

South Ayrshire Council

**Report by Executive Director – Resources, Governance and Organisation
to Leadership Panel
of 14 March 2017**

Subject: ICT Staffing Changes and Restructure

1. Purpose

- 1.1 The purpose of this report is to seek approval for a restructure of the ICT function in support of the recommendations from the 2015 SOCITM ICT Service Review, and to establish the ICT Foundations for the Council's digital transformation agenda. This involves the creation of some new posts to establish a sustainable ICT capability in Governance, Technical Support and Service Delivery, with management of the ICT function redirected to the Digital Transformation Manager while that is being established. The restructure includes the corresponding removal of some existing ICT posts to offset the costs of the new functions and reflect the new model.

2. Recommendation

- 2.1 It is recommended that the Panel approves the restructure as set out in paragraph 4, specifically:
- 2.1.1 deleting 5 existing posts, releasing £310,126 of permanent funding;
 - 2.1.2 creating 8 new permanent posts costing £432,555 resulting in a required balance of £122,431 permanent funding from the additional £150,000 revenue budget approved by Council on 2 March;
 - 2.1.3 creating 4 temporary posts to manage ICT Foundations projects for an additional £198,324 per annum for a period not exceeding two years funded from the £1,900,000 budget for the Transform South Ayrshire programme; and
 - 2.1.4 any voluntary severance or redundancy costs arising from the structural changes and the application of the Council's Managing Workforce Change Policy will be met from the Workforce Change Fund.

3. Background

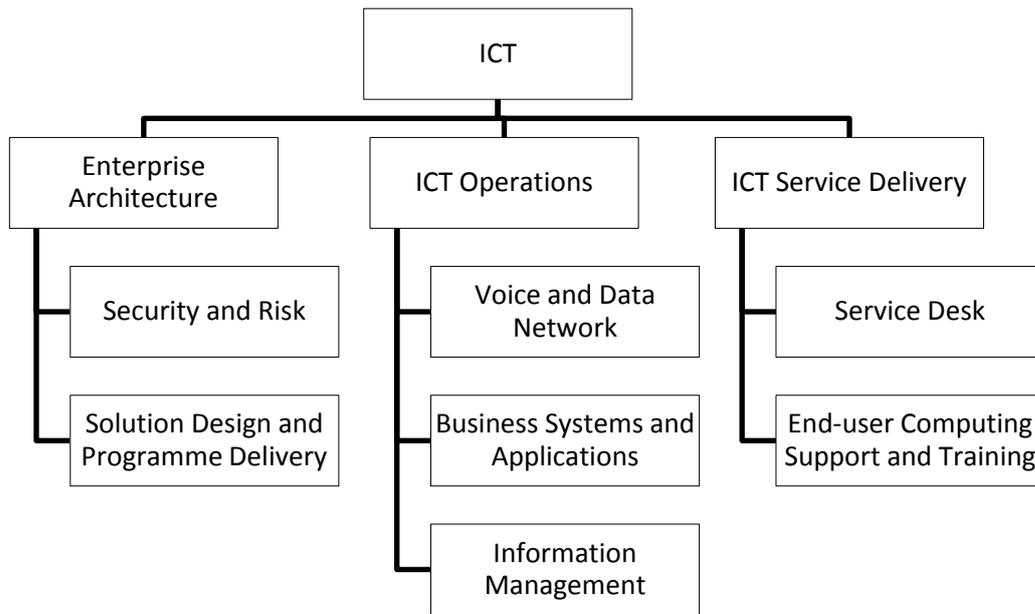
3.1 A review of the Council's ICT Service was completed by SOCITM in August 2015, and the report's recommendations were endorsed by the Leadership Panel in September 2015. Key recommendations pertaining to this report were:

- develop an organisational structure for ICT that is designed to support a new operating model and functions;
- agree a resource plan (including the required skills) to deliver the priority ICT projects on behalf of the transformation agenda;
- establish a governance structure with a clearly defined framework that facilitates change;
- map out the high-level information management needs of the directorates; and
- establish Service Management processes within ICT

3.2 The new ICT Operating Model being established for the Council (and reflected in the revised ICT Strategy also on this Panel's agenda for approval) breaks the ICT function into four primary activities:

- **Plan** - Also known as 'Enterprise Architecture', is responsible for the architectural standards, technology roadmaps and approval procedures for all technology streams that make up the Council's ICT landscape. It also provides business analysis support required to fully scope larger technology investment opportunities into a business case.
- **Build** – Also known as 'ICT Programme Management', is responsible for managing the delivery of the ongoing work programme of new or sustaining technology investments, ensuring contribution of value to the Council's Services. Programme management enables all ICT projects to be consistently and successfully delivered, while ensuring visibility of scope, schedule, resources, costs and risk.
- **Support** – Also known as 'ICT Operations Management', is responsible for supporting the operation of core technology services to ensure their reliability, availability and performance. Operations management undertakes the regular maintenance activities to keep the environment running effectively, while responding to technical issues and requests raised by ICT users.
- **Service** – Also known as 'ICT Service Delivery', is responsible for ensuring the ICT services are delivered efficiently and effectively to ICT users. Service Delivery is the 'front-face' of ICT to the user base, delivering first-level end-user support functions, monitoring the quality and effectiveness of the ICT services, and managing business relationships.

3.3 Applying practical resource and budget limitations across the ideal structure has resulted in the proposed structure of three ICT management roles, with responsibilities of 'Plan' and 'Build' being assigned to the ICT Enterprise Architect.



3.4 The transformation agenda associated with the Transform South Ayrshire programme has identified four key ICT Foundations initiatives:

- **Digital services platform** – establish a technology platform that supports consumer and workforce focused Service improvement (addressing management of identity, information content, workflow and process automation, devices and access, and application development and integration)
- **Information, reporting and analytics integration** – Deliver an information integration, reporting and analytics platform which also addresses information security, master data management, information analysis and sharing across Council and partner systems.
- **End-user computing platform** – Establish appropriate technology standards, infrastructure and support structures for the entire ICT-supported user base: office workers, mobile/flexible workforce, education users, partners, Service consumers
- **System consolidation** - Complete an enterprise-wide review/audit of all systems and support arrangements, looking for opportunities to replace, extend, consolidate and/or retire systems to achieve improvements in cost, service delivery and risk management

3.5 The work programmes associated with these initiatives are substantial, but critical to the delivery of the Council’s overall transformation agenda. The initial task for the enterprise architecture team will be to develop the requirements specification and business case for the work, and once approved, manage the delivery of the solutions.

- 3.6 The recent implementation of the HR and Payroll modules of the Council's Oracle e-Business suite now requires the project to transition to operations. All of the system support and maintenance activities that were being undertaken within the project structure must now be established as on-going ICT operations activities to support the system operation. The future requirement to establish a permanent support function for the Oracle HR and Payroll module once implemented, was identified in the report seeking approval for the project (Payroll and HR Business and Resourcing Service Review – Service and Performance Panel Report – 26 April 2016). With the project completed to operational stage, it is now a requirement to approve permanent budget for the required support.
- 3.7 Where previously Oracle Financials was able to minimise the application of software patching and upgrades, the addition of Oracle Payroll has meant that the entire system must now complete two upgrades per year to maintain compliance with annual tax and payroll legislation changes. On top of normal user support, housekeeping and maintenance activities, each of the upgrades take months of planning and testing by the team to complete. The implementation project has also highlighted further efficiency improvement opportunities through enabling employee and manager self-service tools in the system, and thus removing substantial manual handling of paper-based time sheets, pay slips and other forms. As a result, it is expected that the continuing rate of change to the Oracle system will be high, and the ICT support resources must be established accordingly. To not do this will place the Oracle system (Procurement, Financials and Payroll) at a high risk of legislative non-compliance and operational failure, and also not deliver the cost saving opportunities the new system offers. After the system has stabilised, it is expected that support resource requirements will reduce accordingly.

4. Proposals

- 4.1 It is proposed that the current ICT structure outlined in Appendix 1 is revised to that outlined in Appendix 2, and that this now be approved and implemented to more properly support the new operating model for the ICT function and to enable delivery of the revised ICT strategy with its refreshed objectives to support the Council's objectives,

4.2 *Delete Existing Posts*

It is proposed to delete 3 senior ICT posts which relate to roles no longer appropriate to deliver the revised ICT strategic approach to delivery. It is also proposed to delete , 2 operational ICT posts, the remits of which are too high-level and narrow in scope to fit in to the new structure as proposed in Appendix 2. The deleted roles are:

- ICT Strategy Officer (grade 17);
- Technical Support and Development Manager (grade 15);
- Applications Support and Development Manager (grade 15);
- Oracle System Support Officer (grade 12 - currently vacant); and
- Senior Systems Development Officer (grade 11).

4.3 **Create New Posts**

It is proposed to create an ICT technical standards, architecture and programme management function which requires the creation of a new permanent ICT management role, and two new temporary programme management posts, essential to designing and delivering the critical technology platforms required for the Council's transformation agenda and ICT Strategy. The new roles, as further described in sections 3.2 and 3.4 above, and Appendix 2, are:

- ICT Enterprise Architect (permanent – grade 15)
- ICT Infrastructure Programme Manager (temporary – grade 13); and
- Digital Services Platform Programme Manager (temporary – grade 13).

4.4 It is proposed to create an ICT operations management function involving a new permanent ICT operations management role and reporting all existing infrastructure and systems support team leaders into the new manager. Most teams are already in place, and there are no immediate changes proposed to their operating scope. However, once the manager is in place, a further review of ICT operations staffing levels and responsibilities will be undertaken, with an expectation of staffing reductions over the next 2 years. New teams are being established for Oracle e-Business (see section 4.4) and Information Management (see section 4.7) support. The new role to be created is further described in Appendix 2:

- ICT Operations Manager (permanent – grade 15).

4.5 The creation of an Oracle e-business support function is proposed to provide the appropriate resources for supporting all of the Oracle modules currently in use: Financials, Procurement, Human Resources and Payroll as described in sections 3.6 and 3.7 above. The proposed addition of a team leader, 2 new systems officers, and one assistant combines the existing Oracle financials support function with the additional requirement for HR and Payroll, creating a team of 2 analysts, 4 officers and an assistant. The team structure and size is based on knowledge gained during the HR/Payroll implementation project, and benchmarking with other public authorities who also use Oracle. The new roles to be created, as further described in Appendix 2, are:

- Team Leader – Business Systems (permanent – grade 13);
- Systems Analyst – Oracle HR/ Payroll (permanent – grade 10);
- Systems Analyst – Oracle Finance (permanent – grade 10);
- Business Systems Officer (2 temporary – grade 9); and
- Business Systems Assistant (permanent – grade 7).

4.6 The proposal to create an ICT service delivery management function involves a new ICT Service Delivery Manager role, plus a Team Leader of end-user computing. This is to account for an existing gap in the ICT service, where there is no identified responsibility or resource for managing service quality and stakeholder relationships. Technology training and advice for all ICT computer users (including Councillors) falls under these new roles. Although the functional teams are already in place, the two new permanent leadership roles are seen as necessary to guide the appropriate changes in responsibilities, process and culture for the teams. Once the manager is in place, a further review of ICT service delivery staffing levels and responsibilities will be undertaken, with an expectation of staffing reductions over the next 2 years. The new roles, as further described in Appendix 2, are:

- ICT Service Delivery Manager (permanent – grade 14); and
- Team Leader - End User Computing (permanent – grade 13).

4.7 It is proposed to advertise the new posts externally immediately on approval of this report with a view to early recruitment. Deletion of the 5 posts and any resulting redundancies will be subject to the Council's Managing Workforce Change framework. Costs of severance will be met from the Workforce Change Fund. Exact transitional timing for the restructure will be by agreement, but to be finalised within a 3 month time frame.

4.8 ***Transfer Existing Posts***

The creation of an information management function, primarily to support the Council's digital services, reporting and analytics platforms, is proposed to bring together existing roles in the Business Applications and Public Affairs team which support the Council internet site and information presentation applications. The function will be responsible for managing and supporting the digital services platform for consumer and workforce service delivery and automation, information integration, reporting and analytics across Council and partner systems. No new roles are being created, with all to be relocated from the Policy and Performance service and the ICT team. These existing posts, as described in Appendix 2, are:

- Team Leader – Information Management (grade 13);
- GIS Analyst (grade 11); and
- Web Developer and Social Media Analyst (2 x grade 10).

5. Legal and Procurement Implications

5.1 There are no legal implications arising from this report.

5.2 There are no procurement implications arising from this report.

6. Financial Implications

6.1 Revenue costs of £432,555 per annum (inclusive of on costs) are associated with the establishment of the 8 new permanent ICT posts. This will be partially offset by the deletion of 5 existing posts, equating to £310,126, with the balance of the funding of £122,431 to be met from the additional £150,000 revenue funding approved by Council on 2 March. Details of the costs are set out in the table below:

6.1.1 **New Permanent Posts:**

Role	Grade	Cost
ICT Operations Manager	15	£65,828
ICT Enterprise Architect	15	£65,828
ICT Service Delivery Manager	14	£62,067
Team Leader – Business Systems	13	£57,629
Team Leader – End User Computing	13	£57,629
Systems Analyst – Oracle HR/Payroll	10	£45,435
Systems Analyst – Oracle Finance	10	£45,435
Business Systems Assistant	7	£32,704
Total		£432,555

6.1.2 **Deleted Posts:**

Role	Grade	Cost
ICT Strategy Officer	17	£75,336
Technical Support and Development Manager	15	£65,828
Applications Support and Development Manager	15	£65,828
Oracle System Support Officer	12	£53,471
Senior Systems Development Officer	11	£49,663
Total		£310,126

6.2 Additional one off costs of £198,324 per annum are associated with the establishment of the 4 new ICT Foundation project posts as part of the Transform South Ayrshire(TSA) programme. It is proposed that the £396,648 total funding for these additional posts be met from the TSA Budget under the allocation for ICT Foundations projects. The annual costs of the posts (inclusive of on costs) are:

Role	Grade	Cost
Systems Officer	9	£41,533
Systems Officer	9	£41,533
ICT Infrastructure Project Manager	13	£57,629
Digital Services Platform Project Manager	13	£57,629
Total		£198,324

- 6.3 As at 31 January 2017, the TSA Budget for ICT Foundations projects held a balance of £1.23m of unallocated funds available for disbursement. Utilisation of the fund for the purpose outlined in section 6.2 above will reduce the balance by £396,648 over a two year period.
- 6.4 Any voluntary severance or redundancy costs arising from the structural changes and the application of the Council's Managing Workforce Change Policy will be met from the Workforce Change fund.

7. Human Resources Implications

- 7.1 As in previous exercises, every effort is being made to maximise employment opportunities, safeguard jobs and minimise any compulsory displacement of staff and as part of this process, expressions of interest have been sought for voluntary severance in areas where there is potential staff displacement.
- 7.2 The grades of new posts have been determined by the Council's job evaluation scheme.
- 7.3 The terms of the Council's Managing Change policy will apply, as appropriate, including considerations for redeployment of displaced employees to suitable alternative jobs. However, it should be noted that employees can refuse such an offer if the alternative job is deemed to be 'unsuitable' and if this refusal is reasonable. In such a situation, the employee will be entitled to the appropriate severance payments and benefits.
- 7.4 The proposals have been discussed in detail with the Trade Unions. The Trade Unions have expressed concerns that the only jobs on the new structure that may be available to some employees will be at a lower grade to their current post. This may be the case. The revised structural proposals reflect the requirements of the service in order to deliver on Council priorities. If the only post available to an employee is at a lower grade than his or her current post, salary will be preserved in accordance with the Managing Change Policy.
- 7.5 This proposed restructure is a first step towards establishing the new ICT operating model. As described in the proposal sections 4.4 and 4.6, further reviews of staffing within ICT will be undertaken with additional changes to structure and staffing reductions anticipated within the next two years.

8. Risk

8.1 *Risk Implications of Adopting the Recommendations*

- 8.1.1 There are no risks associated with adopting the recommendations.

8.2 *Risk Implications of Rejecting the Recommendations*

- 8.2.1 Failure to address the issues raised in the ICT Service Review undermines the Council's strategic goals and ability to deliver effective, efficient, resilient and compliant technology services.

9. Equalities

- 9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as Appendix 3.

10. Sustainable Development Implications

- 10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

- 11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. Link to Council Plan

- 12.1 The matters referred to in this report contribute to the Council strategic objective of 'Improve the way that we work as a Council' and within that to the outcome 'Information and communications systems and processes that support efficient delivery of front facing and back office services with a focus on digital delivery'.

13. Results of Consultation

- 13.1 There has been no public consultation on the contents of this report.
- 13.2 Consultation has taken place with Councillor Robin Reid, Portfolio Holder for Resources and Performance, and the contents of this report reflect any feedback provided.
- 13.3 Consultation has taken place with Trade Union representatives and impacted staff. The Trade Unions have expressed concerns that the consultation period provided only limited time to consult with members prior to finalising the structure. They did, however, recognise that the restructure only directly impacted 4 currently occupied posts and the terms of the Council's Managing Workforce Change Framework will be applied, including consideration of voluntary severance and redeployment.

14. Next Steps for Decision Tracking Purposes

- 14.1 If the recommendations above are approved by Members, the Executive Director – Resources, Governance and Organisation will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Leadership Panel in the 'Council and Leadership Panel Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
New ICT structure in place	30 June 2017	Executive Director – Resources, Governance and Organisation

Background Papers **Report to Leadership Panel (Special) of 30 September 2015 – [ICT Service Review](#)**

Report to Service and Performance Panel of 26 April 2016 - [Payroll and HR Business and Resourcing Service Review](#)

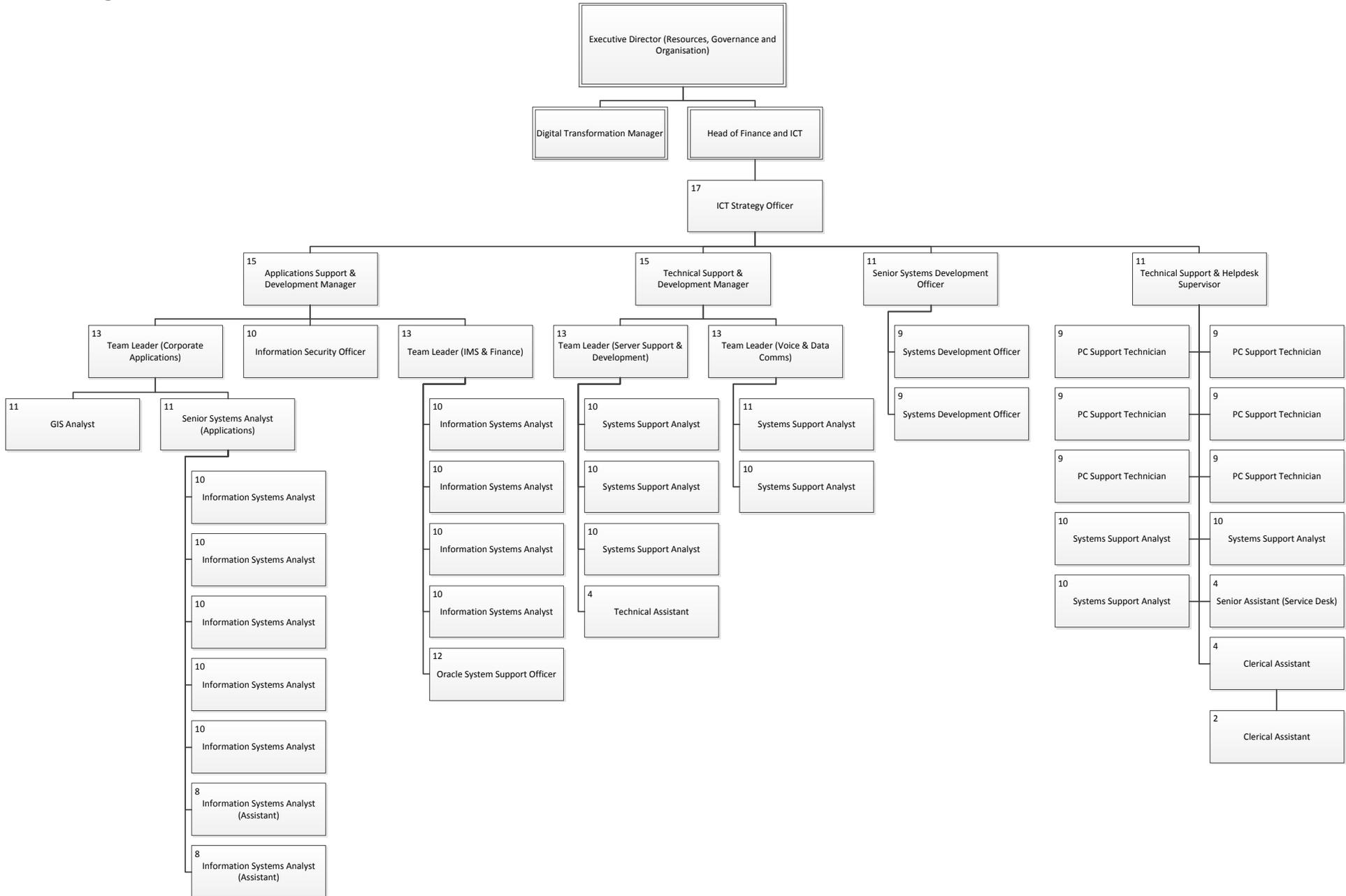
Report to Leadership Panel of 14 June 2016 – [Transform South Ayrshire](#)

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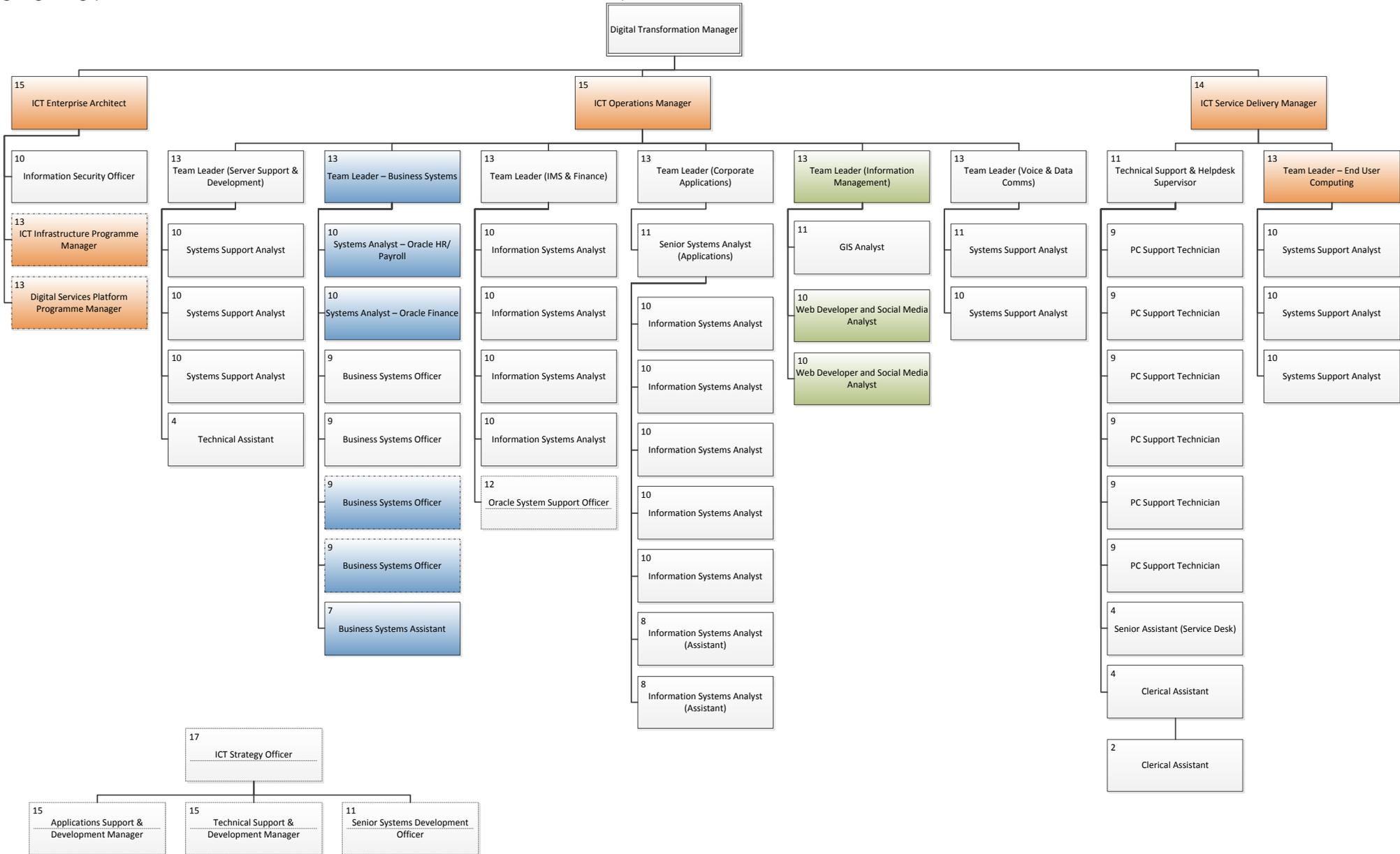
Date: 6 March 2017

Current ICT Organisation Structure



Proposed ICT Structure

(Highlighting posts that are to be deleted, created new, and transferred)



Details of Restructured Roles

New Roles:

1. **ICT Enterprise Architect** (level 15) is a new role which will oversee the ICT technology standards, programme governance and solutions assessment for the Council. The role is quite strategic, and ensures the Council maximises value from technology investments.
2. **ICT Infrastructure Project Manager** (level 13) is a new temporary role taking on the responsibility of delivering the ICT foundations project: 'End-User Computing Platform', along with immediately pressing ICT infrastructure resilience projects. Part of this role will be to also explore the opportunity of using managed services for the future of the Council's ICT infrastructure. The role is to be funded from the Transform South Ayrshire programme budget for 2 years.
3. **Digital Services Platform Project Manager** (level 13) is a new temporary role taking on the responsibility of delivering the ICT foundations project: 'Digital Services Platform', along with immediately pressing ICT architectural work associated with other Transform South Ayrshire projects being initiated from South Ayrshire Ways of Working and South Ayrshire Goes Digital work streams. The role is to be funded from the Transform South Ayrshire programme budget for 2 years.
4. **ICT Operations Manager** (level 15) is a new role, effectively consolidating the existing Technical Support and Development Manager with the Applications Support and Development Manager, but also adding responsibilities for supporting Oracle e-Business, and Information Management.
5. **Team Leader – Business Systems** (level 13) is a new permanent role required to oversee and coordinate all Oracle e-Business Suite module support activities and associated programme of works. The role is responsible for the effective operation of the system, ensuring the Oracle system service meets quality, performance, security and compliance expectations.
6. **Systems Analyst – Oracle HR/ Payroll** (Level 10) is a new permanent role required to provide day-to-day support for the Oracle HR and Payroll modules. The role interacts with functional leads to ensure the system is configured appropriately for business needs, responding to service requests and issues as they arise. The role also manages delivery of appropriate training for the system in line with standard practices, and coordinates testing processes to verify the system operates correctly after patch and upgrade installations.
7. **Systems Analyst – Oracle Finance** (level 10) is a new permanent role required to provide day-to-day support for the Oracle Finance and Procurement modules. The role interacts with functional leads to ensure the system is configured appropriately for business needs, responding to service requests and issues as they arise. The role also manages delivery of appropriate training for the system in line with standard practices, and coordinates testing processes to verify the system operates correctly after patch and upgrade installations.
8. **Business Systems Officer** (Level 9) – of 4 roles total, two are permanent and two are temporary. The business systems officers will work under guidance from the Systems Analysts to deliver day-to-day system administration support and

issue resolution for users of Oracle e-Business Suite. The temporary nature of 2 roles recognises an expectation that operational support workload should reduce once the Oracle HR/payroll environment becomes stabilised, and workload can be shared between/ across the modules.

9. **Business Systems Assistant** (Level 7) is a new permanent role required to provide day-to-day administration and data entry, primarily for Oracle HR and Payroll service requests and system maintenance.
10. **ICT Service Delivery Manager** (level 14) is a new role that is required to establish and manage key ICT service management processes with appropriate performance metrics. The role will be responsible for putting in place new ICT processes such as Incident and Service request fulfilment, a published catalogue of services, and creating a service-oriented culture within the team.
11. **Team Leader - End User Computing** (level 13) is a new role that is required to provide technical guidance to the systems support analysts, while ensuring the full suite of end-user support services are provided to each directorate (including close business engagement and appropriate training) across all end-user computing technologies (including PC, laptops, tablets, smart phones, printers, projectors, telephones, etc.).

Subsumed Roles (new reporting lines):

1. **Information Security Officer** (level 10) is an existing role currently positioned in Applications Support, but misses the ability to view information management and security across the whole ICT landscape. ICT Enterprise Architecture gets value from the Information Security function through the ability to set security standards across the whole ICT service, and to ensure solutions are always designed and implemented within an established security framework.
2. **Team Leader – Information Management** (level 13) is an existing role moved from Public Affairs (Web and Social Media Team Leader), and already responsible for the creation, presentation and automation of web content for the Council's internet site. The existing incumbent also provides ad-hoc support back into ICT continuing his previous role in collating, analysing and presenting geographic and contextual data in systems and applications. The role will continue with existing responsibilities, and contribute to the transformation of the function and technology into a new digital services platform as part of the Transformation agenda.
3. **GIS Analyst** (level 11) is an existing role in ICT Systems Support, and will continue with the same responsibilities while reporting into the Information Management Coordinator.
4. **Web Developer and Social Media Analyst** (level 10) are 2 existing roles in Public Affairs, and will continue with the same responsibilities while reporting into the Information Management Coordinator.
5. **Systems Support Analyst** (level 10) are 3 existing roles which are now reporting to the Team Leader – End User Computing. The new reporting arrangement will provide the analysts with appropriate technical guidance and service leadership to provide a more aligned level of service to the directorates across all of the technologies that make up end-user computing.

Deleted Roles:

1. **ICT Strategy Officer** (level 17) currently leads delivery of the whole ICT Service, but without specifically defined Enterprise Architecture and Service Delivery functions. The ICT Strategy Officer's current role is more in line with the proposed ICT Operations Manager (level 15).
2. **Technical Support and Development Manager** (level 15) currently oversees the delivery of ICT Infrastructure (Servers and Communications) support and project services. In the new structure, this function is subsumed by the ICT Operations Manager role.
3. **Applications Support and Development Manager** (level 15) currently oversees the delivery of ICT Applications and Business Systems support and project services. In the new structure, this function is subsumed by the ICT Operations Manager role.
4. **Oracle System Support Officer** (level 12) this role is currently vacant, and is being subsumed by the new Team Leader - Business Systems (level 13) role. The new role takes responsibility for the expanded module set of the Oracle environment, plus the day-to-day management of team of support officers who maintain and support the system.
5. **Senior Systems Development Officer** (level 11) this role is currently supporting the Oracle Financials system with two system support officers reporting to it. The role is being subsumed into the new Team Leader – Business Systems role.

1. Proposal details

Proposal Title ICT Staffing Changes and Restructure	Lead Officer Alan O'Neill
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2. Which communities, groups of people, employees or thematic groups do you think will be, or potentially could be, impacted upon by the implementation of this proposal? Please indicate whether these would be positive or negative impacts

Community, Groups of People or Themes	Negative Impacts	Positive impacts
The whole community of South Ayrshire	-	-
People from different racial groups, ethnic or national origin.	-	-
Women and/ or men (boys and girls)	-	-
People with disabilities	-	-
People from particular age groups for example Older people, children and young people	-	-
Lesbian, gay, bisexual and heterosexual people	-	-
People who are proposing to undergo, are undergoing or have undergone a process to change sex	-	-
Pregnant women and new mothers	-	-
People who are married or in a civil partnership	-	-
People who share a particular religion or belief	-	-
Thematic Groups: Health, Human Rights, Rurality and Deprivation	-	-

3. Do you have evidence or reason to believe that the proposal will support the Council to:

General Duty and other Equality Themes	Level of Negative and/ or Positive Impact (high, medium or low)
Eliminate discrimination and harassment faced by particular communities or groups	Low impact
Promote equality of opportunity between particular communities or groups	Low impact
Foster good relations between particular communities or groups	Low impact
Promote positive attitudes towards different communities or groups	Low impact
Increase participation of particular communities or groups in public life	Low impact
Improve the health and wellbeing of particular communities or groups	Low impact
Promote the human rights of particular communities or groups	Low impact
Tackle deprivation faced by particular communities or groups	Low impact

4. Summary Assessment

Is a full Equality Impact Assessment (EQIA) required? (A full EQIA must be carried out on all high and medium impact proposals)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Rationale for decision: This report seeks Members' approval of a revised ICT structure. Their decision on this has no specific equality implications.	
Signed : Valerie Andrews Executive Director	
Date: 17 February 2017	Copy to equalities@south-ayrshire.gov.uk