
**ONE SOURCE JOINT
COMMITTEE**

19th June 2024

Subject heading:

one source IT Update

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Summary:

SUMMARY

This report provides an update on progress for the period of April – June 2024 for the return of IT Services back to the boroughs. This includes key activities IT have undertaken working with the boroughs and the key challenges that have occurred over the last few months.

RECOMMENDATIONS

The joint committee are asked to note: The progress updates detailed in this document

REPORT DETAIL

1. Background

- 1.1. In April 2023, by a decision of Cabinet, LBN and LBH decided to split from the one source IT service and associated shared infrastructure to:
- Enable improved flexibility for each Borough to achieve their digital strategies and strategic priorities.
 - Improve the quality of IT services and projects delivery.
- 1.2. The split from one source IT will require work including both Boroughs to be migrated off the current shared infrastructure onto their own sovereign infrastructure. Once the

technology has been split the one source IT staff will be transferred into the Borough new IT delivery models. The existing one source IT service will then no longer exist.

- 1.3. The one source IT shared services split is expected to complete by December 2025, with the boroughs being the strategic decision makers as to how the future IT service is provided.
- 1.4. The boroughs have both provisioned an "IT Client Lead" to oversee and direct the disaggregation of the service back to the boroughs. These Client leads have subsequently onboarded their discrete programme leads to manage activity from their perspective. Undoubtedly these disaggregation teams will require further resourcing as the programme progresses to meet the stated outcomes of the programmes. Additionally, the boroughs have funded an IT Project Manager to help coordinate, plan, and execute activities within the one source IT function.
- 1.5. It is understood that both boroughs are formulating a Target Operating Model (TOM) for the future provision of their IT Services. It should be noted that one source IT is not party to the development of the TOM's at this stage but would be happy to contribute to their development.
- 1.6. In the interests of clarity, it should be noted that the boroughs have chosen different delivery models for the disaggregation of services and for the subsequent delivery of service to the borough and its directorates.
- 1.7. In summary, Newham have elected to appoint a specialist consultancy to enable them to produce a specification to procure a managed services provider who will migrate the services to the sovereign environment and provide a degree of support for the eventual technical environments. one source IT has not been offered visibility of the approaches to reach the end state, nor the absolute scope of the managed services.
- 1.8. Havering have elected to utilise the one source IT Service to migrate their services into a sovereign environment, with augmentation from service partners. The resulting IT Service will be supported by a blend of internal staff and discrete capabilities provided by service partners.
- 1.9. Therefore, the activity which one source IT undertakes for each of the boroughs will differ significantly and this is reflected in the updates below. It is logical to structure these updates into the areas of commonality between the boroughs such as people, information, and contracts and then the areas of divergence such as Technology.

2. IT 2024-2024 progress update for Q1

2.1. People

- 2.1.1. one source IT has provided its current organisational information such as structure and existing job descriptions to the boroughs. The current structure was implemented in April 2024, we expect a degree of variation from the provided information as the IT Leadership Team seek to address vacancies in the structure, so it is important this information is provided to and reviewed by the boroughs regularly.

2.2. Information

- 2.2.1. The boroughs have specified a process for documenting a high-level summary of the applications, tools and other items which are “shared” in nature. These requests are being serviced by an introductory meeting between the borough Programme Managers and the one source Technical SME’s. Following which the technical SME’s must populate the information whilst supporting Business as usual and project-based work outside the disaggregation programme.

2.3. Contracts

- 2.3.1. One source IT currently manages 78 contracts for goods and services on behalf of the boroughs with these are a blend shared and non-shared in nature.
- 2.3.2. The primary contract IT manages is the Microsoft Enterprise Agreement which provides all Microsoft software to each borough. The two boroughs have assumed responsibility for letting their own contract with Microsoft for the March 2025 renewal. Crown commercial Services are running an aggregated Microsoft procurement on behalf of all local authorities in the UK which Havering and Newham intend to join.
- 2.3.3. The boroughs have requested that IT formulate a process for disaggregating the remaining contracts on their behalf whilst supporting BAU and project-based work.

2.4. Havering Technology

- 2.4.1. one source IT has produced an architectural roadmap (Appendix 1) which has been validated and endorsed by the LBH IT Client Lead. IT has also provided an indicative delivery roadmap (Appendix 2) and costings for these activities, which are currently being reviewed by LB Havering. This has not been shared with Joint Committee at this stage as it requires validation and approval from Havering.
- 2.4.2. one source IT has onboarded a partner to begin migrating Havering applications to the sovereign Microsoft Azure Landing zone (Cloud) which IT had previously provisioned for LB Havering.
- 2.4.3. IT are progressing with the creation of a new uniFLOW tenancy for Havering and will be migrating the new Multi-Functional Devices. UniFLOW is the cloud based technology which manages the estate of Multifunction devices and enables “Print Anywhere”.
- 2.4.4. one source IT have been designing the creation of a new sovereign M365 tenancy & the migration of Havering content into it, with Microsoft to provide a high level view of both timeline and costs to feed into the programme plan and budget mentioned above.
- 2.4.5. A pilot is currently in progress to understand the viability of providing internet & Wi-Fi connectivity to Havering buildings using a “Wi-Fi as a Service” model. This will provide key data to inform the business case for the approach to providing network connectivity following the split and return of services.

- 2.4.6. one source ICT have been preparing for the Havering Teams Telephony migration by analysing the existing telephony service (e.g. response groups, numbers allocated and 8*8 connectivity needs) to enable the migration to begin as soon as the Newham migration completes. It is anticipated that the actual migration work and user engagement will start in late July/early August.¹
- 2.4.7. Windows 2012 is now out of official support which means that any security vulnerability's that are identified will not be patched which poses a security risk. To mitigate this, one source ICT have deployed the Azure Arc monitoring tool to all Windows 2012 servers to enable Extended Security Updates to be provided once these have been purchased. This also supports the monitoring that will be in place as part of the Technology roadmap.
- 2.4.8. The proxy servers that are in place at the boundary of the corporate network to secure traffic with the Internet, are end of life in July 2024. These are being replaced with a cheaper, and comparable solution that supports the eventual split and return of services.
- 2.4.9. Implementing configuration changes to the existing Virtual Private Network (VPN) solution, to enable internet traffic (e.g. Microsoft 365) to securely by-pass the data centres to increase the performance for all staff.
- 2.4.10. While not specifically focused on the split and return of services, several systems have recently been migrated to Software as a Service (SaaS) solutions to reduce the number of out of support and legacy systems. These include:
- Epilog
 - Havering's Energy Management system
 - Libraries Booking system

2.5. Newham Technology

- 2.5.1. one source IT has not been engaged in providing support or guidance on the delivery of the sovereign technology estate nor future operating model, however, one source continues to deliver against the initiatives agreed as part of the Stabilisation programme
- 2.5.2. One source IT has migrated all Newham staff onto the Teams Telephony platform to enable the decommissioning of the legacy shared Skype for Business platform. As part of the preparation for this migration, one source IT renegotiated the telephony contracts with Daisy and achieved a savings of approx. £178K pa
- 2.5.3. Windows 2012 is now out of official support which means that any security vulnerability's that are identified will not be patched which poses a security risk. To mitigate this, one source ICT have deployed the Azure Arc monitoring tool to all Windows 2012 servers to enable Extended Security Updates to be provided once these have been purchased. This also supports the monitoring that will be in place as part of the Technology roadmap.
- 2.5.4. The proxy servers that are in place at the boundary of the corporate network to secure traffic with the Internet, are end of life in July 2024. These are being

¹ Given the technical constraints of the shared Skype for Business environment, it has been necessary to focus on one Borough at a time.

replaced with a cheaper, and comparable solution that supports the eventual split and return of services.

- 2.5.5. Implementing configuration changes to the existing Virtual Private Network (VPN) solution, to enable internet traffic (e.g. Microsoft 365) to securely by-pass the data centres to increase the performance and reduce latency for all staff.

2.6. Budget

2.6.1. Havering

- 2.6.1.1. £9 million has been reprofiled from existing capital allocations for one source to complete the IT stabilisation, modernisation, and sovereignty work over fiscal years 24/25 and 25/26.

2.6.2. Newham

- 2.6.2.1. It is understood that the total current Newham capital requirement for IT stabilisation and disaggregation is approximately £8.1m FY 24/25.
- 2.6.2.2. This consists of £1m of one source IT to continue the IT Stabilisation Programme, including Teams telephony, replacement of the perimeter firewalls, Trend proxy, and the migration off Windows 2008 server.
- 2.6.2.3. A capital bid has been submitted for £1.5m in 24/25 for one source IT to implement a new End User Network (Wi-Fi).
- 2.6.2.4. An additional £5.6m capital is sought by LB Newham in 24/25 to provision a partner to undertake the migration to a sovereign IT estate.
- 2.6.2.5. It should also be noted that LB Newham have elected to fund end user devices (laptops) from revenue, on a rolling basis, with £804k per annum being allocated to this endeavour. It should be noted that these funds are not included in the £8.1m capital figures noted above.

2.6.3. Plans and Confidence

2.6.4. Havering

- 2.6.4.1. Havering commenced the programme late 2023 and took a change in direction following intervention from the Section 151 to reject an outsource model designed by the previous Client Director. A new delivery model was set, and a new Client Director joined to deliver the model.
- 2.6.4.2. At this stage in the programme, Havering are making progress according to plan (Appendix 2). The collaboration with one source is providing a firm platform for delivering the required work in time for the December 2025.

2.6.5. Newham

- 2.6.5.1. Newham commenced the programme late 2023 and quickly needed to re-plan following a more thorough procurement process than first anticipated.

The plan for Newham remains either embryonic and at a very high level, (Appendix 3) or not transparent to one source leadership.

2.6.5.2. A lack of collaboration and programme transparency continues to impact this programme from a one source point of view, this has been shared with the Newham Client Director.

2.6.6. Shared

2.6.6.1. One source is actively working on a set of work packages set out by the boroughs, no items on this are of concern.

2.6.6.2. The aspiration to deconstruct the one source department over a protracted period proves to be the most significant cause for concern for the one source leadership team; counsel has been provided for a different approach to both boroughs. That noted, one source will support any form of migration to the new two department models.

3. Legal implications and risks:

There are no legal implications arising directly out of this report or its recommendations.

4. Financial Implications and risks:

The programme has significant financial cost and risk to each borough. This report does not highlight the programme spend of each borough who report this separately to each local authority leadership team.

5. HR Implications and risks:

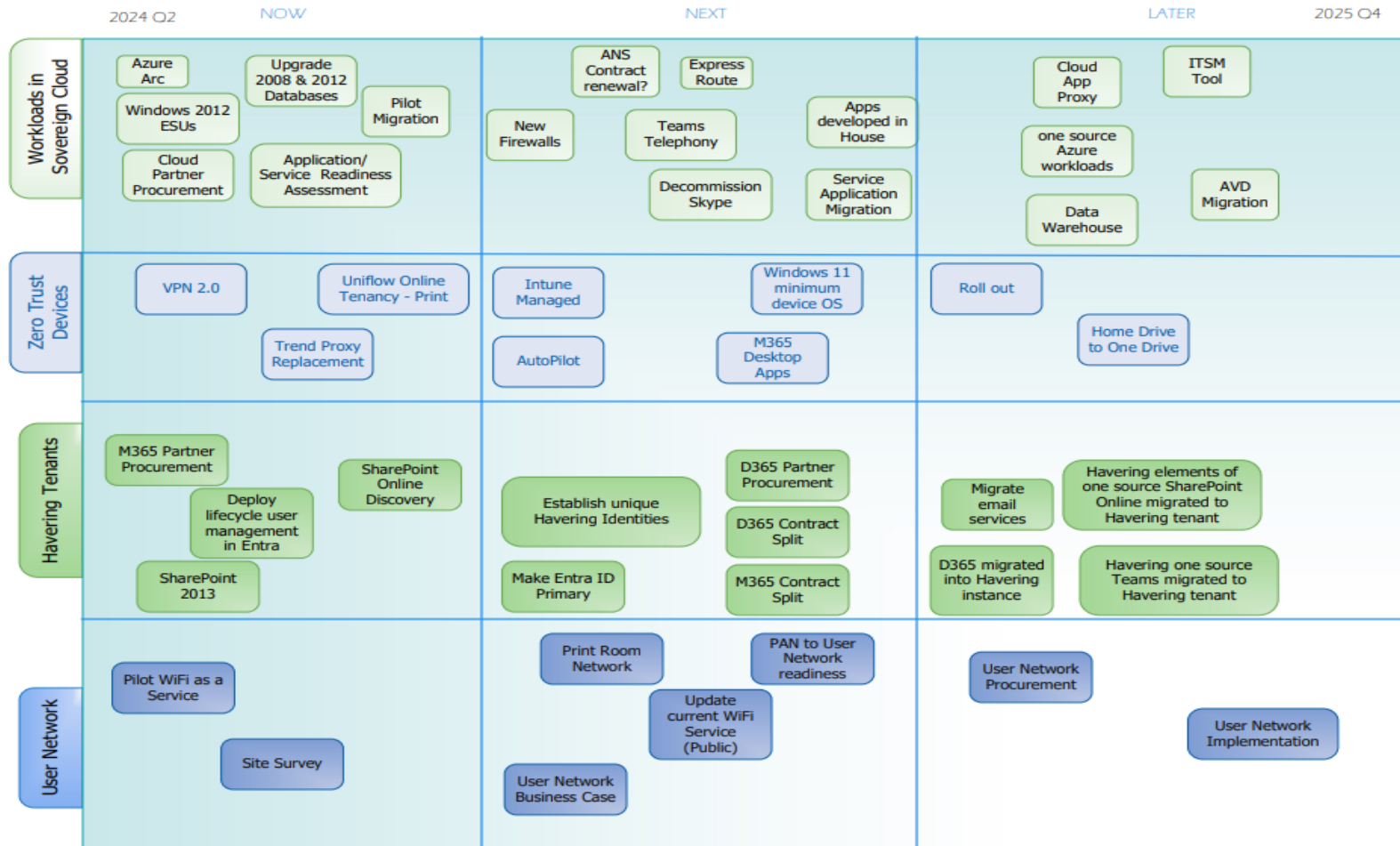
There are no HR implications arising directly out of this report or its recommendations.

Appendix

Appendix

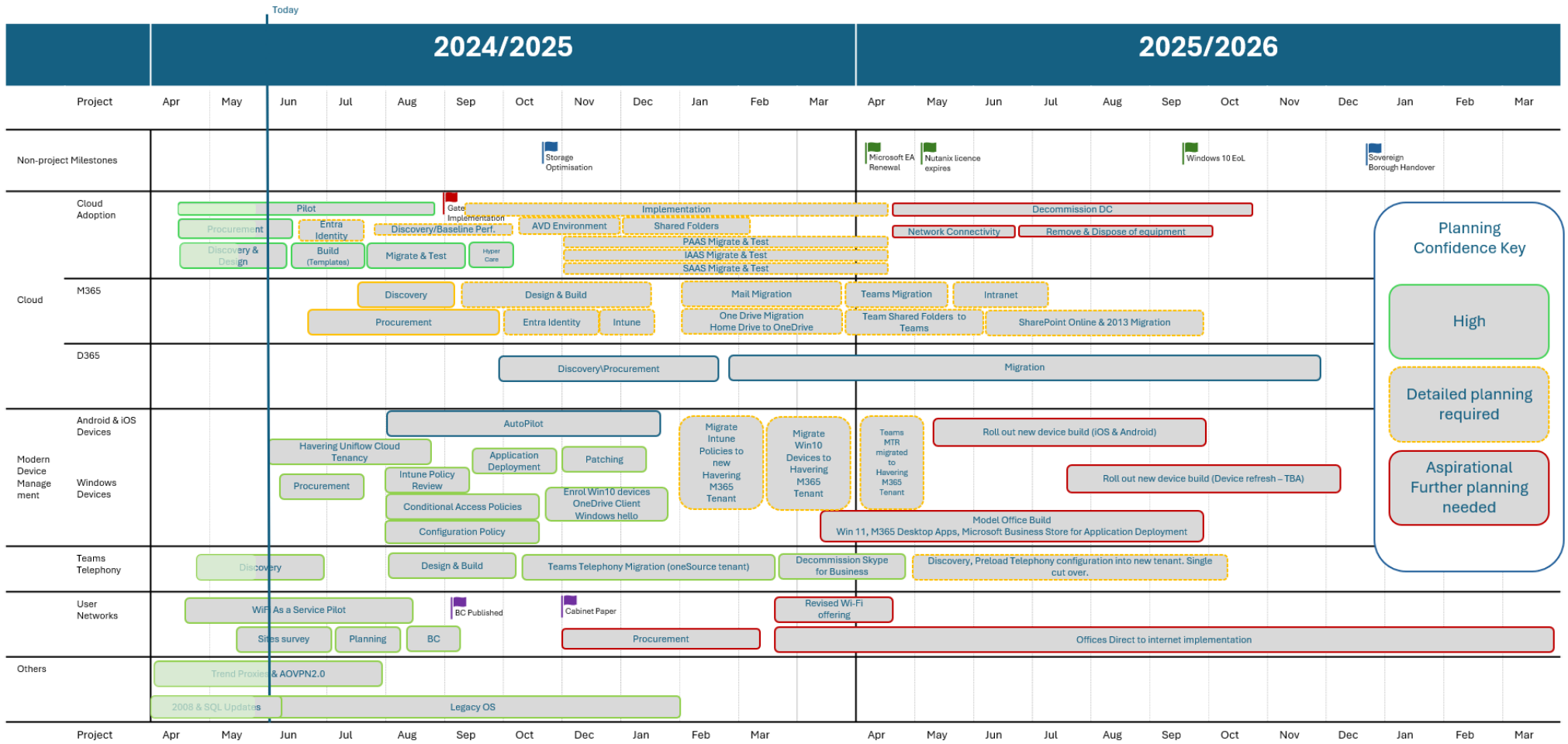
Appendix 1: Havering Technology Roadmap

HAVERING TECHNOLOGY ROADMAP



Appendix 2: Havering Technology Programme Plan

Having Technology Roadmap Programme Plan



DRAFT FOR COMMENT

Last updated: 05/06/2024

Path to increasing planning confidence

Workstream		Due
Cloud Adoption - Amber	Approval to proceed with the migration and then detailed planning with the 3 rd Party support is required to increase the confidence level of the timeline in this area.	August '24
Cloud Adoption - Red	The level of activity needed in this area is still undefined. Links into the User Network stream.	January '25
M365	Approval to proceed with procurement from Havering needed to bring this plan to Green. Project Manager needs to be recruited. Decision Report to be drafted.	Jun '24
D365	Discussions to be held with Havering stakeholders to agree the approach and complexity of this piece of work	Jul '24
Android & iOS Devices Windows Devices - Amber	Dependencies between this and M365 work need to be defined	Oct '24
Android & iOS Devices Windows Devices - Red	Need to agree the Device Refresh approach with Havering stakeholders	Jan'24
Teams Telephony	Dependencies between this and M365 work need to be defined	Oct '24
User Networks	Business case to be published & approval to proceed granted	Nov '24

Appendix 3: Newham high level plan

	2024											2025										
Activities	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
IT Partner procurement			Proc Competition		Procurement Specialists Contract Award																	
					IT Partner Procurement										IT Managed Service Partner Contract Signature							
In-house IT TOM planning & transition	Operating Model																					
	Service workstream planning / recruitment / transition																					
															Final in-house IT team transitioned							
IT Partner transition & technology change																						
															Technology activities and service transition							
																					IT Split Programme complete	

[End]