	Audit Committee **5 November 2015**
Title	**ICT operations – ITIL methodology assessment**
Report of	Chief Operating Officer
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Not Applicable
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Summary

At the Audit Committee meeting on 30 July 2015 the committee resolved to request the Chief Operating Officer to look into whether Capita Customer Service Group follows ITIL (Information Technology Infrastructure Library) methodology, and to provide a report to the next meeting.

The detail of the review is given in the body of the report.

Recommendations

1. **That the Committee note the content of this report.**

1. **WHY THIS REPORT IS NEEDED**

1.1 At the Audit Committee meeting on the 30th July 2015 the committee resolved to request the Chief Operating Officer to look into whether Capita Customer Service Group (CSG) follows ITIL (Information Technology Infrastructure Library) methodology, and to provide a report to the next meeting.

1.2 The purpose of ITIL is to provide advice on best practices in IT service management. It includes options that may be adopted and adapted by organisations according to business need, local circumstances and the maturity of the service provider.

1.3 Within the CSG contract, Capita were committed to achieve alignment to ITIL version 3 ICT processes and procedures. This commitment was intended to ensure that the transitioned ICT service continued to progress towards complete ITIL alignment, as had been initiated by the council prior to the NSCSO programme.

1.4 Capita has since requested that this commitment be changed to deliver ISO20000 standard ICT service delivery. The council has agreed to this change as it means the council retain improved ICT audit options.

1.5 The council intends including the ICT operations in the 2016/17 internal audit plan.

1.6 **BACKGROUND INFORMATION**

1.6.1 Under the Commitments in the CSG ICT Contract, the following commitment (T3-118) was originally made "The Service Provider will, on or before 5 months following the Service Transfer Date achieve alignment to ITIL version 3 IS processes and procedures within the IS Service operation as set out in Schedule 2, Service Delivery Plans, IS Service."

1.6.2 In June 2014, Capita has requested that the wording of this Commitment (T3-118) be changed (Change Request CR045) to allow CSG to demonstrate best practice in ICT operations, and to be able to provide evidence of compliance.

1.6.3 The Commitment wording has therefore been changed to, "The Service Provider will, on or before 16 months following the Service Transfer Date achieve adoption of Capita's ISO20000 standard within the IS Service operation as set out in Schedule 2, Service Delivery Plans, IS Service."

1.6.4 ISO 20000 is the first international standard for IT service management. Implementing an ISO 20000 IT service management system supports and enhances ITIL® and is the logical next step for organisations that have adopted the ITIL methodology.

1.6.5 The purpose of ITIL is to provide advice on best practices in IT service management. It includes options that may be adopted and adapted by organisations according to business need, local circumstances and the maturity of the service provider.

1.6.6   The British Standards Institute (BSI) website states the following: "The ITIL best practice guides and the BS ISO/IEC 20000 series have been integrated under a concordat between BSI, IT Service Management Forum (ITSMF) and the Office of Government Commerce (OGC). Industry should not be confused by the publication of two sets of documents from two different but authoritative sources and all publications should align and cross-refer. The intention is that both sets of publications form parts of the same logical structure.

BS ISO/IEC 20000 sets the standards that service management processes should aim for. ITIL sets out good practices that, if adopted, would assist service management to achieve the quality defined in BS ISO/IEC 20000.

It is not a requirement for a service provider to have adopted ITIL best practices or ITIL terminology to achieve compliance with BS ISO/IEC 20000. However, it will certainly be easier to achieve if this is the case."

1.6.7   The change in wording of the ICT Commitment provides the council the option of auditing the compliance of the CSG ICT operation under ISO20000 standards using internal or external audit resources to address any concerns of Members or council officers. This is because ITIL, as a set of best practices for IT service management, does not lend itself to audit as services differ according to the needs of an organisation; however, alignment to the formal ISO 20000 international standard can be audited.

1.6.8   It is intended that an audit form part of the Internal Audit plan for 2016/17. While IT service management has not been party to an internal audit over the last three years, other aspects of the IT service have been audited. This includes audits on IT access controls and SAP data migration, with audits underway on disaster recover, information security, IT strategy and the IT helpdesk operation.

2.   REASONS FOR RECOMMENDATIONS

2.1   None

3.   ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1   None

4.   POST DECISION IMPLEMENTATION

4.1   None

5.   IMPLICATIONS OF DECISION

5.1   None

5.2   Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

5.2.1   None

5.3   Legal and Constitutional References

5.3.1   Council Constitution, Responsibility for Functions, Annex A, sets out the terms of reference of the Audit Committee, including 'to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment, and to oversee the financial reporting process'.

5.4   Risk Management

5.4.1   **None**

5.5   Equalities and Diversity

5.5.1   None

5.6   Consultation and Engagement

5.6.1   None

5.8   Insight

5.8.1   None

6.   BACKGROUND PAPERS

6.1   Item 13.2 of the 30th April 2015 Audit Committee meeting "That officers provide a report on CSG compliance requirements in respect of ITIL (Information Technology Infrastructure Library) methodology (http://barnet.moderngov.co.uk/documents/g8413/Printed%20minutes%2030th-Jul-2015%2019.00%20Audit%20Committee.pdf?T=1.)