

Meeting	OLC	Agenda item Paper No.	Information only 92.11
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Title	IT and Digital Strategy Update
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Status	OFFICIAL

Executive summary
<p>The Board approved the current IT and Digital Strategy in December 2017. This paper outlines the solid progress made over the last year, notes the main challenges we have faced in delivering to plan, and identifies the intended priorities for the forthcoming financial year and beyond.</p> <p>In the last year, we have completed work which has successfully addressed fundamental issues with the organisation's IT systems and infrastructure. This has delivered a step change in IT performance and is allowing us to focus on more strategic developments – digital service provision and business insight/data – which underpin the significant strategic opportunities through digital, artificial intelligence and machine learning.</p>
Recommendation/action required
Board is asked to NOTE the progress made on strategy delivery and the intentions for 2019/20.

IT and Digital Strategy Update

Background

At its December 2017 meeting the OLC Board considered and approved, subject to minor amendments, a new three-year IT and Digital Strategy.

The strategy set out the progress that had been made since late 2015, when the case management system (CMS) was failing regularly, the infrastructure and telephony were not being properly maintained, and suppliers were underperforming. At that time, the IT issues were a material factor in poor performance, with downtime running at approximately 10%.

To address the impact of downtime on KPI performance, we started a journey aiming to achieve a step change through taking a Cloud-based approach, which would provide both flexibility and future-proofing. At the point of the new strategy both suppliers had been replaced, the old CMS had been stabilised, a new clean CMS was being built to support a new business process and staffing model, systems in the old infrastructure supplier's data centre had been shifted to the Cloud, a new intranet had been launched, and a new telephony solution was being acquired.

The strategy was fully aligned to the Modernising LeO programme and was focused on three key aims:

- better incorporating the needs of external customers;
- delivering further efficiencies and economies in IT services; and
- developing data, information and digital savviness and capability.

Progress in 2018-19

Progress against the actions set out in the Strategy are documented in the attached annex. Every item is either green (on target or delivered) or amber (de-prioritised for operational reasons). The key highlights are as follows:

- the new CMS was delivered and rolled out successfully, and the highest-benefit enhancements have already been made;
- we have developed the organisation's data and information through an initial set of dashboards delivered either using the new CMS or the new business intelligence (BI) solution, which provide improved management information and will support more powerful analysis and sharing of insight;
- the delivery of the new CMS, infrastructure and technology has enabled us to extend our focus to incorporating the needs of external customers; the Customer Assessment Tool and its enhanced web complaint form are a critical first step that has provided an additional channel for complainants and is successfully filtering out those we cannot help;
- new meeting room technology is currently being introduced, ahead of schedule, including interactive facilities and Skype video conferencing;
- efficiencies realised from investments made to date have enabled us to set an indicative 2019-20 IT revenue budget that is £0.3m (20%) lower than 2018-19; and
- scoping activity for both the website and digital projects is underway in time to enable delivery in 2019/20.

Several factors have led to some changes in the schedule of lower priority deliverables set out in the original strategy, which include:

- a slightly later go-live for CMS than anticipated when the strategy was developed;
- the timing and duration of the change freeze for the mandatory v9 upgrade of CRM;
- the organisation's focus on improving operational performance; and
- the impact on IT of reductions in budgets (capital and revenue) for 2019/20.

Look Ahead

By the end of 2018/19 we expect to have:

- a) completed the upgrade to Dynamics CRM v9;
- b) undertaken the remaining CMS2 enhancements delayed by the change freeze, notably those that support the tail end of our business process;
- c) decommissioned CMS1 and linked BI tools to the CMS1/WorkPro archive to enable better data analysis;
- d) delivered further priority management information and reports to help managers understand and lead the business better;
- e) replaced the ageing Wi-Fi with a Cloud-managed service to support flexible ways of working onsite and improve the maintainability of that service; and
- f) largely completed the rationalisation of our Azure Cloud environment into the newer one (Azure Resource Manager - ARM), improving CMS resilience, updating older technologies, and delivering revenue savings.

This work will have helped to build solid and sustainable foundations, using up to date technology and giving LeO (rather than its suppliers) the necessary control to deliver services that both can meet today's needs and evolve with both the business and the rapidly-changing technological world we exist in.

This year there has been a shift in appetite towards smaller, quicker improvements and away from larger projects, particularly with the success of the Customer Assessment Tool (CAT). We anticipate that this will be a continuing trend as the focus remains on performance, which along with budgetary pressures will influence both the future size and shape of the IT team and the way in which we deliver the identified priorities for 2019/20:

1. further augment our BI/MI provision to support improved business performance (B5/E4 – see annex);
2. deliver an improved LeO website platform that gives customers a better experience, is more secure and facilitates digital service provision (E3);
3. complete some small-scale digital projects to benefit LeO and its customers (E2/E3/E7);
4. make further CMS2 changes to support improved operational productivity and facilitate any expansion of the supervision model (B1/BAU);
5. introduce “use your own device from home” for LeO end users with more robust security controls (subject to realising the savings from rationalising our Azure estate) (D1);
6. improve records and information management discipline within LeO (A2/D4); and
7. enhance IT and data literacy within the organisation (B1/C4).

Throughout 2019/20 we will also be looking further ahead and exploring the potential that emerging technologies, such as artificial intelligence (AI) and associated machine learning, may be able to offer to help improve both customer experience and our internal processes. To kick start this we are arranging an AI awareness workshop for management team in Q4 this year.

More broadly, the Head of IT has, through the Ombudsman Association, led the establishment of a virtual group of digital and technology leaders across its membership, which she will chair.

Annex: Progress Against Actions in The IT & Digital Strategy

Theme		Action	Timing	Update
Theme A: Reducing Our Information Footprint	1	Deliver Phase 2 of the new CMS (mostly legal and compliance activities)	Q1-2 2018	First phase of enhancements delivered; others deferred until Q4 due to v9 mandatory upgrade change freeze.
	2	Establish and introduce BRIM (better records and information management)	Q1-4 2018	Scoping delayed to Q3 with change in Data Protection Officer with project activity kicking off in Q4 and through 2019/20.
	3	Ensure LeO and its IT systems are GDPR ready	⇒Q2 2018	Completed; GIAA audit planned for Q3 and ICO audit in Q4.
	4	Assess and improve our Cyber Security for compliance and any future portal	Q3-4 2018	Scoping work commencing this quarter and being aligned to business direction for the website and digital initiatives.
	5	Decommission WorkPro2	Q2 2018	Solution already read-only and along with CMS1 data will be integrated into BI.
Theme B: Building Analytical Capabilities	1	Provide data concepts and analysis training for data users	2019	Intended for next financial year, budgets permitting.
	2	Develop dashboards for improved strategic MI	Q1-2 2018	New dashboards provided in both the CMS and the BI solution.
	3	Undertake a strategic review of Finance and HR systems and interfaces (to each other and to CMS)	2019	Reviews planned for next year, with a view to looking at low cost approaches to absent but required functionality as entry/exit procurement costs are disproportionately high.
	4	Introduce time recording to support better resource planning within Operations	2019	Likely to be pushed back to 2020/21 with budget constraints; scoping activity can take place in 2019-20.
	5	Deliver improvements in BI solutions to create better insights from multiple sources	2019	New BI solution already in place and will be gradually augmented with further sources and reports.
Theme C: Maximising Our IT Investments	1	Develop a cross-organisational group to explore and exploit O365 apps and functionality	Q3-4 2018	De-prioritised for 2018/19 with the focus on performance but will be resurrected once Operations has the capacity to support participation.
	2	Deliver the LINKup project to make SharePoint Online work better for LeO	⇒ Q2 2018	Descoped from Modernising LeO to allow delivery of CAT and other planning for the website. Will review over 2019/20 and deliver improvements around digital/website priorities.
	3	Review IT's relationships with its customers and build greater engagement	Q1 2018	Ensured IT attendance at Operations management meetings; established CMS surgeries; working on a service catalogue.
	4	Establish a baseline for end user skills – BUSKit (Basic Understanding Skills and Knowledge of IT)	Q2-3 2018	Started working on an IT literacy initiative within IT, but likely to stretch into 2019/20.
	5	Identify and deliver the right sourcing approach to deliver the aims and themes of this strategy	Q1-3 2018	Input to CEO review; team structure and roles remain under review.
	6	Define and implement an appropriate approach to IT asset refresh	Q2 2018	Early thinking done, but documentation delayed to Q3/4 2018.

Theme		Action	Timing	Update
Theme D: Facilitating More Flexible Working	1	Introduce technologies and controls to enable UYOD (Use Your Own Device) at home	Q1-3 2018	Procedural controls in place within Operations; initial no-cost solution for two-factor authentication proved unacceptably burdensome on users; hoping to find budget for fuller solution in 2019/20 (subject to realising savings from ARM).
	2	Implement more robust and improved meeting room technology, including audio and video conferencing	2019	Ahead of time with new interactive screens and video-conferencing being introduced this quarter.
	3	Identify and introduce a solution for digital meetings of senior management and the Board	2019	Intended for next financial year and will be looking at low/no cost alternatives.
	4	Establish a project to identify and assess potential Knowledge Management initiatives for LeO	2019	Intended for next year; should arise as a natural next step from the better records and information management project.
	5	Assess and augment wired and wireless bandwidth once increased flexible working takes off	Q1-2 2018	Some wired connectivity improvements undertaken; cloud-based wi-fi was deprioritised until Q3/4 and a pilot is imminent.
Theme E: Enabling Stakeholder Engagement	1	Deliver the customer assessment tool to improve engagement and deliver efficiencies	2018- 19	Delivered in early Q3.
	2	Establish requirements and assess business case for self-service/portal functionality	2018- 19	Digital workshop taking place this quarter to identify some high benefit small-scale projects for 2019/20 delivery.
	3	Refresh LeO's website to better meet the wider needs of customers	2019	Initial scoping already commenced ready to inform technology requirements in advance of delivery in 2019/20.
	4	Explore opportunities to share and aggregate data with other organisations	2018- 19	Various business-led conversations have been had, with IT engaged and informed.
	5	Establish IT horizon scanning for consumer-facing tech with potential	2018- 19	AI workshop planned for Management Team in Q4; Ombudsman Association support received to establish a LeO-led virtual strategic Digital/Technology forum.
	6	Review current use of social media and opportunities to widen our reach	2018	External Affairs have been reviewing and increasing social media activity.
	7	Make our popular CPD available online as eLearning	2019	Floated as part of future website augmentation for delivery next year.