

Report to the Audit and Standards Committee in January 2019 on the management actions taken in relation to key recommendations made in the Legacy ICT Systems internal audit report

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Presenting Officer: Mark Fisher

Summary of Audit Area

Legacy ICT are those systems and applications which have reached or are approaching end-of-life or are no longer appropriate to support Stroud District Council's (the Council's) strategic delivery plan.

Legacy ICT systems can become an issue where there has been limited investment in overarching ICT. Old systems can become costly to maintain, can fall out of support presenting an operational and possibly a security risk, and may no longer fit with or support the Council's aims and objectives.

There is a hidden cost to maintaining old or legacy systems in the additional time taken to maintain and support them. There is also a current need across the public sector generally, and in local government particularly, to move to digital ICT strategies which make savings as part of a transformation programme. ICT sits at the heart of such a strategy and requires clear direction and proper investment if savings or efficiencies elsewhere in the organisation are to be made. The Government's own ICT strategy, published in March 2011, recognises that legacy systems are a barrier to the proper introduction of new policies or working methodologies (such as digital) because they are inflexible and unable to change as they must as the delivery of public services requires them to.

The cost and risk of maintaining legacy systems has to be balanced against the cost and risk of replacement, which include data migration, implementation and set-up costs, disruption to service users, and then the benefits of replacement which include efficiency, improved systems integration, reduced operating costs etc.

Summary Terms of Reference of the Audit

The scope of the audit review encompassed:

- Identification of existing systems and platforms;
- Gap analysis to identify where there is a delivery mis-match or shortfall; and
- Evaluation against strategic objectives.

Risks

- Non compliance with the Council's security policy guidelines.
- Lack of alignment to the Council's visions, aims and objectives.
- Old/unsupported applications/environments risk security vulnerability and potential system downtime or inability to adequately recover systems.

Key Findings

The review identified the following matters which required attention:

- At the time of the audit, the ICT strategy was in its last year, had become out of date and did not reflect or inform the business or its future requirements. This presents a significant risk for the Council in that, until this is corrected, the direction of travel for innovation, transformation and ICT application procurement or development is unclear. It should be stated that the Council had commissioned an independent strategic review of ICT within 2017/18 which has highlighted required actions for the Council to take on this area.
- It was apparent that there are infrastructure devices that, whilst still in support (which if not, would present a security risk), are approaching end-of-life and require a decision on replacement. Examples were included in the original report.
- There are some key business applications that, at the time of the audit, are end-of-life and /or are running versions behind the latest, and are also out of support. Examples were included in the original report.
- The original terms of reference contained a gap analysis to identify delivery mis-matches or shortfalls. Without an up to date ICT strategy, this was not feasible and would only be achievable once a clear strategy is produced and adopted.

It was clear during the audit that, despite the above, systems, applications and infrastructure devices were being maintained as well as possible during a period of uncertainty and underinvestment. The risk of running old or unsupported equipment was understood within ICT but perhaps less so in service areas where some of the replacement decisions are taken. The independent strategic review of ICT is a positive action and should provide a clear direction to Council leadership and ICT management in terms of future ICT requirements.

Following review and consideration of the Legacy ICT Systems audit outcomes, Audit and Standards Committee requested that management attend the January 2019 Committee meeting to provide an update against the audit recommendations.

Action taken as at January 2019 and/or proposed

Recommendation 1

Audit recommendation:

An ICT strategy should be developed, approved and implemented as a matter of urgency, which should then translate to a development plan for the Council's ICT function(s).

Original management response:

A 3rd party organisation (SOCITM) has been engaged to work with major stakeholders to produce a digital vision and strategy leading to an ICT strategy. This work commences in August 2018 and will present to members in October. ICT development plans will then be produced.

Completion date: November 2018

Management update as at January 2019:

Three ICT related strategies are being developed and are due to be delivered on the dates as follows:

1. ICT Strategy 25/01/2019
2. Information Strategy 22/02/2019
3. Digital Strategy 22/03/2019

Recommendation 2

Audit recommendation:

Infrastructure devices that are at or approaching end-of-life should be scheduled for replacement as part of the strategy for ICT delivery.

Original management response:

Infrastructure devices that are at or approaching end-of-life are being replaced as dictated by the current operational needs of the organisation. New blade servers have been ordered and will be commissioned by the end of October 2018. Work has begun on two separate projects to replace; 1) SAN storage systems, and 2) Network routers and switches. It should be noted a standard replacement cycle statement for ICT infrastructure is being developed, which will be discussed as part of the budget development cycle to ensure this situation can be avoided in the future.

Completion date: April 2019

Management update as at January 2019:

- 8 x new blade servers were purchased, installed and are in service.
- Market investigation into options for a replacement SAN are continuing. A loan demo SAN has been tested onsite and further testing with alternative SAN providers is required.
- A request for quotations for new network equipment will be published by the end of January.

Recommendation 3

Audit recommendation:

Business applications that are at or approaching end-of-life, or are out of support should be considered for replacement as part of the strategy for ICT delivery.

Original management response:

*Agreed. It is expected that all applications will be reviewed, upgraded or replaced as the ICT development plans are developed and implemented. A basic review of all applications should be completed by April 2019.
Completion date: April 2019*

Management update as at January 2019:

A basic review of major applications/systems is being carried out by SOCITM and is on target. ICT will continue to review suitability of business applications on a yearly basis or as appropriate.