

## OFFICER DECISION FORM

**DECISION TO BE TAKEN BY:** DIRECTOR OF RESOURCES

**KEY DECISION** YES

**DIRECTORATE:** RESOURCES

**WARDS AFFECTED:** All

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**SUBJECT: STRATEGIC CHANGE PROGRAMME**

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### **1.0 DECISION**

- 1.1 The Director of Resources has approved to commission services from Microsoft at a cost of £1,378,513.09 on a call off contract for 12 months with an option for a 12-month extension.
- 1.2 In consultation with the Chief Executive, the Director of Resources has agreed that the decision be excluded from removal of delegation and reconsideration by Policy and Resources Committee.

### **2.0 REASONS FOR THE DECISION**

- 2.1 The Council has a vision to deliver a highly efficient data-driven authority with an increasing profile of services that are delivered using modern technology. The first stage of this journey requires the Council to invest in digital capability that optimises our operations and infrastructure. This initial investment will deliver operational enhancements which will form the basis of service innovation and transformation by leveraging existing Microsoft technologies and introducing new applications and capabilities to deliver process improvements through digitalisation and automation, a modern reporting platform and a more resilient infrastructure.
- 2.2 The key outcomes delivered through this first phase are set out below:
  - A secure, resilient, cloud-first infrastructure and operating model for Wirral
  - Defined cross-organisation Data Strategy enabling Wirral to become data-driven
  - Roadmap identifying how opportunities for improving the use of Council data, identified during Data Strategy development, could be delivered
  - Capability for Staff to self-serve data and analytical insights through analysing Wirral data across the organisation
- 2.3 The Council does not have the technical infrastructure or internal capabilities to leverage all the opportunities available to us through our commercial relationship with our strategic technology partner - Microsoft. This report proposes optimising our digital operations and infrastructure whilst developing a full business case.

- 2.4 The business will explore how by building on the work in Phase 1, the opportunities for enabling staff, further modernising how our residents engage with the Council, and transforming services through digital transformation. The business case will set out both the business and cost benefits to undertaking this work.
- 2.5 This decision will enable the effective delivery of the phase 1 digital transformation project that will support the long-term generation of savings and efficiencies as part of the Strategic Change Programme Service Reviews

### **3.0 STATEMENT OF COMPLIANCE**

- 3.1 The recommendations are made further to legal advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been completed. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

### **4.0 DECLARATION OF INTEREST**

- 4.1 None

**Signed:**

**Officer: Shaer Halewood**

**Title: Director of Resources (Section 151 Officer)**

**Date: 17 August 2022**

**A list of background papers on this issue is held with:**

Contact Officer: Pete Moulton

Date: 15 August 2022

**Date of Publication: 26 August 2022**

15 August 2022

<b>Report Title:</b>	<b>STRATEGIC CHANGE PROGRAMME</b>
<b>Report of:</b>	<b>HEAD OF ICT AND DIGITAL</b>

## **REPORT SUMMARY**

On 7 December 2021, the Policy and Resources Committee approved the Strategic Change Programme that set out the Council's response to the long-term opportunities emerging from COVID-19, transformation and regeneration, with the aim to create efficiencies and bridge the funding gap. Digital transformation is essential to the success of this activity, and we must deliver the solutions and capabilities that the Council needs, to realise its ambitions for the future, delivering effective and efficient services underpinned by resilient digital technology.

The report highlights phase one of this digital transformation which provides the infrastructure to ensure the Council had the foundations to enable the implementation of the Digital Transformation Programme, which sits alongside the Service Reviews as part of the Council's Strategic Change Programme.

The report affects all wards within the borough. It is a key decision as the value of the contract is in excess of £500,000.

The report contributes towards the Council's strategic change and improvement and thereby will support the delivery of all 5 themes of the Wirral Plan 2021 - 26.

## **RECOMMENDATION**

The Director of Resources is recommended to:

1. Approve the commission of Microsoft for services totalling £1,378,513.09 to deliver a programme of work to modernise the Council's IT department, further improve the Council's Cyber Security and provide a platform for both a Council wide digital transformation programme and to enable savings in future years.
2. In consultation with the Chief Executive, agree that the decision be excluded from removal of delegation and reconsideration by Policy and Resources Committee.

## **SUPPORTING INFORMATION**

### **1.0 REASON/S FOR RECOMMENDATIONS**

- 1.1 The Council has a vision to deliver a highly efficient data-driven authority with an increasing profile of services that are delivered using modern technology. The first stage of this journey requires the Council to invest in digital capability that optimises our operations and infrastructure. This initial investment will deliver operational enhancements which will form the basis of service innovation and transformation by leveraging existing Microsoft technologies and introducing new applications and capabilities to deliver process improvements through digitalisation and automation, a modern reporting platform and a more resilient infrastructure.
- 1.2 The key outcomes delivered through this first phase are set out below:
- A secure, resilient, cloud-first infrastructure and operating model for Wirral
  - Defined cross-organisation Data Strategy enabling Wirral to become data-driven
  - Roadmap identifying how opportunities for improving the use of Council data, identified during Data Strategy development, could be delivered
  - Capability for Staff to self-serve data and analytical insights through analysing Wirral data across the organisation
- 1.3 The Council does not have the technical infrastructure or internal capabilities to leverage all the opportunities available to us through our commercial relationship with our strategic technology partner - Microsoft. This report proposes optimising our digital operations and infrastructure whilst developing a full business case.
- 1.4 The business will explore how by building on the work in Phase 1, the opportunities for enabling staff, further modernising how our residents engage with the Council, and transforming services through digital transformation. The business case will set out both the business and cost benefits to undertaking this work.
- 1.5 This decision will enable the effective delivery of the phase 1 digital transformation project, that will support the long-term generation of savings and efficiencies as part of the Strategic Change Programme Service Reviews.
- 1.6 The work in Phase 1 will be purchased under the Crown Commercial Services G-Cloud 12 agreement. This agreement comes to an end on 27 September 2022 following which prices will increase. To ensure the Council can purchase under the G-Cloud 12 agreement and mitigate any cost increases under a new agreement this decision is to be excluded from removal of delegation and reconsideration by Policy and Resources Committee.

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 The Council could decide not to invest in secure, resilient, cloud-first infrastructure, or support the development of the modern data platform but this approach could see the Council increase its vulnerability to future cyber-attack(s), and/or fail to realise the benefits that a modern data platform provides in integrating data from services across the council and partners, including the NHS.
- 2.2 The Council has invested in the Microsoft technologies but does not have the internal resource and capabilities to fully leverage the opportunities of this

investment. In order for transformation change to occur so that future years savings can be made, the digital infrastructure foundations need to be in place to maximise the opportunities that digital transformation will bring. The Council could not take these initial opportunities which would result in partial change by piecemeal of services and not generate the savings required to support the Council's financial sustainability.

### **3.0 BACKGROUND INFORMATION**

- 3.1 Digital, Data and Technology is a key enabler in Wirral Council delivering on the priorities set out in the Wirral Plan 2021 - 2026. For the Council to modernise the Customer Experience, enable staff and Members through digital, increase digital inclusion and embed whole public sector system approaches; we must invest and develop our digital, data and technology infrastructure and capability.
- 3.2 Although work has already been completed to modernise IT over the past few years, there is still a significant risk of the Council being impacted by a Cyber Security attack and applications used by services across the Council, albeit fit for purpose, do not provide for a holistic view of Wirral the place or the residents.
- 3.3 Phase 1 of the Microsoft engagement will build on security and compliance and help reduce the risk of a Cyber Security attack. Phase 1 will also deliver a modern data offer, with a data platform upon which all current and future Wirral Council data plus data from partner organisations can be consolidated, to enable a holistic view of Wirral the place and residents can be achieved, and an enterprise content management system with tools that underpin robust information governance.

#### **Infrastructure**

- 3.5 Over the past few years, new applications used by Wirral Council are being modernised, primarily moving to cloud-based applications known as Software as a Service (SaaS), and Cloud storage. Wirral Council still have 2 datacentres to house servers and infrastructure for applications that are not cloud based.
- 3.6 Wirral Council need to vacate 1 datacentre by March 2024, with the infrastructure in both datacentres needing to be renewed by March 2024. Engaging with Microsoft will support the migration out of the datacentres and onto cloud-based technologies and negate the need to renew the infrastructure by March 2024. The move to cloud storage will support the Councils climate emergency pledges, managing use of our resources efficiently and enabling a reduction in the amount of data stored and the associated carbon footprint.

#### **Data Strategy & Artificial Intelligence Insights**

- 3.7 Applications used by services across Wirral Council are fit for purpose for the specific service areas. The data stored within these systems supports their specific function and is also used to supply business intelligence / data products. However, there is no defined data strategy, or approach to match and merge this data with that from additional data held outside the systems but within the Council, or with data from partner organisations. This means that the full potential of information and insights held within these data sources are not currently being realised.

- 3.8 A data strategy will be developed along with a maturity assessment in each service area, alongside assessment of shared data services capabilities, and data governance and operations. Data can be brought together to enable matching of property and people across the datasets and domains to develop a 360-degree view of the subject. Data can be further enriched through the ingestion of data from sensors through the adoption of the Internet of Things (IoT). By identifying trends and other insights locked in this enriched data, the Council will be able to further improve its decision-making answer questions such as why an event happened, what is likely to happen next, and how we can make or prevent something from happening. Such an approach allows the right service to be delivered at the right time in a proactive supportive manner rather than reacting after an event has occurred.

### **Information Governance**

- 3.9 The Information Governance Management Framework is in place to describe how Information Governance is managed and where responsibilities sit within the Council. The council follows Government best practice and guidelines to comply with requirements in managing information under its obligations as a custodian of people's information. A suite of procedures, guidance and tools are in place to implement and support information governance and protection.

One of the most challenging aspects of Information Governance is having visibility of all the Council's data assets. This includes knowing how and where the data is stored and processed and who data is shared with, and capturing data types and retention. There are many different systems within the Council, and Records of Processing Activities are captured, but there is no single approach to the way that the data is managed and shared, or for document lifecycle management.

- 3.10 The Microsoft engagement will build on the security foundation for solutions and services that are hosted in Microsoft 365 and Microsoft Azure. Information protection will enable protection of sensitive information both at rest and in transit using a combination of manual and automated techniques. Information governance will enable control the lifecycle of information assets against organisational and regulatory requirements. Advanced auditing will enable auditing of administrative and user for investigative purposes related to regulatory requirements, data breaches, threat investigations, and internal legal matters.

To provide better visibility of data assets, modern data management systems can be used to produce an up to date (evolving) map of an organisations data landscape. The production of such a map or data catalogue can be supported by automated data discovery, sensitive data classification and end-to-end data lineage. This approach would enable data curators to focus on the management and security of the data estate rather than the discovery of data assets, whilst at the same time empowering data consumers to find valuable and trustworthy data.

### **Reporting and Master Data Management**

- 3.11 To support data intelligence the Council utilises PowerBI for creation of reports and dashboards. This is embedded across service areas and well utilised. Clean, accurate and deduplicated data is key to enable an organisation to unlock its potential, currently data is maintained in separate systems and data quality processes take place in isolation. There is no master data management (MDM)

solution that spans the organisation, and it is difficult to identify a person, a resource, or an item across the entire organisation or be certain of the validity of the master data associated with each entity.

- 3.12 The “Golden Record” is a fundamental concept within MDM it can be defined as the single source of truth, a data resource that captures all the necessary information we need to know about a person, a resource, or an item and represents the most accurate understanding we have of that person, resource or item. Maintaining the “Golden Record” supports efficient business processes and enables the production of high-quality data driven insights. MDM provides the critical foundation to take data analytics to the next level.

### **Automation and AI-Driven Insights**

- 3.13 Artificial Intelligence (AI) leverages mathematics, data science and computers to replicate or mimic the problem-solving and decision-making capabilities of humans. Such an approach can be used to support the development of advanced analytical products, for example, the estimation of the likelihood of future events or the implementation of automated processes. However, they need to be built upon high quality data, existing within a robust data infrastructure and supported by people with the right skills.
- 3.14 Process automation can help to lift the current, as well as delivering a more efficient and rewarding environment for staff to work in. There are many examples of largely repetitive tasks that can be automated and ‘taken away’ from staff releasing these staff to focus on higher order processes thereby supporting greater job satisfaction, whilst at the same time delivering a more efficient and accurate service. There are even more processes that could be automated if they are supported by AI. For example, by finding and reading key data elements from a form or being able to make decisions on how a task should progress based on how previous questions have been answered and compared to an appropriate logic model. The adoption and use of data science techniques will also allow the Council and its partners to use predictive analytics and artificial intelligence to drive collaborative more cost-effective services and interventions that are delivered at the right time to maximise impact and reduce cost.

### **Summary – Phase 1**

- 3.15 Organisational requirements (capability and technology) to deliver Wirral plan

There are a number of organisational (capability and technology) requirements necessary in order to deliver Wirral plan. These include investing in the current workforce by providing them with training and space to innovate, as well as providing them with the support of a strategic partner in order to build out and make use of the new infrastructure.

A small amount of additional staffing will be required, some of which could be provided through reorganisation and thereby minimising the recruitment requirements. The key areas for development include, data engineering, data science and automation.

The key new technology requirements will cover the development of a modern infrastructure, which will include

- Information security and governance
- Centre of Excellence to support modern working
- Intelligent Archive/Content Automation
- Master data management solution,
- Data platform
- Data science / AI solution
- IoT Platform
- Automation platform

Appendix 1 and 2 provide further detail on the objectives of the Phase 1

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 The cost for Phase 1 is £1,378,513.09. Funding for the scheme will be sought from one of two sources, either through the repurposing of funds already approved as part of the Capital programme, or via a capital bid for additional funding. The recommendation of option and any associated financial implications will be included with the Quarter 2 Capital Monitoring report to Members

#### **5.0 LEGAL IMPLICATIONS**

- 5.1 The engagement with Microsoft will be procured through a Crown Commercial Services G-Cloud 12 framework.
- 5.2 G-Cloud 12 facilitates the purchase of cloud-based services, through a 6-step buying process.
- 5.3 The 6-step buying process is as follows:
- Step 1 - Prepare: Understand what is looking to be purchased via the G-Cloud framework.
  - Step 2 - Search and Longlist: use search criteria to create an initial list of providers for the service being procured.
  - Step 3 – Develop the long list into a short list: using specific requirements reduce the long list of suppliers down to a short list.
  - Step 4 – Evaluate and select supplier: Each supplier on the long list is evaluated and a supplier selected based on pre-agreed criteria.
  - Step 5 – Award and Buy: Award contract to the selected supplier
  - Step 6 – Benefits: Complete G-Cloud benefits form.

#### **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

- 6.1 To deliver Phase 1 internal resources from Digital and Strategic Change are required to manage and oversee the technical implementation using agreed programme management methodologies and processes. The Council can support this work within existing resources.
- 6.2 There are no other workforce implications identified in Phase 1.

#### **7.0 RELEVANT RISKS**

- 7.1 The risks relating to the Council not progressing with Phase 1 implementation are identified throughout this report.



- 7.2 The key risks that will be mitigated as part of the Phase 1 work will be Cyber Security and Information Governance.
- 7.3 The Cyber Security risk, which is on the corporate risk register and has seen its score increase this year, will be mitigated through the implementation of additional products and improved monitoring a suspicious activity.
- 7.4 Information Governance will be mitigated through the improvements in data classification, ensuring the management of data retention is in line with General Data Protection Regulations (GDPR)
- 7.5 Subject to approval of this report a risk log will be developed to identify the relevant risks associated with this project utilising the Council's risk management strategy. This risk log will be managed through the Digital Programme board and monitored at the Information Governance Board (IGB).

## **8.0 ENGAGEMENT/CONSULTATION**

- 8.1 The Council's Strategic Leadership Team have been engaged in and have agreed the proposed commission.

## **9.0 EQUALITY IMPLICATIONS**

- 9.1 No direct equality implications from this report, however equality implications are built into the Council's procurement processes. Any associated actions may need an assessment, and this will be done at the earliest opportunity

## **10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS**

- 10.1 Moving to Cloud technologies will reduce Wirral Council's own carbon emissions by reducing the amount of computing power the Council requires, however, consideration needs to be given to the credentials of the cloud provider.

Microsoft are committed to only using renewable energies by 2025, being water positive by 2030 and to be carbon negative by 2030. These pledges fall in line with Wirral's own Environment and Climate Emergency pledges, and action plan to be carbon neutral by 2030.

## **11.0 COMMUNITY WEALTH IMPLICATIONS**

- 11.1 Following the infrastructure being implemented, this will lead to efficient and effective delivery of the Strategic Change Programme which will support better and more inclusive services to residents. At the service review stage, each of the individual reviews will report on the specific community wealth implications.

**REPORT AUTHOR:**     **Name: Shaer Halewood**  
                                  **Director of Resources**  
                                  **Email: shaerhalewood@wirral.gov.uk**

## **APPENDICES**

Appendix 1 - High Level Objective: To create a flexible, secure hybrid workplace to enable users to work from anywhere, any place, and any device.

Appendix 2 - High Level Objective: To envision a modern workplace at Wirral to improve productivity, agility, effective collaboration and communication.

## **BACKGROUND PAPERS**

Microsoft Contract Schedule (exempt)

## **SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
Policy and Resources Committee	7 December 2021
Full Council (MTFS)	28 February 2022

## APPENDIX 1

**High Level Objective: To create a flexible, secure hybrid workplace to enable users to work from anywhere, any place, and any device.**

### Optimising Operations & Infrastructure

The work will be undertaken to enable a flexible hybrid workplace that will empower employees to work from anywhere, on any device, and at any time, with secure access to Councils systems and data and ability to collaborate with partners securely and effectively.

### Modern Work compliance Foundation

#### Products and Tools:

- Microsoft 365 Information Security, Microsoft 365 Information Governance, Advanced Auditing.

#### Outputs:

- Deliver technical planning, configuration, and testing of the following features: Sensitive information types, Office 365 Message Encryption (OME), Sensitivity labels for containers, Sensitivity labels for content – manual application, Sensitivity labels for content – auto-app applied, Sensitivity labels for content – auto-service applied, Data Loss Prevention Policies
- Creation of label based policies to control the lifecycle (for example, retention and deletion) of information assets across Office 365 to address organizational information management policies and/or regulatory requirements, such as General Data Protection Regulation (GDPR).
- Deliver technical planning, configuration, and testing of the following features to enable auditing of activities to support regulatory requirements, data breaches, threat management: Auditing, Mailbox auditing, Audit log retention (for different user groups, workloads, and activities)

### Modern Work security for Enterprise Mobile Suite

#### Products and Tools:

- Microsoft Defender for Identity, Intune Device Management, Intune Application Protection, Azure AD Conditional Access & Multi Factor Authentication

#### Outputs:

- Deliver technical planning, configuration, and testing of Microsoft Defender for Identity to help Identify, detect, and investigate advanced threats, compromised identities, and malicious insider actions directed at the organization
- Deliver technical planning, configuration, and testing of Intune device management to allow mobile phones, tablets, and laptops to be securely managed.
- Deliver technical planning, configuration, and testing of Intune application protection to help protect and control the flow of information among Microsoft 365 supported applications

## Modern Work security for Windows

### Products and Tools:

- Microsoft Defender for Endpoint, Windows Security foundation, Windows Hello for business cloud and hybrid

### Outputs:

- Deliver technical planning, configuration, and testing of Microsoft defender for endpoint to enable Wirral to prevent, detect, investigate, and respond to advanced threats on endpoints (user devices)
- Deliver technical planning, configuration, and testing of Windows Security baseline and Defender products to enable higher security features to address data theft threats and exposure from lost, stolen, or inappropriately decommissioned computers
- Deliver technical planning, configuration, and testing of Windows hello to replace passwords with strong two-factor authentication on Windows 10 or higher, and use innovative user credentials tied to a device using biometric or PIN.

## Modern Work security for Office 365

### Products and Tools:

- Threat protection, Advanced Data Loss Prevention, Guest access and conditional sharing, Remediation

### Outputs:

- Deliver technical planning, configuration, and testing of Microsoft defender to help protect email and other information assets from spoofing, spam, malware, and phishing and reduce risk of infiltration, shut down operations, disinformation, ransom demands, and compromise of information assets.
- Deliver technical planning, configuration, and testing of Microsoft Data loss prevention policies to prevent inadvertent or purposeful sharing of sensitive information across Office 365
- Configure SharePoint site-level guest sharing to control access by guest users that do not work for Wirral Council

### Additional Outputs:

- Quality Assurance and User Acceptance Testing of security and compliance features, and Production Release Validation Testing
- Six 4 hour training sessions for Modern Work Knowledge Transfer for Microsoft 365 service administrators and operations team.

## OUTCOMES:

- Provide a secure, resilient, cloud-first infrastructure and operating model for Wirral.
- Help protect against threats: Help secure identities and devices and reduce and manage threats to the organization's Microsoft 365 environment.
- Safeguard sensitive information: Help protect and govern information in the organization's Microsoft 365 environment to address business and technical requirements.

- Reduce risk: Establish risk and compliance management capabilities to address insider risk, communication, and investigative needs related to regulatory/industry concerns or business requirements for contents stored in Microsoft 365 environment

## APPENDIX 2

**High Level Objective: To envision a modern workplace at Wirral to improve productivity, agility, effective collaboration and communication.**

Empowering employees

Envision a Modern Workplace to empower employees, improve employee engagement through AI-infused personalised, targeted content and self-service capabilities for commonly used employee services.

Project 1: Modern Work:

Workstream 1: Modern Work Solution Envisioning

Products and Tools:

- Microsoft Viva platform, Microsoft Unified Search

Outputs:

- 2 validation workshops to agree on the business aims, challenges, and work to focus on. 2 days user research. 3 envisioning workshops to look at the understand the technologies, challenges, benefits, strategy and vision. Production of storyboard, solution backlog, solution blueprint, and delivery roadmap for agreed work scenario.
- 3 requirement gathering workshops and presentation of a summary and proposal for next step outputs for
  - Modern Intranet
  - Employee Experience App
  - Unified Search

Workstream 3: Migration Assessment

Products and Tools:

- Microsoft SharePoint, SMAT & SPMT application inventory assessment tools, Data collection tools

Outputs:

- Data collection from one 3 file share servers with approximately 3K users and 60TB of content
- Assessment of the content and report on issues needing remediation within the source environment
- Delivery of 12 workshops—of up to 3 hours per workshop—for site owners, developers, IT professionals and database administrators
- Collaboration with content owners and Customer subject matter experts to review and understand key features in use and any content anomalies

Workstream 4: Power Platform Enablement

Products and Tools:

- Microsoft Power Platform – PowerBI, Power Automate, Power Portals, Power Virtual Agents

Outputs:

- Discuss & review Microsoft best practices for the Wirral's Power Platform environments
- Set up Power Platform instances and environments.
- Provide guidance regarding configuration and administration of Power Platform.