

## **Executive Committee**

**13<sup>th</sup> September 2016**

### **ICT Infrastructure Resource**

Relevant Portfolio Holder	Cllr J Fisher
Portfolio Holder Consulted	Yes
Relevant Head of Service	Deb Poole, Head of Transformation & OD
Wards Affected	N/A
Ward Councillor Consulted	N/A
Non - Key Decision	

#### **1. SUMMARY OF PROPOSAL**

- 1.1 For several years ICT has had an ongoing problem retaining and recruiting staff with certain specialised technical skills. Following the recent resignation of a member of staff, this problem has been highlighted again. The recruitment campaign to fill this vacant post has attracted few applicants with the required skills and experience. This report proposes a different approach to solving the problem by outsourcing a small part of the ICT team rather than just repeatedly going through a recruitment process.
- 1.2 If agreed, this approach will require the TUPE (Transfer of Undertakings, Protection of Employment) of two posts to an outsource company. Currently, one of the posts is filled whilst the other is vacant.
- 1.3 This proposal presents a solution to correct a particular ongoing issue in the service due to the problem of recruiting staff with these types of skills. Overall the organisational approach remains that of sharing internal resource where ever possible.

#### **2. RECOMMENDATIONS**

Executive Committee is requested to **RECOMMEND**:

- 2.1 That Members approve the proposal for the functions provided by the ICT infrastructure roles be outsourced to an external provider.
- 2.2 That Members delegate authority to the Head of Transformation and Organisational Development to undertake a tendering process to identify a suitable supplier to take on the ICT infrastructure functions.
- 2.3. That Members delegate to the Head of Legal, Equalities and Democratic Services the responsibility for finalising and entering into a suitable legal agreement with the supplier identified under recommendation 2

**3. KEY ISSUES**

**Financial Implications**

- 3.1 The current cost to Redditch Borough Council (RBC) for providing the service is £34,093. This includes the salary and on-costs for the two posts effected.
- 3.2 Whilst final costs for delivering this part of the service externally will not be known until a competitive exercise is completed, it is estimated that the costs will be approximately £30,000 to RBC in the first year, with larger savings estimated for any additional years.
- 3.3 Other public sector organisations will be permitted to bid for the contract alongside any private companies.
- 3.4 Redditch Borough Council will charge £225 per month, per person, to any supplier delivering the outsource contract who wishes to retain members of staff on our premises. This is to cover the costs of providing office space, desks, electricity, phones etc.

**Legal Implications**

- 3.5 If the outsourcing to an external provider proceeds, this will constitute a relevant transfer for the purposes of the TUPE (Transfer of Undertakings, Protection of Employment) Regulations. The rules provide that where in house services are transferred to external providers existing members of staff TUPE across to the new contractor. As referred to above, this will affect one member of staff. Any issues in this regard will be managed as part of the process in accordance with usual HR procedures going forward.
- 3.6 An appropriate competitive tendering exercise based on the value of the contract will be undertaken to identify a suitable supplier to take on the ICT infrastructure functions. It will be necessary to enter into a contract with the new supplier. The contract will include a clearly defined schedule of the works to be undertaken and clauses to cover any issues with under performance.

**Service / Operational Implications**

- 3.7 During the past five years the ICT Infrastructure role has been advertised five times. During these recruitment campaigns, the council has had to advertise and re-advertise numerous times to find a suitable candidate. In 2015 a new infrastructure post was created that required additional skills and consequently offered a higher grade. After running two advertising and interviewing campaigns the post was finally

recruited to in mid-2015. However, by June 2016 this post was vacant again when the incumbent officer resigned. Following adverts on a number of recruitment websites including the WM Jobs site, only eleven applications were received. Shortlisting resulted in five applicants being invited for interview. Of the five only one applicant attended for interview. This candidate scored just over 50% on the interview questions and was not considered suitable for this role.

- 3.8 The ICT Infrastructure Officer and ICT Infrastructure & Network Officer posts play a key role in maintaining day to day delivery of the ICT service to the Authority. Their main function is to ensure that the servers and storage which enable the business applications to work, are operating successfully. This includes the servers for Emails, Finance, Payroll, Revs & Bens, Elections etc.
- 3.9 In addition the team have been involved in several 'power off' situations at both Parkside and Redditch Town Hall and are key to closing down services correctly and returning them to a working state. Further power off situations may occur at both sites and currently only 1 person is available with the correct skillset to cover this task.
- 3.10 Senior managers are aware that the current lack of resource is having a detrimental effect on the remaining personnel and that this issue needs to be resolved as soon as possible to maintain staff morale and avoid absence.
- 3.11 Any potential supplier will need to deliver the service in line with PSN (Public Services Network) requirements. This will include having staff that help deliver the contract, pass a BPSS (Baseline Personal Security Standard) check.
- 3.12 The new contract will include an SLA (Service Level Agreement) that will prioritise critical support both in normal business hours, and at evenings and weekends. Ideally this will also include named individuals that will, over time, build a close understanding of our business.

**Customer / Equalities and Diversity Implications**

- 3.13 There are no customer / equalities and diversity implications.

**4. RISK MANAGEMENT**

- 4.1 There is a risk that the external provider will not deliver the service to the level provided by the current internal team. This risk will be addressed through using a robust selection process, and ensuring as far as possible that there are appropriate contractual obligations imposed on the external provider to pick up under performance and

provide for a change of supplier in the event that this should ever become necessary

- 4.2 The impact of outsourcing could inadvertently increase pressure in the short term, on existing members of ICT whilst the new service is procured and then implemented. The result of increased pressure could lead to additional sick leave but this has been mitigated by securing additional temporary resource from external companies.
- 4.3 To be balanced against the risks outlined above, is the risk that if no action to pursue outsourcing is taken then the Council is likely to continue to encounter recruitment problems which over a period of time may undermine the ability for the service to be provided.

**5. APPENDICES**

None

**6. BACKGROUND PAPERS**

None

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