

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2929

Title: Shared Information Technology Function Between TfL, GLA, MOPAC and OPDC

Executive summary:

This decision form asks the Mayor to approve a shared-service arrangement between the Greater London Authority (GLA) and Transport for London (TfL), through which TfL will provide Information Technology (IT) services to the GLA and the Mayor's Office for Policing and Crime (MOPAC). The Old Oak and Park Royal Development Corporation (OPDC) may also opt-in to the shared service. This proposal is driven by the aim of securing financial and other benefits through greater collaboration across organisations within the GLA Group.

Shared-service arrangements involving the GLA must be approved by the Mayor following consultation with the London Assembly. This consultation took place via the GLA Oversight Committee meeting held on 1 February 2022, and the proposal has also been informally discussed with the Assembly Chair and party group leaders.

Decision:

That the Mayor approves:

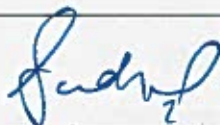
- i. the establishment of a shared-service arrangement between TfL and the GLA, under section 401A of the Greater London Authority Act 1999, where TfL will provide the GLA and MOPAC with an IT service with the option for OPDC to opt-in in due course subject to decisions taken by their Board
- ii. a delegation to the GLA's Chief Officer to: finalise the terms of, and enter into, the shared-service agreement between the GLA and TfL; to agree final costs to the GLA associated with the agreement, including the transfer of funding to TfL from the GLA for the provision of the support; and to update the agreement as and when necessary.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

3/3/22

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1. The GLA Group Collaboration Board, chaired by the Mayor's Chief of Staff, has explored what further services could be shared across GLA Group organisations. This underpins a push towards greater collaboration across the GLA Group for financial and other benefits, building on the shared services already in place. TfL already provides legal, financial transaction and procurement services to the GLA. The GLA, in turn, provides services to other parts of the Group – for example, the GLA's Technology Group (TG) provides IT services to MOPAC and the OPDC.
- 1.2. One of the areas explored by the Board has been the extent to which the GLA, MOPAC and the OPDC could benefit from collaboration with TfL on IT services. This has focused on the feasibility of TfL's Technology and Data team running all operational systems, and delivering many IT services for the GLA, MOPAC and the OPDC, to provide an enhanced service as well as deliver savings.
- 1.3. In recent years the GLA's in-house TG has faced several challenges that the proposed shared service should help address. This has included: difficulty in recruiting sufficiently experienced staff; coping with a growth in cyber risks; managing an increasingly complex infrastructure; and dealing with a growth in demand for IT services. Sharing infrastructure, systems, resources and contracts should result in a more resilient and responsive service. A larger team will offer more opportunities for individuals working in the team to develop their skills and seek progression; and the GLA will have access to a wider pool of technical skills.
- 1.4. TfL has a large and experienced Technology Service Operations team supporting an immense and complex set of requirements. The team's main office systems and technology strategy are aligned with that of the GLA and its Head of Technology Operations has led the project team working on this proposal. The ability of the TfL team to take on this work has been central to the feasibility of this initiative. All services that transition to TfL would follow TfL's procedures and service offering. This aligns with the GLA's long-term strategic goals of providing IT services in a collaborative and cost-effective way.
- 1.5. The proposed new operating model would see TfL and its associated supplier (Computacenter) run the GLA IT services, while the delivery of digital services (the GLA website and specific GLA-developed systems) would stay within the GLA. This means the GLA engineering and support functions are covered by this proposal and would transfer to TfL. The GLA would continue to deliver its specialist 'GLA-specific' services, including digital services, overseeing internal business transformation and advisory work. They would also maintain 'client services', working with TfL to ensure the service being delivered to the GLA meets agreed service levels.
- 1.6. The creation of a new Digital, Data and Transformation team over the course of 2022 has been separately proposed and is included in the GLA's draft budget. This would bring together the Digital team (that manages the GLA's websites and associated external digital services), which is currently part of External Relations, and the teams in the TG involved in systems developments and business transformation (the GLA-Ops, Development and Projects teams). This new team will also be responsible for acting as the client for the new shared service. The proposal to create this new team was discussed at the Oversight Committee in December 2021 and February 2022.
- 1.7. Under this proposal TfL would take responsibility for all IT operations (including the provision of and management of all IT assets; logging and responding to all service requests; and managing all IT systems and infrastructure). As a result, all staff that currently manage and support the GLA's technology are in scope to transfer (under the principles of a TUPE transfer). This includes:
 - the Operations team, which includes:

- all System Engineers
- the Operations and Cloud Services Manager
- the Configuration Manager
- the Asset Manager
- the Customer Services team, which includes:
 - the Customer Services Manager
 - the Services Manager (Analytics and Processes)
 - Business Support Officers
 - Senior Support Officers
 - Support Officers.

- 1.8. These roles would all transition to similar roles in TfL, except for the Support Officers who would transition to Computacenter (which provides the TfL Service Desk and desk-side support). A total of 25 posts would transfer to the new shared service, with 17 posts transferring to TfL and eight to Computacenter. Some of these posts are either vacant or filled with a contractor; as result, 11 employees would transfer to TfL and eight to Computacenter.
- 1.9. The support will be provided to the GLA by TfL under section 401A of the Greater London Authority Act 1999 (GLA Act). Before shared-service arrangements can be entered into by the GLA, the Mayor must consult the London Assembly (and in practice the GLA Oversight Committee). The Chief Officer has already done this on the Mayor's behalf at the meeting that took place on 1 February 2022.
- 1.10. The GLA will need to allocate funding to TfL to cover the cost of providing the agreed support. This allocation of funding will form part of the terms of the shared-service agreement.

2. Objectives and expected outcomes

- 2.1. Several benefits are expected to emerge from a shared technology service. A shared infrastructure reduces costs. It also allows for additional resilience – building on a citywide network, one that enables multiple routes to datacentres. This in turn allows services to be rerouted in an emergency and GLA services to “failover” to an alternative datacentre should our primary datacentre fail. TfL also has access to sophisticated network management tools and cyber defences that could not be afforded by the GLA's smaller IT service.
- 2.2. TfL has a larger IT service commensurate with the size and complexity of the organisation it supports. As a result, the GLA would have access to a wider pool of technical skills. Staff transitioning to TfL would have greater opportunities for development and career progression. The GLA has struggled in recent years to attract suitably skilled resources to a small team with limited opportunities for progression.
- 2.3. As the GLA has grown, its reliance on technology has increased – as has the number of systems and their complexity. Along with the growth in cyber risks, this has made it increasingly difficult for a small, in-house service to effectively support the technologies on which the GLA is so reliant. TfL also has sophisticated systems that provide enhanced asset management and trend analysis, allowing TfL to manage and respond to issues more swiftly than the GLA.
- 2.4. The scale of TfL allows it to take on contracts, suppliers and services that a smaller organisation would not be able to procure. TfL has, through its suppliers, an outsourced approach to asset provision and management that allows standard equipment to be procured and deployed quickly. TfL also has access to a larger service desk that aims to resolve most of its calls as “first-time fixes”, reducing the

disruption faced by individuals who require assistance. The GLA currently provides an IT service desk between 8.00am and 6.00pm, and an out-of-hours emergency service. With this new arrangement, TfL will be able to offer a 24/7 service desk.

- 2.5. Shared technology, systems and infrastructure will allow GLA and TfL staff to work seamlessly in each other's offices.
- 2.6. The GLA, MOPAC and the OPDC would retain oversight and contract management responsibility for the delivery of the IT shared service with agreed KPIs and SLAs.

Costs

- 2.7. There will be financial savings from this work of £637k per year. The cost of implementation will be £3.1m, giving a payback period of just over 4.8 years

Decision-making

- 2.8. Shared-service arrangements under section 401A of the GLA Act must be approved by the Mayor following consultation with the London Assembly. This consultation took place via the GLA Oversight Committee meeting held on 1 February 2022.
- 2.9. The Mayor is being asked to delegate authority to the Chief Officer to enter into an agreement with TfL, covering the terms and working arrangements under which the new shared service will operate.
- 2.10. Approval for this shared-service arrangement will also be sought through the decision-making procedures of TfL and the OPDC. Delegation of authority to OPDC's Chief Executive Officer to enter into the shared service on behalf of the Corporation will be sought from the OPDC Board at its meeting of 24 March 2022. MOPAC approved the decision on 17 February 2022.

3. Equality comments

- 3.1. Under section 149 of the Equality Act 2010, the GLA is subject to the public-sector equality duty (the Duty) and must have 'due regard' to the need to:
 - eliminate unlawful discrimination, harassment and victimisation
 - advance equality of opportunity between people who share a relevant protected characteristic and those who do not
 - foster good relations between people who share a relevant protected characteristic and those who do not.
- 3.2. Protected characteristics under section 149 of the Equality Act are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status.
- 3.3. It is not anticipated that there will any specific equalities implications arising out of the decision to enter into this proposed shared-service arrangement. We will continue to monitor the effect of this decision on all affected employees, engage with them fully and seek to mitigate any adverse impact where possible.

4. Other considerations

- 4.1. *Key risks and issues*

Risk	Mitigation
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<p>Organisations using the new service don't make the necessary practical and cultural changes to make it a success.</p>	<p>If the proposal is agreed, there would be a degree of culture change associated with moving to a new way of operating. Subject to further work, it is proposed that individuals requiring, or dropping off, equipment would have to go to a nearby TfL 'tech hub' to do this. There are tech hubs at Pier Walk and Palestra, close to the GLA offices.</p> <p>A comprehensive communications plan is being put together for all the users of the new service. The COVID-19 pandemic has meant GLA staff have largely worked remotely for approaching two years, and so are familiar with not having an on-site IT support presence.</p>
<p>The technical transition is complex and causes disruption.</p>	<p>The technical transition to the new service is complex and will take over a year to complete. A substantial amount of GLA technical resource is required to support this work, and as a result there would be only limited capacity for other project work.</p> <p>As with any complex IT project the possibility of some disruption exists – though thorough planning should mitigate this risk. During this period the GLA will need to consult with TfL on all proposed changes to the existing GLA infrastructure, to ensure that TfL will be able to support these changes on transition. This may result in delays to project work.</p>
<p>It is unclear who has responsibility for services between TfL and the new GLA digital service.</p>	<p>The GLA would retain ownership of the systems and infrastructure associated with supporting digital services. These are mainly external-facing services.</p> <p>Work will need to take place to ensure there is a clear understanding about who has responsibility, between the GLA and TfL, for all aspects of the infrastructure, with procedures in place to deal with any areas where there is any overlap.</p>
<p>The quality of the IT service deteriorates.</p>	<p>The quality of the new service needs to be effectively overseen to ensure there is not a deterioration of the experience for GLA users of the service.</p> <p>The current role of business manager in the TG focuses on managing budgets, suppliers and contracts, along with ensuring the GLA gets value for money. Following transition, much of the budget and most of the contracts will transition to TfL. The proposal is to change the emphasis of the role so that it focuses on overseeing the service delivered by TfL. This would involve the 'client-side arrangements' ensuring that TfL's work complies with the agreed working arrangements set out as part of the transition. The 'client-side' would be responsible for developing strong relationships with individuals within TfL that can make change happen to assist in the smooth resolution of issues. This would involve building both formal and informal channels of communication – allowing the 'client-side' to access key decision-makers when needed. In this role their perception of the service delivered would be derived from: regular statistics/reporting from TfL; feedback from customers to business partners; regular service review meetings; and regular strategic planning meetings.</p>
<p>The GLA will have no internal capacity to deal</p>	<p>Four new roles – all customer liaison officers – would be created to work with the GLA's directorates. They will undertake the following:</p>

with staff training or service improvements.	training users in the use of technology/systems; assisting in the set-up and support of events that use technology; testing systems and services prior to being implemented in a live environment; supporting users who need help in using technology, and potentially then escalating issues onto TfL IT Support; regularly monitoring key pieces of equipment (printers/meeting room tech); and escalating issues and liaison with GLA Change Champions and Super Users. These individuals would be based on-site at both Union Street and City Hall.
The transfer to new organisations would be unsettling for the employees affected. When that transfer takes place to a new company, there is a risk that they may not wish to retain those staff members.	<p>TUPE legislation makes it clear that when a service transfers, the employees wholly or mainly assigned to delivering that service also transfer.</p> <p>The GLA would consult with employees regarding any measures (such as possible changes to their role or conditions of employment) that may be taken because of any transfer in accordance with the principles of TUPE legislation. The GLA may also wish to be involved in the consultation being undertaken by any new employer that would take place in advance of transfer to support any affected individuals through that process. Opportunities may exist for staff impacted by these changes to apply for new posts being created within the new Digital Transformation team.</p>

Links to Mayoral strategies and priorities

- 4.2. This proposal aligns with the Mayor’s priority of ensuring a more efficient and effective GLA Group through greater collaboration; and particularly the principles of avoiding doing the same thing across multiple organisations and driving efficiency through scale.

Conflicts of interest

- 4.3. A small collaboration team was established to conduct this review and develop a set of recommendations for how a shared IT service could work between the TfL, the GLA, MOPAC and the OPDC. Whilst the current Head of Technology for the GLA has been involved in shaping these proposals, all decisions have been taken by the IT Shared Service Steering Group and the GLA Group Collaboration Board.

Data protection

- 4.4. The GLA, MOPAC’s and the OPDC’s Information Governance Manager has been engaged to ensure that all GDPR and data protection issues are fully considered before entering into the shared service.

Consultation and impact assessments

- 4.5. Any activity transferring to TfL would need to be resourced; therefore, we expect a number of GLA roles would be transferred to TfL under the regulations of a TUPE transfer. Affected staff will be engaged and consulted as appropriate where TUPE applies. TUPE protects employees’ contractual terms and conditions of employment and no staff would be made to take on less favourable terms. Any subsequent new appointments or promotions made once this activity had transferred would be made on TfL terms.
- 4.6. Consultation has taken place with the London Assembly via a paper that went to the 1 February 2022 GLA Oversight Committee meeting.
- 4.7. The Assembly Members expressed concerns regarding ensuring that on-site support would be available at City Hall and that access to TfL’s offices at Pier Walk, to obtain equipment and support, was not convenient. In response to this, as part of the implementation of client services, four

customer liaison officers will be based at the GLA's two main offices to provide on-site assistance. Discussions will continue as to whether TfL should provide a "tech-hub" service in City Hall so that access to equipment and on-site support would not require a visit to Pier Walk.

5. Financial comments

GLA financial comments

- 5.1 This MD seeks Mayoral approval for the establishment of a shared-service arrangement between TfL and the GLA (including MOPAC), under section 401A of the GLA Act, where TfL will provide the GLA with an IT service. OPDC may opt-in to the shared service arrangement in due course, subject to decisions taken by their Board. The MD also asks the Mayor to approve a delegation to the GLA's Chief Officer to: finalise the terms of, and enter into, the shared-service agreement between the GLA and TfL; agree final costs to the GLA associated with the agreement, including the transfer of funding to TfL from the GLA for the provision of the support; and update the agreement as and when necessary.
- 5.2 The savings from the implementation of this programme are currently estimated at £813k per year. There are, however, ongoing additional roles to be created. The total cost of these four posts (Grade 6), including on-costs, would be £176k at midpoint. The net saving would then be £637k per year.
- 5.3 The total cost of all aspects of the implementation will be £3.1m. Savings of £637k per annum deliver a payback period of just over 4.8 years.
- 5.5 The implementation costs are being met by the GLA Group Collaboration Board.

OPDC financial comments

- 5.5 A delegation of authority to the Corporation's Chief Executive Officer to enter into the shared service on behalf of the Corporation will be sought from the OPDC Board at its meeting of 9 March 2022. All costs associated with the recommendations in this report would be accommodated within the OPDC Budget.

MOPAC financial comments

- 5.6 The MOPAC Board has delegated authority to its Chief Executive Officer to enter into the shared service on MOPAC's behalf. All costs associated with the recommendations in this report would be accommodated within the MOPAC Budget. MOPAC approved this decision on 17 February 2022.

6. Legal comments

- 6.1 Under section 401A of the GLA Act, the GLA can enter into arrangements with specified organisations (including TfL as a functional body) for the provision of administrative, professional or technical services between each other, whether for consideration or otherwise. The services proposed to be provided by TfL to the GLA fall within that description. The Mayor must consult with the Assembly before entering into any such arrangement involving the GLA; this role has been delegated to the Assembly's GLA Oversight Committee and the consultation took place in February 2022. The Mayor has power to delegate decision-making to the Chief Officer to enter into a proposed shared service arrangement with TfL, subject to having considered and taken into account the views of the Assembly.
- 6.2 The proposed funding provided to TfL for professional support can be provided in accordance with section 401A, which provides that "consideration" can be given for professional services.
- 6.3 Should any new roles be created or deleted as a result of this decision, these roles would need to be created or deleted by the Head of Paid Service in accordance with the GLA Staffing Protocol. Should

any employees transfer to other organisations as a result of a shared service the GLA will be required to carry out consultation with affected employees in accordance with the principles of the Transfer of Undertakings (Protection of Employment) Regulations 2006 and the Cabinet Office Statement of Practice.

7. Planned delivery approach and next steps

Activity	Timeline
Technical transition begins	March 2022
New shared service begins	April 2023

Appendices and supporting papers:

None.

<p>Public access to information</p> <p>Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.</p> <p>If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. Note: This form (Part 1) will either be published within one working day after it has been approved or on the defer date.</p>	
<p>Part 1 – Deferral</p> <p>Is the publication of Part 1 of this approval to be deferred? YES</p> <p>If YES, for what reason: Publication of this approval should be deferred to allow those employees affected by the proposals to be informed of the changes and the impact on their roles first.</p> <p>Until what date: 1 March 2022</p>	
<p>Part 2 – Sensitive information</p> <p>Only the facts or advice that would be exempt from disclosure under the FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.</p> <p>Is there a part 2 form – NO</p>	
<p>ORIGINATING OFFICER DECLARATION:</p> <p>Drafting officer: David Munn has drafted this report in accordance with GLA procedures and confirms the following:</p> <p>Sponsoring Director: David Gallie has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.</p> <p>Mayoral Adviser: David Bellamy has been consulted about the proposal and agrees the recommendations.</p> <p>Advice: The Finance and Legal teams have commented on this proposal.</p> <p>Corporate Investment Board This decision was agreed by the Corporate Investment Board on 14 February 2022</p>	<p>Drafting officer to confirm the following (✓)</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>
<p>EXECUTIVE DIRECTOR, RESOURCES:</p>	

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

D. Bone

Date

18/2/22

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

D. Jellamy

Date

18/2/22

