

Joint CIO, CTO and Local CIO Council**2-3 July 2009****Agenda**

2 July 2009	
	Evening discussion and dinner with CTO Council and Local CIO Council – with guest speakers Sir Tim Berners-Lee and Professor Nigel Shadbolt
3 July 2009	
Session 1	Introduction and Overview
Session 2	Our priorities for taking forward the IT Strategy for Government? – breakout groups and plenary
Session 3	Next steps – including agreement on decisions on approach to strategy

Note of meeting**Session one – Introduction and overview**

John Suffolk welcomed the CIO, CTO and Local CIO Councils to the meeting and explained that the aim of the session was to review what we had achieved so far, and discuss and agree our future priorities.

John then gave an update on key developments since the last CIO Council meeting in April and their impact on the work of the Councils.

1. Operational Efficiency Programme (OEP)

The OEP was published in May as a high level summary as part of the Budget. At the time of publication, the detailed documents for each work-strand had not been finalised.

CIO Council members had given feedback on the OEP at various stages of its development:

At the September CIO Council, we had given our overwhelming support for OEP as it was perfectly in line with our existing agenda. However we had fed back that we did not think the initiative was going far enough, and that there was potential for bigger gains through, for example, policy simplification, rationalisation of entities and business process re-engineering.

CIOs had also commented on the detailed document during drafting and had raised concerns about the quality and source of data used in analysis, particularly the use of old data and mixing of data that had been gathered for different purposes.

As part of the final review of OEP (in Spring), John had written to colleagues in HM Treasury on behalf of the CIO Council. Several points of clarity were still outstanding such as:

- Whether our focus was only in reducing cost in IT or if creating value in the Public Sector through the use of IT was also a priority;
- How would those recommendations requiring upfront investment be funded;
- The consequences that new policy and enhancements to existing services will need to be curtailed unless they reduce IT cost, or existing services are curtailed.
- That there will need to be a fundamental change in procurement approach, as IT is a recipient of costs from procurement exercises run by the Commercial teams, in general.
- It is easier to simplify and standardise if we mandate. The report makes no mention of mandating.
- If the 20% is cashable, there will need to be quick and dramatic action on existing projects and activities if we are to hit the required timetable.

Since the publication of the OEP, there had been a number of Ministerial changes, including the appointment of Liam Byrne as Chief Secretary to the Treasury. Liam had signalled that he was in strong support of OEP and that he would make sure the recommendations were delivered. A focus of this would be identifying and making further cost reductions.

As part of this, Heads of Professions (including IT) were already being asked to provide benchmarking and other data. The Ministerial Committee PSX would also be meeting shortly. As the CIO Council had already undertaken benchmarking, we were in good shape to provide the first set of data.

Action

- John Suffolk to write to HMT on behalf of the CIO Council asking for further clarity on the implementation of OEP

2. Digital Britain

Digital Britain was launched on 16th June. Industry and other stakeholders had done a considerable amount of work with the Digital Britain Team and the report contains a number of comments from IT suppliers. Thanks to our good relationship with suppliers, these comments support our existing strategy. Colleagues at the now Department for Business, Innovation and Skills had ensured we were consulted, so that Digital Britain aligned with our strategy.

The challenge for CIO Council going forward was one of implementing actions from Digital Britain against a backdrop of OEP. In particular, the issue of funding cross-government initiatives had been reopened in recent weeks. If this was approved it could help drive our agenda forward, but we would need to be able to strongly demonstrate future value.

Another challenge for the CIO Council was transparency. As had been widely reported, the new US CIO had recently published project data. We had previously taken an approach of being as open as possible in publishing our plans, policies and working papers as a CIO Council. However more could be done and an agreed approach to publication of data on our projects and supply management initiative (including the Common Assessment Framework) was needed. We will pursue this over the coming period with colleagues who own this policy issue.

3. Cyber Security Strategy

The Cyber Security Strategy was also published in June and as part of this an Office for Cyber Security would be created. Again we had worked closely with colleagues drafting the strategy to avoid duplication/replication.

The strategy was seen as a welcome development as it complemented and supported work underway on Information Assurance and for example it linked very well to the Public Sector Network strategy

In discussion, the group acknowledged that there were some big challenges. However OEP, Cyber Security and Digital Britain also presented the Councils with a great opportunity to deliver our agenda. Detailed points are attached at Annex A.

Session 2: Our priorities

For the rest of the meeting, CIOs and CTOs were tasked to work in groups to put forward recommendations for decisions for driving forward the agenda as follows:

- a) Recommendations for action to agree and sign up to at this meeting
- b) Decisions that should be taken in short term but need further investigation over a 2-3 week period
- c) Recommendations on our strategic direction over the medium/longer term

The outputs of those discussions are detailed at Annex B.

Meeting attendees are detailed at Annex C.

In discussion the following points were raised:

- Some of this might be good news for some of us as it helps deliver our overall strategy.
- We had made many good strategic decisions and developed excellent strategies. The issue now is one of full commitment and timing.
- The reputation of IT profession is good. Public Sector colleagues sometimes do not realise just how technology dependant we are, how pervasive technology is in every facet of the public sector. The case studies on the Cabinet Office website alongside the annual reports we publish are good steps forward.
- Given the economic position as well as our ICT strategy, colleagues can no longer just develop policies, systems and technology on their own. We must work together in line with what we have agreed.
- We need to articulate our Strategy to our wide stakeholder base as this is published later this year.
- We need clarity from HMT on whether OEP is a cost reduction exercise or cost reduction plus improvement in public services. We discussed the different approach being taken in the United States where IT is being invested in to reduce public sector costs and drive efficiency and effectiveness' improvements.
- This is not just an issue for central government – it is cross-public sector so the Local CIO Council and the Police CIO Councils must play their part in delivery.
- Regardless of the next government – there will be a greater push towards localisation and this will have consequences on the IT Strategy
- We need to answer the question 'How do we stop things?' in addition to the agreed rights of intervention we agreed in 2007.– Digital Britain gave the Govt CIO veto to stop programmes. JS' view was that this recommendation should rest with the CIO Council but he was advised by Lord Carter to make it happen.
- The CIO Council has a primary role in delivering Digital Britain, OEP, Cyber Security, Transformational Government and Building Britain's Future.
- Bichard – aggregating spend at local level – there is a tension between local and national requirements.
- Personalisation – there is an issue with the provision of adult social care. Personalisation can actually help reduce cost but might need more technology support to track where money goes and on what.
- OEP – mandate corporate services strategy should be a focus – need clarity of shared services agenda
- Cyber Security Strategy asks for resources from departments to staff teams, but teams already having to cut back. It is a new and important initiative, but teams are beginning to struggle to find some of the resource
- Public protection network/McGee report – demand to share information on no cash basis

- We need turn our minds to the new risk profile – what is aggregate risk, has it changed in terms of viability. Is there a risk that departments/public bodies cut investments in key areas that increases both risk and cost downstream.
- Risk does not appear anywhere in OEP
- OEP and Digital Britain –represents a huge opportunity for us which we will take
- Can we get credit for benefit we are creating elsewhere – could we take 25% out of real estate costs by using technology to enable people to work more flexibly? There is little need for many people to be London based. Many can work from home, where it is better from a cost, social, and sustainability position. If we are to take 20% out of IT costs, buildings need to close.
- If we are leading change we need to get people to think radically – eg buildings/division bell
- What are the consequences on our strategy?
 - Are we doing OEP on long or short term basis? – **long to ensure sustainable benefits, but short to start the delivery**
 - Are we doing shared services or local services? – **need both**
 - Are we going to look at outsourcing, even though central gov c65% outsourced? – **yes but also insourcing**
 - Speed and execution vs. quality – **need all, but we must be faster**
 - Collaborative/central vs. local negotiation and procurement –**detailed in OEP**
- Policy colleagues will need to understand the cost situation. They will have less options to come up with policy initiatives that can never be implemented due to lack of funding. The funding issue will require a dramatic curtailment of new policy initiatives unless existing policy, products and services are curtailed to fund the new initiative.

Agreements

Decisions we made today on overall approach and strategy:

- To publish the full IT Strategy this year, subject to Ministerial approval.
- Provide and coalesce our resources to deliver, and all move to, strategies and common infrastructure covering: standardised desktop models; Public Sector Network; Data Centre rationalisation; Open source, open standards and reuse; Government Cloud; Government Application Store; Green IT and Information Security; shared services; portfolio and benefits management; capable people and capable departments; supplier management, and off shoring. Appoint CIO's to lead on each strand.
- Ensure Digital Britain, the Cyber Security Strategy, the Operational Efficiency Programme and Building Britain's future are built into the IT strategy.
- Write to HMT, and others, on implications of strategy, how it has all be aligned, and the requirements for investment funding to deliver the annual £3.2bn of savings.
- To build in checks and balances with policy colleagues to assess implications on IT for downstream IT spend. I.e. if a policy is likely to increase IT spend downstream, policy owner must also identify where savings will be made to fund new initiative.

Decisions we made today on suppliers:

- Extend the Supplier Management Initiative (the Common Assessment Framework) beyond the top 12 suppliers, to the next 12
- Pricing by supplier should be published to improve transparency and set the benchmark performance
- When contracts are due to be let (before procurement) procurement/Departmental CIO should engage with the lead CIO for that supplier.
- We should use the CAF process to determine if a supplier goes beyond PQQ stage. CAF to be upgraded to strengthen link between actual delivery and scores for planning and delivery.
- PQQ process should be updated to ensure that suppliers bids will be conformant to agreed strategies – i.e. Green IT, Security, Open Source, Open Standards and Reuse else the supplier should be down selected at PQQ stage
- We should extend the number of suppliers on "Crown" deals beyond Microsoft. Others were discussed but these are not for public disclosure at this stage
- Work with suppliers to ensure they offer a "most favoured nations" approach when bidding to Government
- Key dates and events are to be shared more widely: contract renewal and review dates etc.

Decisions we made today on open source, open standards and reuse

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- Deliver the *Open Source, Open Standards and Reuse* strategy. Deliver through Government Application Store. Extend strategy to update standards; add in a shadow price if proprietary software has been pre-purchased; add a requirement that suppliers must demonstrate actual review of open source products else bid will be rejected as non compliant
- Share our assets through the Champion/Challenger process. Extend the Champion/Challenger process to build in the police statutory code of practice approach.
- To limit “new” things and to “triage” all new OJEU's to ensure we are not duplicating items, or that items that are required fulfil the strategic requirements and are aligned with our strategy
- Portfolios of change to be shared internally. We agreed to stop duplicating projects, if we are, adopt “champion assets” and create the Government Application Store
- To release non-personal data now, in raw format to make Sir Tim Berners-Lee and Digital Engagement team's work happen
- Move in-house telephone calls to use GSI/PSN.
- Continue with benchmarking, continue to normalise the data collection and definitions.

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Meeting attendees

CIO Council	
John Suffolk	CO (Chair)
Jeremy Boss	Audit Commission
Jos Creese	Hants CC
Bill Crothers	IPS
Richard Earland	NPIA
Glyn Evans	Birmingham City Council
Andrew Gay	MOJ
Steve Gooding	DFT
Nick Hopkinson	CESG
David Jones	CPS
Simon Jones	DFID
Roy Marshall	CLG
Tony Mather	FO
Bill McCluggage	DPFNI
Anne Moises	Scottish Executive
Mark O'Neill	DCMS
Deepak Singh	HMRC
Nigel Smith	OGC
John Taylor	MOD
Annette Vernon	HO
Tim Wright	DCSF
CIO and CTO Council Secretariat	CO
Jo Cliff	CO
Rachel Gentry	CO
Lesley Hume	CO
Andrew Stott	CO
CTO Council	
Mark Ferrar	NHS
Adel Al-Shehab	Audit Commission
Bob Armstrong	DH
Simon Berlin	Lewisham BC
Paddy Clayton	MoD
Paul Davidson	Sedgemoor DC
Chris Ensor	CESG
Steve Foreman	Met Office
Jason George (for David Brown)	DEFRA
John Gray	Rural Payments Agency
Dominic Hartley	IPS
Colin Hurd	DCSF

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Malcolm Lowe	DWP
Philip MacPherson	FCO
Steve Marsh	CO
Andy McClintock	Scottish Executive
Eamonn McDonough	DfT
Sarah Norton	DfT
Stephen Osborne	HMPs NOMS
Dilip Parmar	DCLG
Mike Payne	MoJ
Michael Stubbings	CO
Kostas Tsatsaris	HMRC
John Wailing	Home Office
Phil Buckle	NPIA
Local CIO Council	
Peter Bole	Kent CC
Kay Brown	South Lanarkshire Council
Rose Crozier	Belfast City Council
Tonino Ciuffini	Warwickshire CC
Martin Ferguson	Socitm
Adrian Hancock	Socitm
Mark Brett	Socitm
Dylan Roberts	Leeds City Council
Richard Steel	Newham LB

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