

One Year On: Implementing the Government ICT Strategy

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Ministerial Foreword

In March 2011, the Coalition Government set out a vision for Government ICT at the heart of delivery of efficient, cost-effective public services which are responsive to the needs of citizens and businesses. We identified a series of challenges which ministers, departments, Chief Information Officers, IT professionals and other civil servants faced in using ICT to meet the requirements of a modern state. We set out a programme for:

- Making government ICT more open to the people and organisations that use our services, and open to any provider – regardless of size;
- Reducing the size and complexity of projects, and better manage risks;
- Enabling reuse of existing ICT systems and ‘off the shelf’ components, reducing duplication, over-capacity and saving money;
- Moving towards a common infrastructure in government, increasing efficiency and interoperability;
- Reducing procurement timescales and making it easier and simpler for SMEs to compete for government business, supporting the aspiration that 25% of Central Government procurement spend should go to SMEs by the end of this Parliament (2015); and
- Improving the implementation of big ICT projects and programmes, and supporting the IT profession in government and the public sector.

This report sets out progress one year into implementing the Government’s ICT strategy. A number of significant successes have been chalked up, including the launch of the Public Services Network frameworks; the launch of the Government Digital Service; and the creation of the CloudStore. These are still early days for implementation, but progress has been good, as noted by the National Audit Office.

We also demonstrate this Government’s commitment to transparency and openness by the publication for the first time of a range of metrics relating to ICT in government. These will be developed to provide a more consistent benchmark for future years, demonstrating how uptake of the strategy is progressing. The next set of metrics will be published in October 2012, and we will report on progress again in Spring 2013.

The Rt Hon Francis Maude MP
Minister for the Cabinet Office

1. Executive Summary

'The Cabinet Office has made a positive and productive start to implementing the Strategy'

The National Audit Office, *Implementing the Government ICT Strategy: six-month review of progress*, December 2011

1.1 Just over one year in from the publication of the Government's Information and Communications Technology (ICT) strategy, this report sets out progress made to-date in implementation. Over the past year, the Government has:

- Established the **CIO Delivery Board**, the governance body responsible for implementation of the strategy (Apr 2011);
- Launched the **Public Services Network (PSN)** frameworks (Sept 2011) and awarded the PSN Connectivity Framework, while confirming savings of £64.2m for 2011/12 (Mar 2012);
- Seen the publication of a positive **National Audit Office (NAO) report**, broadly endorsing its approach (Dec 2011);
- Published more detailed strategies on specific areas, including **Capability, Cloud Computing, End User Devices (EUDs)**, and **Green ICT** (Oct 2011);
- Launched the **Government Digital Service (GDS)**, a new team within Cabinet Office tasked with transforming government digital services (Dec 2011);
- **Saved £159.6 million** on ICT contracts during the financial year 2011-12; and
- Issued the first cloud ICT services framework (Oct 2011) and created the **CloudStore**, a new way for the public sector to buy ICT products and services via the Cloud (Feb 2012).

1.2 This publication also sees the first release of a series of metrics enabling citizens, businesses, the voluntary and community sectors, and departments to track the Government's success in achieving its objectives. Highlights are incorporated into this report and the current set will be published in machine-readable format. The full metrics can be found at data.gov.uk.¹

1.3 There are still challenges to meet. The ICT strategy and its related documents incorporate actions for delivery up to 2016, and the next three years will need to see sustained effort to implement the strategy in full. Where the NAO report has highlighted specific challenges with implementation, the Government Chief Information Officer (CIO) and the CIO Delivery Board are taking action, for example by establishing new approaches to resourcing projects; and by putting in place stronger programme and project management. This will ensure that progress continues to be made and that, collectively, government implements its ICT strategy, enabling efficient, cost-effective public services which are responsive to the needs of citizens and businesses.

¹ data.gov.uk/dataset/ictmetrics.

2. Implementing the ICT Strategy

2.1 The Government published an ICT Strategy² in March 2011 and set out the details of how it would be translated into action in the Strategic Implementation Plan³ (SIP) launched in October 2011. The ICT Strategy and SIP set ambitious objectives to change radically the way government approaches ICT.

2.2 The SIP provides a high level roadmap for how the strategy will be delivered including objectives, key milestones, risks and metrics. A new governance structure and delivery model which is underpinned with clearer accountability and greater transparency, was also established, principally in the form of the CIO Delivery Board.

2.3 The Delivery Board was established to bring together and leverage the expertise of six large departments (Department for Work and Pensions (DWP), Ministry of Defence (MoD), Department of Health (DH), Ministry of Justice (MoJ), HM Revenue and Customs (HMRC) and Home Office (HO)) and key teams within the Cabinet Office to take responsibility and oversight for implementing the ICT strategy. Each member has ownership of one or more of the strategy workstreams and the Board meets on a monthly basis. This new approach to implementing cross-government strategy is proving to be an effective way of getting buy-in and agreement, and was noted by the NAO as contrasting with previous arrangements, and enabling faster progress to be made.⁴

2.4 The Government is taking a different approach to deliver this strategy, characterised by a strong centre and continued commitment to greater transparency through regular and open reporting. The approach includes:

- increased standardisation and modularisation of business processes and supporting technologies to create a platform from which government can deliver new models of open and innovative public services;
- the building of a common infrastructure underpinned by a set of common standards;
- spending controls to ensure that new ICT solutions comply with strategy objectives;
- transparency to ensure the continued comparison of common ICT services so that government gets the best price;
- greater engagement with departments and suppliers to remove cultural as well as technical barriers;
- improved ICT capability in the public sector; and
- minimising environmental impact from ICT.

2.5 The following sections set out progress made across the three stated objectives:

- Reducing waste and project failure, and stimulating economic growth;
- Creating a common ICT infrastructure; and
- Using ICT to enable and deliver change.

² cabinetoffice.gov.uk/resource-library/uk-government-ict-strategy-resources.

³ cabinetoffice.gov.uk/resource-library/uk-government-ict-strategy-resources.

⁴ nao.org.uk/publications/1012/government_ict_strategy.aspx.

Objective 1: Reducing waste and project failure, and stimulating economic growth

2.6 The first objective in the ICT Strategy concerned improving the way government delivers ICT-enabled business change by:

- Implementing spend controls to ensure new ICT spend is more closely controlled and aligned to strategy principles;
- Increasing the reuse and sharing of existing solutions;
- Creating a level-playing field for open source solutions;
- Developing a fairer and more competitive marketplace, with greater direct opportunities for small and medium-sized enterprises (SMEs), ending the oligopoly of large suppliers that monopolise its ICT provision;
- Creating a skilled workforce in order to improve and exploit ICT.
- Applying lean and agile methodologies that will reduce waste, be more responsive to changing requirements and reduce the risk of project failure and moving away from large projects that are slow to implement; and
- Ensuring that technology requirements are considered earlier in the policy-making process.

Spend controls have delivered savings of £159.6m on ICT contracts

Spend controls and reusing solutions

2.7 Spend controls on ICT contracts are in place and have been very effective at reducing spend and ensuring that new spend is aligned to strategy principles. Savings of £159.6 million on ICT contracts have been delivered as a result of these spend controls.⁵ The process is also used to assess whether existing solutions can be re-used by checking against 'ASK ICT' (Asset and Services Knowledgebase), a database recording details about government ICT equipment, systems and services, and their availability for reuse. The database now covers over 1 million ICT assets across central government, and has been extended to agencies and arms-length bodies.

Examples of new innovative approaches to deliver value from suppliers include:

- **Software licensing optimisation – license transfer across govt and renegotiation of licensing terms have brought over £7m in savings.**
- **Use of eAuctions – recently used by HMRC to procure 16,000 desktop machines, which saved just under £2m**

Open Source

2.8 A procurement toolkit, security guidance and total cost of ownership model have been published to support the evaluation of open source software.⁶ The Open Source Advisory Panel has been established to help overcome the technical and cultural barriers that have prevented greater

⁵ cabinetoffice.gov.uk/resource-library/cabinet-office-controls-guidance-actions-and-processes-document.

⁶ The open source procurement toolkit can be found at cabinetoffice.gov.uk/resource-library/open-source-procurement-toolkit.

usage of open source in central government.

Improving the way government sources ICT

2.9 ICT category management supports government's aim of becoming a single customer that can leverage its buying power to drive down costs.⁷ Government is transforming purchases of common goods and services through centralised category management; standardisation of specification; and aggregation of spend, to deliver sustainable cost reductions in the region of 25% over four years from the 2009/10 baseline spend of £13bn. As at end March 2012, £660m of central government ICT category spend is now under management of the Government Procurement Service and has in the same period of 2011/12 delivered £140m price savings.

As of March 2012 centralised category management of ICT has delivered £140m price savings against the 2009/10 baseline in central government

Working with SMEs

2.10 The cycle time for the procurement process for new contracts and frameworks has been reduced by over 22% against 2009/10. The Contracts Finder website is proving a valuable tool for the supply community to find out about current and future contracts valued at over £10,000.⁸ A year into operation, Contracts Finder receives around 95,000 page views per week. Most departments are now publishing 100% of contracts; the remaining Departments are working to achieve the same level of compliance.

2.11 All central government departments are now able to provide data on their spend with SMEs. The proportion of central government direct spending with SMEs across all procurements including ICT is on track to double, from 6.5% of direct spend in 2009/10, to 13.7% (year to date) for 2011/12.

The cycle time for the procurement process for new contracts and frameworks has been reduced by over 22% against the 2009/10 baseline

2.12 Government is consulting on new frameworks that will enable more agile procurement, and open the market to more SMEs. Some existing frameworks are limited to existing large suppliers. These frameworks will be replaced with those that introduce greater competition into the provision of ICT goods and services. Doing so will remove the current advantage enjoyed by the existing large supplier base in order to re-establish a truly level playing field.

Ending the oligopoly of large suppliers

2.13 Government is committed to creating a fairer, more competitive and open marketplace from which it buys its ICT services and solutions. Government is in the process of breaking the contractual lock-in which places the majority of government ICT business with a small group of major systems integrators. This process will remove exclusivity from the contracts, and rigorously record every

⁷ Category Management is an holistic approach to managing spend within an organisation with the aim of meeting the organisations needs, especially in reducing total costs and improving operational effectiveness.

⁸ The Contracts Finder website can be found at data.gov.uk/contractfinder.

contractual breach. It will also gather data centrally on the performance and pricing of all suppliers to provide a consolidated view of their competitiveness and performance.

2.14 The recent work to restructure HMRC's ASPIRE ICT services contract demonstrates how government is working to ensure better value for taxpayers, break up large contracts, and create opportunities for new, smaller companies to enter the market. HMRC and the Cabinet Office negotiated with the supplier, Capgemini, to deliver a significant restructure of the current ASPIRE contract and savings for HMRC.

2.15 Another example of this approach is the new deal signed by Cabinet Office and Oracle in March 2012. The deal will deliver in excess of £75m through agreements such as a single discount for government, and sharing and re-using licences across departments.

2.16 Government is improving the quality of its ICT management information. The recent cloud framework requires all suppliers to publish openly full details of their pricing. The pricing levels achieved for provision of these services are being used as benchmarks against which incumbent suppliers are being measured. Government expects all supplier costs to be reduced to match or better these benchmarks, producing substantial cost reductions. Another project is gathering contracts data for all current ICT suppliers and departmental benchmarking of ICT unit price data. The unit price benchmarking will build on a tool established within HMRC which, following a year of use, provided HMRC with a detailed breakdown of costs relating to ICT and helped the department realise many benefits including £24m savings and a 30% reduction in the number of confidential desktops. This project will provide the opportunity to benchmark across government, and also enable external independent reviews to measure comparability with private sector peers. The Government's intention is also to publish as much of this data for public scrutiny as possible.

The restructure of the ASPIRE contract will lead to a more diverse supply chain with transparent pricing, open choice for HMRC, and significantly enhanced value for money

Increasing ICT professional capability

2.17 The Capability Strategy published in October 2011 set out a vision for increasing the capability of the public sector ICT workforce to ensure government becomes less reliant on external expertise and better equipped to deliver ICT-enabled business change. In some instances it will not be economic or effective to have highly specialist technology skills in-house and therefore there will always be a requirement for some external specialist skills. However, implementing the ICT Capability Strategy will create a talent pipeline of ICT professionals which will mean that the baseline of ICT contractors as a proportion of retained headcount is expected to decline.

2.18 Achievements to date by the capability workstream include:

- Creation of a talent forum to ensure succession planning across departments for Senior Civil Service ICT vacancies;
- Establishment of a streamlined selection process for the Technology in Business Fast Stream, enabling a larger intake to be assessed;
- Development of a Career Paths Framework to enable staff to plot and drive their own careers and enable organisations to move ICT staff across government to fill vacancies, reducing reliance on external contractors;

- a draft model for the functions required for retained ICT capability enabling a clear picture of the essential skills required; and
- a proposal for ICT Higher Level Apprentices working with industry and eSkills. This scheme will be a joint public/ private sector initiative leading to an opportunity for candidates to gain a work based qualification and experience working in Government ICT.

Raising the quality of procurement and project management skills

2.19 Raising procurement and project management skills is vitally important to get better outcomes for the taxpayer and to stimulate growth through public procurements. The Major Projects Authority has established the UK Major Projects Leadership Academy (MPLA), in partnership with Oxford Saïd Business School, to target project leadership skills. The key focus of the MPLA will be on leadership, business acumen and commercial expertise from both an academic and practical angle and will include lessons learned from previous major projects including ICT projects.

Agile⁹ project delivery and Lean

2.20 Departments have nominated agile projects (57% are already running one or more projects using agile techniques). DWP Universal Credit, currently the largest ICT programme in government, continues to innovate on the application of agile principles at the level of a major programme.

2.21 Work is underway on the SIP commitment to establish a framework to enable departments to buy in appropriate agile SME expertise. Interim advice for departments on alternative routes to procure this is in place. An alpha version of an online cross-government centre of excellence for sharing best practice on the application of agile techniques, has been created by the Government Digital Service and will be launched in May 2012.

2.22 New Lean standard operating procedures for central government have been developed and underpinned by training available to all civil servants. Similar improvements for contract and supplier management and commissioning are now being developed.

The Number 10 e-petitions site was delivered by the GDS using agile methods. This allowed the project to be completed within eight weeks. It was developed by a number of SMEs, and built on open source software using open standards

Objective 2: Creating a common ICT infrastructure

2.23 The second objective of the strategy entailed moving towards a common infrastructure for government to lower costs and increase sharing and reuse of services and systems, including:

- Continued implementation of policies on data centre, network, software and asset consolidation;
- Using cloud computing to deliver infrastructure, platform or software as a utility service, giving government the capability to respond to changing operational needs. The

⁹ Agile is an iterative development process where deliverables are submitted in stages allowing projects to respond to changing business requirements and releasing benefits earlier.

standardised cloud platform will also allow developers, especially SMEs, to generate innovative solutions;

- Mandating the reuse of proven, common application solutions and policies. These solutions must balance the need to be open, accessible and usable with the growing cyber-security threat and the need to handle sensitive information with due care; and
- Establishing common technology standards to enable the delivery of an open platform to support smaller, interoperable solutions.

Public Services Network

2.24 As the most advanced workstream of the strategy, the PSN continues to make good progress. PSN has delivered its target savings of £64.2m for the financial year 2011/12. Central departments such as HMRC, MoJ, MoD, and DWP have published clear plans for how they will transition to PSN services. Two national PSN convergence frameworks are in place and customers migrated to these new arrangements in March 2012.

2.25 The PSN Connectivity framework was awarded in March 2012. The twelve successful suppliers named in the framework include SMEs as well as major industry names. Competition is underway to award the strategic services framework which has also received a good response from industry. The PSN supplier trade association has been established and is actively engaging with the newly created government PSN Authority.

2.26 Eight regional PSN initiatives, involving collaborations between local government, fire services, police forces and health trusts, have procured and implemented PSN accredited or aligned network environments and are looking to aggregate requirements and share services.¹⁰ Seventeen further initiatives are progressing. More on one Council's use of the PSN can be found at Annex A.

Eight regional PSN initiatives which involve collaborations between local government, fire services, police forces and health trusts have procured and implemented PSN accredited or aligned network environments

G-Cloud

2.27 The Cloud Strategy was published in October 2011. The programme ran a simplified, innovative, and SME-friendly procurement for utility-based Cloud services which received over 600 initial responses from suppliers. The GPS issued Intent to Award letters to around 260, of whom 74% are SMEs. The government hosting services framework will cover both public and private cloud. Government is helping to develop the market and engaging with potential early adopters on the transition to cloud services.

2.28 The first release of CloudStore, a searchable online catalogue, was launched in February 2012. Around 250 suppliers and about 1700 ICT services are on CloudStore. These include email, collaboration tools, electronic documents and records management (EDRM) systems,

A simplified, innovative, and SME-friendly procurement for utility-based Cloud services received over 600 initial responses from suppliers. The GPS issued Intent to Award letters to 260, of whom approximately half are SMEs

¹⁰Including Cambridgeshire partnership, Hampshire PSN, Kent PSN, and Staffordshire.

customer relationship management software (CRM), and storage and development services. The Maritime and Coastguard Agency (MCA) became the first public body to purchase a service through the CloudStore. MCA let and awarded the contract in less than 24 hours, a dramatically reduced procurement time in comparison to traditional public sector purchasing. More on the MCA procurement can be found at Annex A.

End User Devices

2.29 The Government published the EUD strategy in October 2011, which set out the aim that as far as possible, the public sector workforce will be able to work from any location on any suitable government or non-government end user device. Principles developed as part of the EUD strategy are now embedded into the next wave of central government procurement of EUDs, meaning that over time, government will converge on the model set out in the strategy.

2.30 Analysis of the data collated from the Quarterly Data Summary (QDS) reveals that there is significant variance on the cost of device per Full Time Equivalent (FTE), ratio of device per user, and boot-up time for devices across central government. The EUD programme has set a target of reducing the average cost of a device to a maximum of £500pa with an average of one device per user (currently at 1.28). The programme will also aim towards an average boot-up time of 120 seconds (currently at 182 seconds).¹¹ Over the next two to three years, departments will work towards these targets, but progress will depend on factors such as the contractual position (including termination options and costs) of departments.

Data Centres

2.31 The ICT strategy committed to reduce the number of data centres and increase the utilisation of the data centre estate across government. The scope has since been expanded to include hosting services. Work is accelerating to acquire a suitable solution as part of the new hosting procurement framework that will, in conjunction with G-Cloud, define the future estate. Marketing engagement has now started for the new hosting framework and government continues to drive savings in hosting within departments.

Common standards and Reference Architecture

2.32 The ICT strategy committed to establishing a suite of mandatory, open technical standards. An online engagement site, the Standards Hub, has been created to share ideas and proposals for standards-based solutions. Standards will be supported by the new cross-government reference architecture. In parallel to this, a public consultation is currently underway looking into the definition of the term open standard, criteria for and effects of mandating open standards, and the UK's alignment with international policy and regulations. The publication of the UK Reference Architecture (UKRA) to the Cabinet Office website in April 2012 followed its formal approval by the CIO Delivery Board in March 2012, completing the first authorised UK government-wide reference architecture.¹² By creating a reference architecture, government can provide common capability and component definitions and share the same vocabulary, which is essential to enable government to make the right technology decisions.

¹¹ See Annex B for more detail.

¹² cabinetoffice.gov.uk/sites/default/files/resources/UK-Reference-Architecture-V1-0-HMG-Branded.pdf

2.33 In December 2011 Government published the first UK Public Sector Information Principles to establish a coherent pan-government approach to the management and use of information. The focus of activity has been to work with departments to enable them to demonstrate alignment to the Information Principles. All departments are due to publish a summary of their open data strategies aligned to the principles by the end of May 2012, as part of their Departmental Business Plans.

The first UK Public Sector Information Principles were published in December 2011 to establish a coherent pan-government approach to the management and use of information

Green ICT

2.34 Government published its Greening Government ICT strategy in October 2011. Central government departments, when procuring ICT assets, will be expected to utilise standard cross-government frameworks, in which Government Buying Standards for sustainable operations are embedded. For a case study on one department's approach, please see Annex A.

2.35 Metrics indicate that the Power Usage Effectiveness (PUE) reflecting cooling to device power in Government data centres averages 1.87. As we move to consolidate data centres, Government is looking to move to a PUE of 1.5. This will ensure that a higher percentage of the power coming into data centres is used for computing rather than wasted on passive infrastructures such as universal power supply and cooling.

Risk Management Regime

2.36 The ICT strategy committed to the development of a proportionate and effective risk management regime for information and cyber-security, to drive the more consistent application of risk management principles across the Government ICT estate, including the common infrastructure. The essential supporting governance structure necessary to realise a secure infrastructure has been defined and approved for implementation.

Objective 3: Using ICT to enable and deliver change

2.37 A common, flexible ICT infrastructure will enable the delivery of open, diverse and responsive public services for all. The focus is on GOV.UK as the single domain for citizens, but change is being delivered via other routes as well, including opening up government data to the public.

Using technology to break down barriers

2.38 The Number 10 e-petitions service was the first product from the GDS, built using agile methods. Since launching at the end of July 2011, there have been 14 million visitors to the site, 16,000 petitions and some 5 million signatures.¹³

Opening up data

2.39 To support the Government's ambition to allow developers, businesses and citizens access data and use it to develop applications, inform their business decisions and identify ways to run

¹³ epetitions.direct.gov.uk/petitions.

public services more efficiently, it has set up the Public Data Group (PDG) and the Data Strategy Board (DSB).¹⁴ The PDG will consist of data-rich Trading Funds (current membership is Met Office, Ordnance Survey, Land Registry and Companies House) representing the supply of Government's high value data needs. The DSB will act as commissioner of this data, drawing on expertise in a number of areas to ensure value for money in the contracts with the Trading Funds.

Digital by Default

2.40 The GDS was launched on 8 December 2011, structured and resourced to deliver a digital-by-default, user-centred function for government. The beta release of GOV.UK was launched on 1 February 2012, providing a single government domain where citizens can securely and more easily access the information they require. GDS have worked with departments to prepare for the next shift from publishing to transactions. More on GDS's approach can be found at Annex A.

2.41 The ICT strategy committed to exploit Application Programming Interfaces (APIs)¹⁵ to help create a flexible technology environment that supports a wider delivery network, enabling citizens, businesses and civil society organisations to create new services, building on government held data and information. In collaboration with DWP, GDS have completed the review and analysis of existing cross-government APIs and is on track to develop a common API standard model for July 2012. A list of government APIs will be published by September 2012.

¹⁴ Chancellor's Autumn Statement, 29 November 2011.

¹⁵ An API is an interface allowing software components to communicate with each other. APIs enable external users to engage with Government data and information to create new services from Open Data.

3. Conclusion

3.1 The ICT strategy and SIP set ambitious and challenging commitments. Over the past year, the CIO Delivery Board have mapped out how those commitments will be met and begun the implementation process. The next phase of implementation will pose further challenges that will require government and suppliers to work together even more closely and effectively.

3.2 The NAO highlighted a number of challenges that Government faces in implementing the strategy successfully. A key challenge will be to resource the short-term skills requirement to ensure the pace of strategy implementation is maintained. The CIO DB is currently developing suitable resourcing models for cross-government workstreams such as the common infrastructure projects. The CIO DB are strengthening engagement to support departments in moving to the new ICT solutions.

3.3 Though a number of departments are demonstrating that they are embedding the ICT strategy principles into the design and planning of their ICT, the Cabinet Office will continue to use its spending controls to monitor spend, ensure value for money and confirm that project proposals are aligned with the strategy. Cabinet Office is also engaging with departments on their ICT-enabled project pipeline, the second tranche of which was published on 26 April 2012.¹⁶

3.4 Over the next year, government will:

- Publish a revised set of ICT strategy metrics (Oct 2012)
- Set out the Right to Data White Paper (shortly)
- Establish a Digital Strategy, showing how it will build on GOV.UK (Autumn 2012)

3.5 ICT is critical to the effective operation of government and the delivery of the services it provides to citizens and businesses. Government is one year into delivery of its ICT strategy. There are challenges ahead, but – as this report shows – good progress has been made at this stage of the journey. The next report will be published in Spring 2013.

¹⁶ data.gov.uk/government-procurement.

4. Metrics and central government savings

ICT Metrics

4.1 The SIP set out a number of metrics for measurement of progress on each of the nineteen delivery workstreams. Measurement in this way is a first for the UK Government and will provide the basis for future benchmarking. Metrics data will be utilised to develop a better understanding of the government ICT landscape; support the drive toward better and more efficient ICT; and provide a transparent way of demonstrating progress. The full metrics set provided by central government departments is available on data.gov.uk.¹⁷

4.2 Given that this is the first ICT metrics data collection exercise, it is unsurprising that there are variances in data as a result of the way in which departments collect and hold data; whether departments have access to data via their contracts with Systems Integrators; and how departments have interpreted definitions. Cabinet Office is working with departments to identify variances and therefore improve the definitions and source data for future data collection.

4.3 The metrics data collection exercise has highlighted in particular that as a result of legacy contracts, a number of departments are dependant on suppliers to provide the data required, often only at significant additional cost. Work is being taken forward on a cross-government basis, to change the service management model so that in future government will own its own data. Government will then be able to report as needed.

4.4 Government will extend the scope of metrics and repeat the exercise of collecting metrics data in October 2012 and thereafter on a six-monthly basis.

Central government savings

4.5 Government has driven significant ICT savings, prior to the publication of the ICT strategy. In the ten months from May 2010 to March 2011 prior to the publication of the ICT strategy, government reported total reduced spend of £3.75 billion, against a number of areas including ICT. Of this total:

- £300 million was saved by applying greater scrutiny to our ICT expenditure and departments stopping or reducing spend on ICT projects which show a low return on investment.
- On broad estimations, other initiatives reduced ICT-related expenditure by around:
 - £570 million of the £800 million saved from renegotiating deals with some of the largest suppliers to government.
 - £140 million of the £360 million saved by centralising procurement of common goods and services.

4.6 If taken together, these ICT savings would be equivalent to around £1.1 billion.

4.7 In the twelve months from April 2011 to April 2012, central initiatives have contributed to reductions in ICT spend reported by departments including:

- £159.6m by demanding a rigorous business case for any significant ICT spend;

¹⁷ data.gov.uk/dataset/ictmetrics.

- £140m of the £490m saved by centralising procurement of common goods and services; and
- £64.2m from telecommunications networks budgets by applying better, common standards for the PSN.

4.8 Savings from reform via the ICT strategy will replace and increasingly build on early efficiency savings. For example, early projections of savings in 2012/13 from creating an environment for a common infrastructure are £150 million.

Annex A: Case Studies

Green ICT: Sustainable ICT IN HMRC

A.1 HMRC operates one of the largest and most complex ICT estates in government. Every citizen in the UK will at some point in their lives have come into contact with HMRC's ICT applications and systems. But operating and running a large ICT estate comes at both an economic and environmental price. ICT is a major user of energy and natural resources and HMRC must therefore address the demands of their technology on these scarce resources and rising energy costs. With HMRC's ICT estate accounting for well over 45% of the departments total carbon footprint, HMRC needed a step change in its approach to sustainability.

A.2 HMRC developed a unique green ICT model based on the principles of carbon and cost accounting. The model allowed HMRC to baseline its ICT carbon footprint and profile its ICT estate by energy consumption for the first time. This radical approach meant HMRC could introduce new green ICT initiatives and best practices whilst tracking the effect on the baseline and report on carbon and energy cost reductions to the CIO Efficiency Programme. Green ICT unit carbon cost metrics were also integrated into HMRC's "soft charging" departmental Consumption Unit Pricing (CUP) statements. Incorporating these green ICT metrics gave business and finance directors a view of the ICT energy cost spend by their departments. This visibility and transparency led to a positive behaviour change, whereby departmental business and financial leads started now to switch off, return and request decommission of the surplus ICT that they no longer had a requirement for. This drove greater efficiency and elimination of ICT waste throughout the Department.

A.3 The innovative programme led to a reduction of over 10,500 tonnes of CO₂ and an energy cost saving of £1.9m since August 2010 and also to HMRC receiving the 2012 Green IT Team of Year at the National Green IT Awards.

G-Cloud: Delivering Agile training services for MCA

A.4 With the G-Cloud framework complete and the CloudStore up and running, it took only two weeks for the first buyer to complete a purchase, taking just 24 hours to get from a chosen supplier to contract signature.

A.5 The Maritime & Coastguard Agency (MCA) were looking at how to deliver agile and cultural awareness education to support the delivery of one of the Department for Transport's Agile pilot projects. With non-bespoke requirements already laid out, internal approvals received and the full support of the MCA's procurement team, they were looking for a quick and efficient route to market. The newly launched CloudStore was the chosen route, and after browsing the store and briefly engaging with the G-Cloud team, agile training services provided by Emergn were chosen.

A.6 Under the Future Coastguard programme the MCA is creating a nationally networked system of coastguard coordination centres and the services purchased from the CloudStore will be used to provide agile awareness and practitioner training to the programme's board members.

A.7 Since completing this purchase from the CloudStore, the MCA are now looking at taking the next step and purchasing services from the Software as a Service (SaaS) lot – primarily email and collaboration tools.

Government Digital Service: Simpler, clearer, faster services for users

A.8 The Government Digital Service is transforming services for users, building on a series of principles including: 'digital by default'; 'putting users first'; and 'learning from the journey'.

A.9 Lasting power of attorney, for example, is a service provided by the Office of the Public Guardian (OPG). It is a legal document, allowing an individual to appoint someone that they trust as an 'attorney' to make decisions on their behalf when, for example, they no longer wish to or lack the mental capacity to do so. At present the process is relatively slow and expensive, as well as paper-based, taking around 10 weeks to process.

A.10 GDS are transforming this process with OPG to reduce cost; reducing the time to process the form to 4 weeks; and to enable all parts of the process to take place online, creating a service that's simple, clearer and faster for the user, while lower cost and more efficient for government.

PSN: Reduced cost and joining up local government in Kent

A.11 The Kent PSN project led by Kent County Council has led to a single ICT infrastructure providing increased capacity, resilience and security to 1,100 public sector sites across Kent and Medway including local government, policing and fire services. The project has saved £4 million per annum to date through aggregation and enablement of shared services.

A.12 The project has facilitated flexible working and a truly shared and integrated model, including:

- Integrated ICT provision
 - Virtual call centres
 - Data centres
 - Shared internet service
 - Aggregated secure connectivity to GSi; and
- Shared ICT services
 - Shared business services
 - Revenues and Benefits
 - Building Control
 - Audit functions

A.13 The Council plans to expand the project to incorporate the voluntary sector and share services with authorities outside Kent and Medway; to establish more shared and multi-agency services; and to increase mobile working capability.