Report to Executive Board: 21 October 2002
Major Project: PC and server improvement programme: phasing of expenditure

Report of:	***IS Infrastructure Manager,***	***WARDS AFFECTED***
	Information Systems	**All**
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Lead member	*Cllr. Bob Price*	
Responsible:	Portfolio Holder for Property and Information Technology	
Overview &	*Finance and Performance Management Overview and Scrutiny*	
Scrutiny Committee:		
Key Decision:	**NO**	

SUMMARY AND RECOMMENDATIONS

This report provides a briefing on the proposed phasing of the expenditure plan for the £445,000 allocation from the capital programme for 2002/2003 for PC replacement/upgrade and server replacement. This complies with the recommendation in the report "Major Project: PC and server improvement programme" to the Executive Board on August 19th, when it was agreed to "grant major project approval to the scheme for 2002/2003, subject to a full report being made to the Board upon the phasing of the expenditure, once this is known."

The Executive Board is ASKED to:
    Approve the phasing of the expenditure on this Major Project shown in paras. 2.2 and 2.4 of the report, and in Appendices 1 and 2.

1. Major Project: Spending phasing

1.1 A bid was made last year for £905,700 to fund the full replacement or upgrading of all Council PCs to a Windows 2000 standard, the consolidation of all central data storage servers, and the replacement of old printers. This bid was unsuccessful in full, but provision has been made from the capital programme as shown in para. 1.2 below. A renewed bid for funds for 2003-4, to continue the programme, will be made in the future.

1.2 An allocation of £445,000 has been made from capital for the financial year 2002/2003. A proposed spending plan for these amounts was detailed in Table D of the previous report.

1.3 This report provides further detail about the phasing of this allocation, and asks for approval of the phasing proposals.

2. Proposed phasing of the capital allocation

2.1 There are 2 parts to this Major Project: firstly, the replacement of Departmental data storage servers (£120k); and secondly, the replacement or upgrading of the Council's PCs and printers (£325k). Implementation of both phases should run concurrently.

2.2 It is proposed to phase expenditure for the first part (servers) as follows:
- up to £10k in the 3rd quarter of this financial year, for the procurement phase;
- £85k in the 4th quarter, for server purchase and implementation;
- £25k in the 1st quarter of 2003-4, to be paid on final acceptance of the system.

2.3 This phasing assumes that a consultant will be contracted to assist in finalizing the Council's requirements. This should enable procurement via the GCat (Government Catalogue for I.T. – E.C.-compliant) process.

2.4 It is proposed to phase expenditure for the second part (PCs/ printers) as follows:
- £105k in the 3rd quarter of this year
- £110k in the 4th quarter
- £110k in the 1st quarter of 2003/4

2.5 This phasing assumes a regular replacement of PCs and printers, using the existing staff resources (including a temporary officer funded by a £25k Revenues bid this year). The Project Board (once this has been established) will establish priority areas, in consultation with Business Unit Managers.

2.6 This phasing also assumes that PC and printer procurement will be by the GCat process, rather than through open tendering.

This report has been seen by:

Cllr Bob Price, Portfolio holder for Property and Information Technology
Mark Luntley, Strategic Director
Kathryn Latter, IS Business Unit Manager
Mike Primett, Infrastructure Manager, Information Systems
Paul Sheppard, Accountant
Lindsay Johnston, Legal Services

Background Documents – "Major Project: PC and server improvement programme" – report to the Executive Board on August 19th

APPENDIX 1: Phasing of expenditure:

Item	3rd quarter 2002/2003	4th quarter 2002/2003	1st quarter 2003/2004	Total
Replacement/upgrade of PCs	£105,000	£110,000	£110,000	£325,000
Centralized servers/storage	£10,000	£85,000	£25,000	£120,000
Total	**£115,000**	**£195,000**	**£135,000**	**£445,000**

APPENDIX 2
FINANCIAL PROFILE - PC & SERVER IMPROVEMENT PROGRAMME

(A)

	2002/03	2003/04	2004/05	TOTAL
	£	£	£	£
EXPENDITURE FOR WHICH APPROVAL IS SOUGHT	310,000	135,000	0	445,000
PROVISION IN CAPITAL PROGRAMME	445,000	0	0	445,000

(B)

	2002/03	2003/04	2004/05	TOTAL
ESTIMATED PER THIS REPORT	£	£	£	£
Replacement/upgrade of PC's	215,000	110,000	0	325,000
Centralized servers/storage	95,000	25,000		120,000
	310,000	135,000	0	445,000
LAND / PROPERTY	0	0	0	0
TOTAL GROSS COSTS *	310,000	135,000	0	445,000
*Comparison with figure in block (A) above				

(C)

REVENUE COSTS	2002/03	2003/04	2004/05	FULL YEAR COSTS
	£	£	£	£
EMPLOYEES A revenue bid of £25,000 has been approved for temp staff but as the scheme will continue into 2003/4 a c/fwd request will be made.	14,400	10,600	0	0
RUNNING EXPENSES	0	0	0	0
CAPITAL FINANCING COST (at 8% based on MRP) Based on expenditure of £300,000	12,400	30,200	35,600	35,600
LESS INCOME SAVINGS ON EXISTING BUDGETS	0	0	0	0
NET ADDITIONAL COSTS TO COUNCIL	26,800	40,800	35,600	35,600