

DRAFT SAVINGS PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2021-24

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|-------------------------------|--|------------------------------------|--|
| Proposal Title: | Reduction in the level of IT support services | | |
| Reference: | SAV / RES 006 / 21-22 | Savings Type: | Reduction in provision |
| Directorate: | Resources | Savings Service Area: | Central services |
| Directorate Service: | IT | Strategic Priority Outcome: | 11. The Council continuously seeks innovation and strives for excellence to embed a culture of sustainable improvement |
| Lead Officer and Post: | Adrian Gorst, Divisional Director, IT | Lead Member and Portfolio: | Cllr Candida Ronald, Cabinet Member for Resources and the Voluntary Sector |

| Financial Impact: | Current Budget 2020-21 | Savings/Income 2021-22 | Savings/Income 2022-23 | Savings/Income 2023-24 | Total Savings/Income |
|--------------------------|------------------------|------------------------|------------------------|------------------------|----------------------|
| Budget (£000) | 3,638 | (273) | - | - | (273) |

| Staffing Impact (if applicable): | Current 2020-21 | FTE Reductions 2021-22 | FTE Reductions 2022-23 | FTE Reductions 2023-24 | Total FTE Reductions |
|---|-----------------|------------------------|------------------------|------------------------|----------------------|
| Employees (FTE) or state N/A | N/A | N/A | N/A | N/A | N/A |

Proposal Summary:

The IT Service is currently retendering its outsourced services and planning to reorganise internal functions to deliver the same services at a lower cost, with a MTFS committed saving of £550,000 in 2021-22. This proposal considers reducing the range and level of IT services to deliver additional savings of around £273,000 in 2021-22, representing 7.5% of the current budget.

The savings are predicated on a robust application of the target operating model principles including standardisation with the IT service supporting fewer solutions to similar problems and a rigorous approach to self-service. Examples include reducing the standard offer to one lightweight laptop and one standard desktop, requiring all service requests and lower impact incidents to be logged online, all "how-to" questions to be addressed by in-product help, online help and mutual assistance before seeking IT support. We will remove VIP support and reduce service desk support from 24/7/365 to 8am to 6pm Monday to Friday. All training will be online and largely by video rather than live events. Phone use will be rationalised with most colleagues having Teams plus a landline or mobile phone but not both. All Microsoft products will be set to automatically patch rather than being manually tested first. Application upgrades will be moved into service hours to reduce overtime. Hardware support services limited to Mulberry Place/New Town Hall. Only Microsoft Office applications will be available through personal devices, with staff needing access to online business applications having to use their corporate laptops. With applications and their support being the largest cost, we will evaluate and reduce the range of applications in use.

The IT service will provide a basic operational service with users expected to be resourceful and self-sufficient and accept the service is less convenient than it was to protect the IT functions that contribute to digital transformation that delivers additional savings and keeps the council cyber-secure.

All services will be impacted by this saving, particularly as many are predicated their savings on enhanced IT services, and the need to accelerate the cultural shift from asking for help to following online 'how to' guides.

Where possible the savings will be driven from reducing the specification of the tendered services, the release of agency staff, and the deletion of vacant posts, to avoid redundancy and associated costs, however the reorganisation is likely to lead to the loss of some posts and staff, although this can only be determined as the reorganisation progresses.

The retendering of the outsourced services is already underway.

Risk and Mitigations:

Risk that savings can't be delivered within the operational service reductions described and the transformational aspects of IT need to be cut, which will limit the council's ability to change.

Risk that colleagues do not become self-sufficient and place demands on the reduced service that can't be met and lead to service degradation in other areas with staff unable to work

Reputational damage for IT and central services if colleagues don't recognise the imperative to reduce costs and focus on transformational services.

Mitigation is through communication and extensive culture change based on a recognition that change is necessary.

Resources and Implementation:

This represents a variation to the retendering and reorganisation already underway so no additional resources required if the council picks up the culture and behavioural change aspects centrally.

SAVINGS PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

| Trigger Questions | Yes / No | If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage. |
|---|----------|---|
| Does the change reduce resources available to address inequality? | No | |
| Does the change reduce resources available to support vulnerable residents? | No | |
| Does the change involve direct impact on front line services? | No | |
| Changes to a Service | | |
| Does the change alter who is eligible for the service? | No | |
| Does the change alter access to the service? | Yes | Dramatic increase in online access and self-help |
| Changes to Staffing | | |
| Does the change involve a reduction in staff? | No | |
| Does the change involve a redesign of the roles of staff? | No | |

| Summary: | |
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| To be completed at the end of completing the Screening Tool. | |
| Based on the Screening Tool, will a full EA be required? | Yes |

| Additional Information and Comments: |
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