**GLASGOW CITY COUNCIL INTERNAL AUDIT SECTION**

**COMMITTEE SUMMARY**

**Title of the Audit**:  Chief Executives Department – Review of SIT Operations and ICT Performance

**1.      Introduction**

1.1    As part of the agreed Internal Audit plan we have carried out a review of the operations of the Strategic Innovation and Technology (SIT) team and ICT performance.  The SIT team is part of the Chief Executive's Department and was created to act as an intelligent client function to manage the delivery of the Council's ICT contract with CGI, and co-ordinate all ICT activities across the Council family.

1.2    As part of this role the SIT team also monitor the performance of CGI against defined performance indicators and hold CGI accountable for any breaches in the contract.

1.3    The scope of the audit was to ensure there are sufficient and appropriate controls in place covering the SIT team operations and the management of ICT performance.  The scope of the audit included:

- A review of the SIT team's remit and objectives, including the resourcing arrangements in place.
- A review of the governance structures in place which support the SIT function.
- Review a sample of Performance Indicators (PIs) to ensure reporting is accurate.
- A sample based review of the Output Based Specifications (OBS).   OBSs are the Council's list of business requirements outlined to CGI as part of the contract.

- A review of a sample of ICT projects managed by the SIT team.

**2.      Audit Opinion**

2.1    Based on the audit work carried out a reasonable level of assurance can be placed upon the control environment.  The audit has identified some scope for improvement in the existing arrangements and four recommendations which management should address.

**3.      Main Findings**

3.1    Through a review of documentation we confirmed that the SIT team has a defined remit and objectives which were agreed as part of the ICT business case, which was approved by the ICT Options Board when determining the Council's options for delivering ICT services.  An organisational chart with reporting lines is in place along with reporting arrangements within the Council.  In addition there is a process in place which ensures that ICT requests are reviewed by Business Partners and the SIT team to avoid duplication of requests across the Council family.  Each Service has an allocated Business Partner who should be the main point of contact for any ICT requests within the service.  However, we noted that there is currently no process in place to monitor the performance of the SIT team against the objectives outlined in the business case.

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3.2    There is a register of OBSs which outlines the business requirements of the Council and records CGI's responses. Some of these are directly linked to PIs or to projects which are monitored through work stream boards.  However, from review of a sample of OBSs we noted that in some cases performance criteria or reporting was stipulated and this was not being monitored.

3.3    ICT performance is reviewed through PIs and reported monthly to the ICT Performance Board. Through review of the back- up for a sample of PIs we identified instances where the incidents included in the calculation of the PI did not meet the required criteria and therefore the resulting indicator was not accurate.

3.4    From review of two ICT projects it was noted that there was an instance where the status report had not been updated to reflect changes agreed by the Programme Board with regard to the RAG (red, amber or green) status.  In addition for both projects the Project Initiation Documents (PID) were in draft. A PID is a requirement of the Council's project management toolkit.

3.5    An action plan is provided at section four outlining our observations, risks and recommendations.  We have made four recommendations for improvement. The priority of each recommendation is:

| Priority | Definition | Total |
|---|---|---|
| High | Key controls absent, not being operated as designed or could be improved.  Urgent attention required. | 0 |
| Medium | Less critically important controls absent, not being operated as designed or could be improved. | 3 |
| Low | Lower level controls absent, not being operated as designed or could be improved. | 1 |

3.6    The audit has been undertaken in accordance with the Public Sector Internal Audit Standards.

3.7    We would like to thank officers involved in this audit for their cooperation and assistance.

3.8    It is recommended that the Head of Audit and Inspection submits a further report to Committee on the implementation of the actions contained in the attached Action Plan.

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| No. | Observation and Risk | Recommendation | Priority | Management Response |
|---|---|---|---|---|
| **Key Control**:  Performance reports are reviewed and provide accurate and reliable information | | | | |
| 1 | We were advised that the ICT provider provides monthly service reports to the ICT Digital and Performance Board. There is currently no process in place to review the back up to the report.<br><br>We selected three Key Performance Indicators (KPIs) and requested the source data from the ICT provider for these.  The results of the review were:<br><br>KPI 3 – *Priority three application availability to be within 24 hours* – We were provided with a report that included 107 incidents that met the requirements of the KPI and from review of the "submit and resolve" dates we determined that 47 appeared to be outwith the 24 hour time frame. We therefore selected a sample of five of these and queried the reason for these being included and was advised that for four of the incidents the pending tool was used by CGI as they awaited a response from the customer. However, in one case the call pending had no justification attached. | The SIT team should put in place a periodic process for reviewing the back up to the KPIs and PIs and query any anomalies identified. | **Medium** | **Response:**<br><br>Accepted<br><br>There is a dependency on CGI providing sufficiently detailed information to allow this action to be undertaken.  Until recently this had not been forthcoming although this has now been addressed since the audit fieldwork.<br><br>A weekly Service Management meeting takes place along with a monthly service review before details are being reported to the ICT Performance Board.<br><br>This process minimises any potential risk of misreporting the performance of the ICT supplier<br><br>**Officer Responsible for Implementation:**<br><br>Head of Technology |

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| No. | Observation and Risk | Recommendation | Priority | Management Response |
|---|---|---|---|---|
| | KPI 8 – *Help Desk Telephone Pick Up times less than 20 seconds.*  We requested the source data for this but the information provided was not direct from the system and we were therefore unable to confirm the accuracy of the back-up.<br><br>KPI 24 – *Service requests completed within the timescale defined in the service catalogue.*  We undertook a further review of calls and requested the corresponding call logs to ensure that the timescales were met.  We were advised that calls were "pended" (i.e. temporarily paused) as a response was required from the customer.  In one instance the request was for a new email account and the call was not pended and it was not completed within the two days defined within the service catalogue but was included in the KPI.<br><br>There is a risk that the ICT provider may not be held accountable for inaccurate performance reporting. | | **Medium** | **Timescale for Implementation:**<br><br>30 April 2019 |

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| No. | Observation and Risk | Recommendation | Priority | Management Response |
|-----|---------------------|----------------|----------|---------------------|
| **Key Control**:  Output Based Specifications are met and are reviewed and updated. | | | | |
| 2 | Through discussion and review of a sample of OBSs we were advised that where there is a project as a result of the OBS this is monitored via a project work stream.  For other OBSs the achievement of these would be monitored through performance reporting such as application availability.  However, from review of a sample of OBSs we noted:<br><br>• OBS 12 Learning and Teaching Services had specific performance criteria listed that is not monitored.<br>• OBS 19 Computer and Storage Platforms had reporting requirements stipulated that were not fulfilled.<br><br>There is a risk that the performance in relation to the OBSs may not being adequately monitored and deliverables may not be fully realised. | The SIT team should review the OBSs in place and, where performance criteria and reporting requirements are identified, ensure that that these are obtained and subject to monitoring. | **Medium** | **Response:**<br><br>Accepted<br><br>**Officer Responsible for Implementation:**<br><br>OBS 12 & OBS 19 - Head of Technology<br><br>Programme Management Office reporting – Head of Business Intelligence<br><br>**Timescale for Implementation:**<br><br>31 December 2019 |

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**Title of the Audit**:  Chief Executives Department – Review of SIT Operations and ICT Performance

| No. | Observation and Risk | Recommendation | Priority | Management Response |
|---|---|---|---|---|
| **Key Control**:  IT projects are managed in line with the Council's project Management toolkit | | | | |
| 3 | We selected a sample of two SIT managed projects – Yotta (the new Neighbourhoods and Sustainability Infrastructure and Asset Management software) and Internet Protocol Telephony (IPT).<br><br>From review of the governance documents and discussion with the project managers we noted the following:<br>• The Project Initiation Document for both projects was still in draft despite the project being underway.<br>• The Telephony project had been ongoing since April 2018 but board and status reports did not start until September 2018.  We were advised however that progress was being reported via another route during this period.<br>• For Yotta, the Capital Programme Highlight report for the period 8 October to 4 November states in section C "This is the reason the status is amber." But the status | Project Managers should ensure that all aspects of the project management toolkit are met when dealing with IT projects. | **Medium** | **Response:**<br><br>Accepted<br><br>**Officer Responsible for Implementation:**<br><br>Head of Business Intelligence<br><br>**Timescale for Implementation:**<br><br>31 May 2019 |

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| No. | Observation and Risk | Recommendation | Priority | Management Response |
|-----|---------------------|----------------|----------|---------------------|
| | reported is red.<br>• The status report for the Infrastructure and Asset Management Programme Board dated 17 December reports that the status at the last board was red. However, from review of minutes from the Programme Board it was agreed on 22 November that the status should be amber.<br><br>Without compliance to the established governance arrangements there is a risk that ICT projects are not appropriately reported. | | | |

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## COMMITTEE SUMMARY

**Title of the Audit**:  Chief Executive's Department – SIT Operations and ICT Performance

| No. | Observation and Risk | Recommendation | Priority | Management Response |
|---|---|---|---|---|
| **Key Control**:  Performance outcomes have been defined and these are routinely monitored and reported. | | | | |
| **4** | We were advised that there are currently no performance measures reported for the performance of the SIT team. Through discussion with Management we were advised that due to the nature of the SIT team objectives it is difficult to have a measurable output.<br><br>Performance against defined objectives is not monitored, therefore increasing the likelihood of the targets of the function not being achieved. | SIT Management should review the objectives of the team and determine if meaningful performance indicators can be developed and reported. | **Low** | **Response:**<br><br>Accepted<br><br>This has been considered and team performance will continue to be overseen by SIT Management Team.<br><br>This will be considered along with all teams in Chief Executives under ASPIR.<br><br>**Officer Responsible for Implementation:**<br><br>Head of Business Partnership<br><br>**Timescale for Implementation:**<br><br>30 April 2019 |