



Northern Ireland  
Assembly

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**COMMITTEE FOR  
FINANCE AND PERSONNEL**

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**OFFICIAL REPORT  
(Hansard)**

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**Enterprise Shared Services:  
IT Assist, Network NI and Records NI**

13 October 2010

**NORTHERN IRELAND ASSEMBLY**

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**Members present for all or part of the proceedings:**

Ms Jennifer McCann (Chairperson)  
Dr Stephen Farry  
Mr Paul Frew  
Mr Daithí McKay  
Mr Mitchel McLaughlin  
Mr Declan O'Loan  
Ms Dawn Purvis

**Witnesses:**

Mr Paul Wickens            )       Department of Finance and Personnel  
Mr Barry Lowry            )

**The Chairperson (Ms J McCann):**

I welcome Paul Wickens, the chief executive of enterprise shared services (ESS) and Barry Lowry the director of IT services in ESS. You are both very welcome. I invite the witnesses to make a few opening remarks, and I will then open the meeting to questions from members.

**Mr Paul Wickens (Department of Finance and Personnel):**

Good morning. I have been in post for just over a year, with ESS having successfully come into operation in April. During that year, my priorities have been to improve service effectiveness and quality; maintain business as usual with no disruption to customers; continue to resolve residual

implementation issues; move quickly from project to service mode; build confidence and manage expectations; centralise and restructure where appropriate; and implement new governance arrangements. My initial priority has been to allow a period of consolidation; however, I am now keen to move forward in driving significant performance improvements to ensure that our customers receive a good, value-for-money service. With that in mind, we have undertaken some work on customer experience to set a baseline to enable us to measure improvement.

You asked me here today to discuss IT Assist, Records NI and Network NI. The integration of Network NI and Records NI into IT Assist has now been completed. The quality of service continues to be of a very high standard, with excellent rates of customer satisfaction being reported. The benefits that we have seen include: lower costs than the GB Flex model or the local private sector; reduced costs of a broadband network; and world class software, hardware, data centres and support. As you know, Barry Lowry is my director of IT services in ESS. Both he and I are happy to answer your questions.

**Mr McLaughlin:**

During the Committee's inquiry into public procurement, we heard many concerns from small business, which is a huge element in our economy. They complained that they were getting squeezed out of public procurement opportunities, specifically because the guidelines were making it more difficult for them to access those opportunities. Will you talk us through the role of IT Assist in procurement, and how it benefits or affects those small businesses?

**Mr Wickens:**

We touched on that during a previous Committee inquiry session. Our challenge is to operate within EU procurement rules, and we do that. However, we also recognise that we live in a very small local economy and we are keen to involve as many local players as we can. I continue to regularly meet anyone who asks me for a meeting, as do the rest of my team. That includes many of the small suppliers, right down to those at the micro-level rather than just the small and medium-sized enterprises (SMEs). Barry and I also recently met with the chief executive of Momentum to discuss some of the consortia that it has been trying to pull together to have a bigger impact on what was going on. That session was fruitful and useful.

Barry can give you the detail on the number of contracts that are under management in IT Assist, but there are many tens of contracts. They tend to be for very large infrastructure projects

for software, hardware, support and data centres, so it is fundamentally difficult for small organisations to break into those markets. We try to get the smaller firms to talk to some of the bigger suppliers, to join the consortia that are already in place, to see whether there are any change-control opportunities. Indeed, that is what we did with Momentum. We no longer have the luxury of the e-government fund, through which we could have set up pilot projects and tried things. We are in an age of austerity, so we cannot do that anymore. Barry, do you want to add anything?

**Mr Barry Lowry (Department of Finance and Personnel):**

That was a pretty comprehensive response. Because IT Assist is about providing the corporate infrastructure of the Northern Ireland Civil Service, the products and services that we use tend to be products and services that are available worldwide. Therefore, it is companies with a worldwide presence that tend to be successful. However, there are a number of areas in which we have used products and services provided by indigenous companies. There have been two successes in the last several months of indigenous companies winning quite sizeable contracts. That is obviously a positive thing.

The other thing, as I said the last time, is that a lot of the large worldwide players are now setting up in Northern Ireland and creating jobs here on the back of some of the contracts that they have won. That is not directly helpful to the SMEs, but it is obviously helpful to the wider job market.

**Mr McLaughlin:**

Without naming any specific organisation, I am aware of a local enterprise that has an award-winning operation involving the assembly of computer systems for the market and for internationally reputable suppliers, but finds it impossible to supply to the government here in the North of Ireland. The specifications of that company's equipment and its costings are, I am reliably told, as competitive as one would wish, but they do not have a badge. Your remarks, Barry, just triggered that memory. I think that I brought it to people's attention previously. The company in question has a badge of excellence from Intel for the package that they can put together, but cannot sell to us.

**Mr Wickens:**

I encourage you to have them contact us, because, given the way that we manage information

about assembly opportunities there may well be an opportunity — within the procurement rules and the contracting governance structures that we have — for us to tell them to talk to one of the consortia that lead in the space of information management. We can certainly broker that introduction, so we are quite happy to deal with that separately if you want.

**Mr McLaughlin:**

It is something that I have come across in health procurement as well. The badge and the name carry with them an advantage, particularly when it comes to local suppliers. I have previously encouraged that individual to pursue the matter, but I will not go into the specifics.

My question for today is: are we constraining our own ability to encourage indigenous enterprise within the European guidelines because they may not offer the same assurance that a big international name would?

**Mr Lowry:**

I do not think that it is an issue with the name but with the scale. IT Assist has over 18,500 customers. Even if we replace a PC every five or six years, that amounts to over 3,000 a year. Because of our drive towards sustainability, we have set standards for the power consumption and so on that those PCs should achieve. What we are really saying to the industry is that we want an organisation that can guarantee to reach all of those standards and provide us with 3,000 PCs in a year. That is very difficult for small companies to achieve; hence we tend to look at the likes of Hewlett-Packard, Dell, Acer and so on, which are very large worldwide companies with assembly units in Ireland, China and so on. That is just the nature of the business that we are in, along with other public and private sector companies of that size. By using our economies of scale, we have considerably driven down the price of each unit, and that has been a substantial saving to the public purse.

**Mr McLaughlin:**

OK; I have a related question, which is perhaps more in-house. What steps are you taking, or can you take, to consolidate and harness the expertise that your project managers are gaining in the procurement and delivery of IT contracts? Do you have a specific goal for developing that capacity?

**Mr Wickens:**

First, we work closely with the Central Procurement Directorate, which we rely on to provide us with procurement expertise. We have a number of ways of operating contract management across the different services that I am responsible for. Today is about IT Assist, which Barry will talk about. I would like to look at the bigger picture across all the services rather than just look at how we do things within IT Assist.

**Mr Lowry:**

When we set up IT Assist, we agreed to try to be the best at every single function that we perform. We adopted a method called skills framework for the information age, which is a European method used by public and private sector companies. It breaks down into blocks the elements of work that are required to provide an IT service, such as project programme management, contract management, technical elements and so on. It sets standards that the people who work in those areas achieve. We try to encourage our staff to take accreditation in all those elements. In project programme management, for example, we have people who are PRINCE2 accredited, which is the highest standard that they can achieve. We have developed a very strong capability in contract management, which is reflected in how we manage our partners and the performance that we are getting out of our partners. As a result, we are very clear about the management information service that we are getting from them and about where we feel that they can improve. We manage those contracts pretty rigidly.

**The Chairperson:**

If we have any further questions, we will write to you. Is that OK?

**Mr Wickens:**

That is great.

**The Chairperson:**

Thank you very much.