

**M O P A C**

**MAYOR OF LONDON**  
OFFICE FOR POLICING AND CRIME

**DIRECTORATE OF AUDIT, RISK AND ASSURANCE**  
**Internal Audit Service to the GLA**

**REVIEW OF THE IT STRATEGY AND  
IMPLEMENTATION CONTROL FRAMEWORK**

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### 1. Background

- 1.1 This review was carried out as part of the Greater London Authority (GLA) 2012/13 internal audit plan. The IT Strategy and Implementation Control Framework is designed and operated to support the GLA's business objectives.
- 1.2 At the outset of the review, the potential risks identified to achieving the objective were:
  - An IT Strategy does not exist or is not aligned to business objectives.
  - Lack of management processes to oversee the effective implementation and management of the IT infrastructure.
  - Absence of operational plans to support the delivery of the IT Strategy.
  - Unplanned and uncoordinated IT development.
  - A governance framework does not exist to assess the progress of implementation of projects against original forecasts and targets, impacting overall strategic delivery.
- 1.3 Failure to manage risks effectively could result in loss of financial resources, an IT infrastructure that is not compatible with the business, disruption to services and reputational damage.
- 1.4 A number of significant changes are currently underway with regard to the delivery of ICT services managed and controlled directly by the GLA, in particular with MOPAC systems being migrated to the GLA. Therefore, the requirement for a clear and robust strategic governance framework is of primary importance. In addition, a number of key IT initiatives have been planned or are currently underway, for example the new MS desktop operating environment, the drive for greater use of portable devices and the digitisation of paper records.
- 1.5 In response, the GLA has recently produced an IT Strategy to cover the strategic time period of 2012 to 2017.

### 2. Audit Assurance

Substantial

Our overall opinion is that there is particularly effective management of key risks contributing to the achievement of business objectives.

### 3. Areas of Effective Control

- 3.1 An IT Strategy has been developed that covers a 5 year period and which sets out clear strategic objectives. The IT Strategy defines how IT will contribute to and support the overall corporate objectives of the GLA. There is clear correlation between the IT Strategy and the wider objectives of the GLA, thereby supporting and facilitating the strategic direction of the organisation. In addition, a strategic review and approval process is in place and has been complied with to ensure that the IT strategy is appropriately ratified and supported.

- 3.2 Strategic roles and responsibilities have been formally designated for each phase of strategic development, delivery and monitoring, to ensure adequate accountability and escalation with regard to strategic progress.
- 3.3 A defined operational planning framework has been designed, incorporating an overarching cost and time budget and a supporting framework of work package planning designed to deliver each discrete strategic initiative. Moreover, the technologies required to deliver the strategic objectives are set out in the strategy. Each technology solution directly maps to a specific objective, again providing the basis to support strategic delivery.
- 3.4 The strategic targets are set out in the overall priorities of the IT Strategy. These are translated into operational delivery and performance measures within each discrete project control framework. This ensures that a process is in place to capture, measure and review strategic progress at a level sufficient to respond and escalate any issues of strategic non-delivery.
- 3.5 These control areas collectively constitute an appropriate strategic governance framework for the GLA that includes the key requirements of strategic development, alignment with overall corporate strategies, strategic ratification, operational delivery management and strategic review and accountability measures.

### 5. Review Objectives

5.1 Our overall objective was to review the IT strategy and implementation control framework established by management to mitigate the risks in achieving business objectives. In particular, we sought to give an assurance that:

- An IT strategy is in place that has been formally agreed and is in line with overall GLA strategic objectives.
- Roles and responsibilities have been clearly defined and a governance body is in place to ratify the strategy and monitor progress.
- Operational planning frameworks are in place to support the implementation of IT strategic initiatives.
- Strategic targets and performance measures have been determined and progress is regularly assessed.
- An overall strategic governance framework is in place, designed to ensure that IT objectives and plans are delivered effectively and are fit for purpose.

### 6. Scope of Review

6.1 The review included an assessment of the IT strategy and implementation governance framework and supporting operational processes and procedures. We focused on controls designed to support the coordination, management and implementation of the IT strategy to ensure it meets the business requirements of the GLA. We assessed related project management policies, procedures and frameworks, roles and responsibilities, implementation plans, progress meetings and post implementation reviews.

### 7. IT Strategy, Approval Governance and Strategic Alignment Processes

7.1 An IT Strategy has been developed that covers the strategic time period from 2012 to 2017, and sets out the framework and intent of IT strategic development and delivery to support the overall corporate requirements of the GLA. The strategy is structured based on the following key focus areas:

- Introduction – clearly setting out the purpose of the strategy
- Priorities for supporting the GLA
- Major initiatives to support the priorities
- Outline budget – time and cost

7.2 The design of the strategy was the result of a focussed approach to strategic development, in particular a consultation and review process designed to align IT development plans with the overall strategic objectives of the GLA. Table 1 below summarises the audit results of the mapping of IT Strategy initiatives with the overall corporate objectives of the GLA.

**Table 1: Summary of IT Strategy Corporate Alignment Audit Findings**

	IT Strategy Initiative	Link to GLA Strategic Objectives
1	Enhancing flexible working - rollout of new desktop (MS Windows 7 and Office 2010)	✓
2	Reducing the costs associated with the GLA database infrastructure through the greater use of Open Source technologies	✓
3	Reducing the cost and usage of printing	✓
4	Emphasis on "Cloud" services for new applications	✓
5	Finding ways to support people who wish to bring their own devices in to work	✓
6	"Paper-light" Office Environment	✓
7	Increasing efficiency through the use of alternative Service Delivery Models	✓
8	Ensuring security and resilience of the organisation is fit for purpose	✓
9	Ensuring Infrastructure components are kept up to date	✓
10	Providing effective support and development for web-based systems and services	✓

- 7.3 The above analysis supports the viewpoint that the IT Strategy has been developed based on clear, integrated planning with regard to the corporate GLA strategic management process. Moreover, the IT Strategy adequately reflects both the current and planned structures in which IT services are required to be delivered. (In support of recent developments regarding the transfer of aspects of MOPAC service delivery within the remit of GLA delivery, a separate operational plan is in place which we comment upon in the Operational Planning section of this report).
- 7.4 Regarding the IT Strategy approval process, a process is in place that flows from the production of the draft IT Strategy through to communication to the Governance Board for ratification. In addition, defined overall strategic communication processes are in place, for example the IT Strategy is communicated on the GLA intranet and published in 'London at Work', facilitating strategic awareness and subsequent accountability of strategy direction. The strategy includes written evidence of the level of formal approval from senior management.
- 7.5 With regards to risk management, a prudent process has been adopted with regard the adoption of emerging technologies. Market evolutions and relevant emerging technologies are analysed by the Head of IT, and the latest developments in IT that could have an impact on the success of the business are considered. Consideration is then applied with regard to the technological risk and the risk appetite determined for emerging identified technologies that have an impact on the business.
- 7.6 Overall, the control framework encapsulating the development of the IT Strategy, the processes to ensure strategic alignment with corporate objectives, and the strategic approval process was found to be satisfactory.

### 8. Strategic Roles and Responsibilities

- 8.1 IT strategic roles and responsibilities have been designated to staff. The remit of the Head of IT includes overall responsibility for the development and delivery of the GLA IT Strategy. This responsibility is also set out in the associated job description. The responsibility for the delivery of each strategic initiative is delegated to various members of the GLA IT team, with an over-arching remit of the GLA performance manager and the Investment and Performance Board (IPB) to oversee and monitor strategic progress.
- 8.2 In summary, the IT strategy governance framework with regards to roles and responsibilities for strategy development, delivery, monitoring and accountability was found to be satisfactory.

### 9. Operational Planning Framework

- 9.1 A process is in place that underpins the delivery of strategic initiatives. This is based on an operational delivery framework that includes the development of individual 'work packages' and supporting project planning based on PRINCE2 project methodology, to translate strategic objectives into clear, operational actions required to deliver the strategy. In addition, a formal process exists where each project needs to be approved in terms of objective, costs and timelines before commencement by the Finance Director and for significant projects, the IPB.
- 9.2 To further explore this process in more detailed, we reviewed the operational planning framework for the New Desktop Programme (Strategic Initiative 1). We found that this project encompasses a number of Work Packages that individually set out discrete deliverables, supporting task lists, associated success criteria and status updates. The design of the Work Package control document was found to be satisfactory to provide an adequate basis for operational delivery control.
- 9.3 In addition, each Work Package is required to be supported by individual project plans. We obtained the project plan for the New Desktop Programme and found that this adequately covered the primary phases of the project with clear timescales and deliverables. Clear evidence of monitoring exists through the operation of the Project Board and corresponding project highlight reports. In addition, an independent 'Senior Customer' is in place to oversee project progress against defined milestones.
- 9.4 Overall, the operational planning framework designed to support the achievement of the IT Strategy were found to be satisfactory in design and being complied with in practice. This framework is of particular importance given the integration of MOPAC IT service delivery requirements within the remit of the GLA IT team. A separate operational plan has been produced for this project which again sets out clear objectives, defined milestones, budget factors and timescales to complete the project. The development of the plan and its current state of delivery also demonstrates the level of fluidity in the GLA's strategic and operational framework in order to react to shorter term requirements.

### 10. Strategic Targets and Performance Measures

- 10.1 An operational strategic monitoring process, including performance review, is in place. This process is based on the documentation of discrete projects that correlate to strategic objectives. These are captured via formal monitoring forms that summarise:
- Project description
  - Key Milestones
  - RAG status
  - Directorate Comments
- 10.2 These monitoring forms are communicated to the GLA performance manager whose remit is to facilitate the monitoring and reporting of delivery progress. Moreover, the content of this reporting forms the basis of the overall GLA business plan which is monitored by the IPB on a quarterly basis.
- 10.3 In addition, at an operational level, each discrete project falls within the remit of project governance, where the PRINCE2 methodology is utilised to provide a basis for project control and progress and issue reporting.

### 11. Overall Strategic Governance

- 11.1 The IT strategic management framework includes a range of key controls to provide a sound basis for strategic governance. The GLA Governance Board acts as the overarching governance body for IT service delivery. In addition, the IPB provides a more regular, quarterly review of strategic progress via the investment and progress review meetings. PRINCE2 is used as the primary governance standard to underpin individual project delivery and from a financial perspective, the budget monitoring process governs and controls costs with regard individual initiatives designed to deliver the IT strategy.

**RISK AND AUDIT ASSURANCE STATEMENT – DEFINITIONS**

Overall Rating	Criteria	Impact
<b>Substantial</b>	There is a sound framework of control operating effectively to mitigate key risks, which is contributing to the achievement of business objectives.	There is particularly effective management of key risks contributing to the achievement of business objectives.
<b>Adequate</b>	The control framework is adequate and controls to mitigate key risks are generally operating effectively, although a number of controls need to improve to ensure business objectives are met.	Key risks are being managed effectively, however, a number of controls need to be improved to ensure business objectives are met.
<b>Limited</b>	The control framework is not operating effectively to mitigate key risks. A number of key controls are absent or are not being applied to meet business objectives.	Some improvement is required to address key risks before business objectives can be met.
<b>No Assurance</b>	A control framework is not in place to mitigate key risks. The business area is open to abuse, significant error or loss and/or misappropriation.	Significant improvement is required to address key risks before business objectives can be achieved.