concept on accommodation in the guise of a digital welfare workspace.