

Report of: Business Systems Business Manager

To: Executive Board

Date: 18 June 2007

Item No:

Title of Report : Project Approval – ICT infrastructure 2007/8

Summary and Recommendations

Purpose of report:

To seek project approval for ICT infrastructure works 2007/8

Key decision: Yes

Portfolio Holder: Councillor Jim Campbell

Scrutiny Responsibility: Finance

Ward(s) affected: All

Report Approved by

Portfolio Holder: Councillor Jim Campbell

Legal: Jeremy Thomas

Finance: Sarah Fogden / Penny Gardner

Strategic Director: Mark Luntley

Policy Framework: None

Recommendation(s):

1. That Project approval be granted for this project as set out in the report, subject to capital being available from 2007/8 capital receipts.
2. To note the cost pressures and potential risks and costs of not addressing them
3. That the Executive Board agrees to waive Contract Regulation 20.13 (using the provisions at 20.19f) for the purchase of PC hardware, software and services.

1 Introduction

Executive Board and Full council approved the ICT Five-year Strategy and Capital Investment Plan commencing 2007/8. This paper sets out the specific investments for 2007/8, their sequencing, planned timetable and procurement strategies.

2 As outlined in the ICT Five-year Strategy and Capital Investment Plan, the prime driver of these investments is to mitigate potential risks associated with ageing ICT infrastructure, these risks are reiterated in paragraph 37.

3 Specific investments

Personal Computers – Desktop, Laptop and Tablet

To replace up to 300 PC units (approximately 250 desktops and 50 laptops / tablets). Following analysis of the alternatives, all desktops and Laptops will be Dell branded as they provide the best-fit in terms of:

- Energy efficiency of the entire unit across a range of operating modes
- Ability to issue sleep / hibernate / shut down, controlled by either BIOS or LAN controls
- Clean production (materials used, energy etc) and end of life management
- Compatibility / interoperability with current and planned infrastructure
- Ability for staff to provide effective support with minimal additional training
- Security
- Ability to manage devices remotely
- Proven track record of reliability
- Effective support infrastructure (manufacturer / reseller)
- Cost

4 All new PCs will be licensed to use the latest version of Microsoft's Operating system (Windows Vista) and Microsoft Office (2007). Our licensing agreement also allows us to install and run earlier versions of these products; our strategy is to standardise on Windows XP and Office 2003, with a potential move to Vista & Office 2007 in 2009/10.

5 Microsoft software will be purchased under a *Microsoft Select Agreement*, all PC hardware will be purchased outright with the manufacturer's standard warranty through an approved Catalyst supplier.

6 We will look to implement the following energy saving features on all new PCs:

- Centrally controlled closedown of all network connected PCs at the end of each working day and following a period of inactivity (typically 30 minutes)
- Replace screen saving processes with "blank screen" when the PC has been inactivity for an agreed period of time. This reduces the power required to drive the PC and screen during periods of inactivity and retains the privacy of on-screen data.
- Activate additional built-in processor and disk related energy saving features

7 Implementation will be by Business Unit Department. All PCs in the operational area will be replaced at the same time; all existing PCs will be removed and either reused within the Council or disposed of via Oxfam.

8 The cost will be C. £247k for hardware, software and installation services.

9 Central Servers

To replace up to 40 existing, ageing central physical servers through consolidation to two larger and more resilient servers utilising *virtual server* technology. The new servers will be Dell branded and integrated with the current server set.

10 The replacement technology will:

- Provide significantly greater resilience enabling improvements in operational availability
- Require significantly less direct energy to run, producing less heat and requiring less air conditioning & energy to cool
- Be of smaller footprint, requiring less computer room space
- Be lower cost to replace (approximately 50% of the cost of conventional physical technology)

11 The cost will be C. £55k for hardware, software and installation services

12 Copying, local scanning and computer based printing

13 To replace the current variety of ageing scanners, photocopiers, stand-alone and network attached computer printers with a smaller number of fast, efficient Multi-Function Devices (MFDs - copy, scan and print) allowing accurate printing and copying costs to be automatically recorded and managed by each business unit. This excludes the copy equipment used in the central Copy Unit run by Facilities Management.

14 All MFDs will be leased, the cost based on capital spread over 3 years. After 3 years the MFD can be either replaced or retained at a much-reduced charge. All printer consumables (excluding paper) repairs and maintenance are built into a single print price per page (typically 0.5p) and billed monthly to the Business Unit.

15 Revised printing procedures will:

- Reduce the volume of unwanted print
- Reduce energy requirements
- Provide a free, high quality scan and email facility

16 Implementation by Department within Business Unit

17 Costs TBA, budget £49k for strategy study and year 1 leasing costs. Subsequent years' leasing to be funded directly by Business units through transfer of existing print costs.

18 Data Networks

To upgrade the oldest components of the Council's data network, improving resilience and where practical, providing the basis for a future Voice over IP service.

19 To upgrade switch technology in Ramsay House, making full use of previous high-speed network investments.

20 To replace the slow and ageing network in the Town Hall with a Wireless (WiFi) enabled service.

21 The cost will be C. £69k for hardware and installation services

22 Business Continuity

To extend the scope of IT Disaster Recovery / Business Continuity services to include external email, Internet and Leisure flex support.

23 The annual disaster recovery exercise is being planned for September 2007.

24 Costs for the additional services will be C. £10k

25 Service Desk Management

The Service Desk (extended Help Desk) within Business Systems own and drive the core systems management and governance systems. These processes include

- Patch management (distributing and applying software fixes to protect the Council's systems from security holes and other critical failings)
- Software distribution – distribution of new software and new versions of business applications to PCs quickly and effectively
- Change Management – Tools to control and manage changes to ICT hardware and Software

26 The cost is £46k and includes software purchase, installation and configuration

27 Internal and External Labour

Internal labour is focused on two key areas: "Business As Usual" activities (management, delivery and support) and planning the future (strategy development and implementation).

28 External labour will be used within Business Systems to supplement key skill deficiencies and to deliver project based initiatives, either directly (supplementing skills or capacity gaps) or indirectly (backfill, thereby releasing internal staff to work on projects).

29 Specifically, internal labour will be deployed for

- Service Desk (Help Desk, Systems Management)
- Internal customer and Vendor relationship management

- Business application support, maintenance and development
- Infrastructure strategy and development
- Governance

30 The provision of £50k identified in the original report has now been allocated to specific initiatives and is shown in the table at paragraph 31, *Investment Summary*.

31 Investment summary

The phasing of spend can be seen in the table below

Activity	FY 2007/8 £k spend				
	Q1	Q2	Q3	Q4	Total
Desktop replacement					
PC Units & Software x 300		230			230
External labour - Phase 1 Implementation		7			7
External labour - Phase 2 Implementation			5		5
External labour - Phase 3 Implementation				5	5
Servers & Storage Management					
2 x ESX Server & software			40		40
External labour - Implementation			15		15
Printing					
Print Management strategy & planning		7			7
Print Management Phase 1 implementation			21	21	42
Networking					
External labour - Wireless Town Hall planning		5			5
Wireless Town Hall Implementation			42		42
SAC Floor 1 - Upgrade from Cat3		4			4
Town Hall North				12	12
Ramsay House (to enable gigabit investment)		3			3
Implement layer 3 switching at Local housing offices				3	3
Business Continuity					
Additional services (email, Internet & Leisure)		10			10
Service Desk					
External labour - planning & Implementation		3			3
Patch Management		15			15
External labour - planning & Implementation			3		3
Change Management				25	25
Contingency					
Apportioned by rate of spend (£26k total)		14	6	3	24
Total 2007/08	0	298	132	69	500

32 SAC re-development

None of the benefits flowing from the investments proposed in this report will be diminished by the proposed redevelopment of St Aldate's Chambers.

33 Central servers (the type of computers referred to in paragraph 9) are housed in the Computer room located in an area of SAC that will be

demolished. These computers will be re-housed in either a new Council owned and operated computer room (to be constructed as part of the SAC redevelopment programme) or co-located in a third party facility (either a District council facility under a shared service type agreement or a private sector facility).

34 Should we enter into a shared service agreement with another Authority, the server infrastructure could potentially become part of a shared asset pool, the overall contributions and benefits of such a scheme would need to be calculated in such a way as to guarantee equity amongst the sharing partners.

35 New PCs and printers purchased and deployed with areas of SAC that are affected by the SAC redevelopment programme will be retained and redeployed within the Council; all equipment is likely to be moved with staff to their new locations.

36 Network cabling improvements to SAC proposed last year will be put on-hold until the detail behind the redevelopment plan has been finalised.

37 Risks

This investment is necessary to ensure the continuous running of IT systems across the Council. This was outlined in the ICT Five-year Strategy and Capital Investment Plan, and approved by the Executive Board and Full Council. The risks to be mitigated are associated with:

- Equipment failure
 - Increased risk of major service outages for extended periods, possibly days at a time
 - Increased risk of minor systems failures resulting in poorer ICT service provision to staff delivering both front-line and back office services
 - Increased support costs (internal and external labour) likely to result in a demand for additional internal heads
- Obsolescence
 - Risk that Business Systems will not be able to upgrade Core Business Applications in line with statutory requirements, because the underlying infrastructure is no longer supported by the Application software vendor
 - Lack of available skills and spare parts to effect repairs resulting in an inability for Business Systems and its partners to keep the Council's systems operational
 - Demand for major investments at short notice to resolve critical systems failures
 - Risk that a solution to a major fault may take weeks or months to implement, due to the interdependencies of systems components and their incompatibility
- Opportunity cost

- Systems are so out of date that they prevent the operational Business Units implementing their step change improvements required for efficiency and productivity gains
- Unable to implement new services as the underlying technology is either not supported or does not have capacity to support the additional workload demands

38 Procurement

All procurement will be executed through approved Catalyst accredited suppliers and / or approved consortia in accordance with Council procurement policies. As the value of PC replacement costs (hardware, software and services) are in excess of £100k, the Executive Board is asked to waive the requirement of the Contract procedure rules to tender, and permit the use the consortia arrangement, which have already been subjected to the EU procurement regime and demonstrate best value.

39 Recommendations

That Project approval be granted for this project as set out in the report, subject to capital being available from 2007/8 capital receipts.

To note the cost pressures and potential risks and costs of not addressing them

That the Executive Board agrees to waive Contract Regulation 20.13 (using the provisions at 20.19f) for the purchase of PC hardware, software and services.

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Background papers:

None