



Corporate Policy and Resources

19 July 2018

Subject: ICT Delivery

Report by: Ian Knowles

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Purpose / Summary:

This report requests the ability to draw down the planned expenditure for the ICT equipment and software refresh, allowing the expenditure on procurements to renew and refresh ICT equipment.

DECISION(S) REQUIRED:

1. Desktop refresh - Capital: Approve the drawdown from reserves to purchase replacement desktop equipment and expenditure at a cost of £175,000. This will be funded from the IT Reserve and the procurement will be a joint procurement with North Kesteven District Council who will replicate the selected devices across their estates and supporting mobile working allowing colleagues to work remotely whilst providing resilience on business continuity.
2. Infrastructure and Wi-Fi: Approve the drawdown from reserves and the expenditure on the switch and Wi-Fi network equipment that is end of life at a cost of £105,000 for the infrastructure replacement and £15,000 revenue cost for a five year license to be funded from the IT Reserve. A joint procurement exercise has been undertaken with North Kesteven District Council (NKDC) who are replicating the work.
3. Microsoft Software License: Approve the drawdown from reserves and the expenditure by the ICT Team on software license at a cost of £34,000 from revenue.

IMPLICATIONS

Legal: None

Financial: FIN-81-19-CC

The current Capital Programme includes, £175k for the desktop refresh, £120,000 for the infrastructure replacement and £34k for software licence infrastructure, all of which are to be funded from the IT Replacement Reserve.

Some elements cannot be capitalised and it will therefore be necessary to amend the capital programme and allocate the reserve to revenue to finance these.

If approved the revised Capital Programme will include:

£175,000 for the desktop refresh

£105,000 for the infrastructure replacement (£15,000 to be allocated to revenue over a five year period to fund licences)

The £34,000 for software licence infrastructure will be fully Revenue Expenditure.

Both Capital and Revenue budgets will be funded from the IT Replacement Reserve.

An annual contribution to the Reserve of £94k is made as part of Medium Term Financial Plan. By the end of 2018/19, taking into account the above projects, there will be a balance of £26k remaining on this reserve.

However an updated IT roadmap detailing future spends is currently being formulated and is due shortly, which will need to inform the next MTFP.

Staffing : The proposed IT transformation adds stability to the function and the required development of individuals within job roles can then be assessed and planned appropriately to move the department forward effectively.

Equality and Diversity including Human Rights :

N/A

Risk Assessment : N/A

Climate Related Risks and Opportunities : N/A

Title and Location of any Background Papers used in the preparation of this report:

Management Team Report ICT Delivery.

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1. Introduction

- 1.1. This report requests the ability to draw down the planned expenditure for the desktop refresh allowing the ICT Team to renew and refresh the ICT equipment used by colleagues to maintain security, increase usability and support new ways of working.
- 1.2. This report outlines the response required, informed by an audit of the network infrastructure, to maintain security, stability and resilience going forward whilst also providing the capacity to implement best practice and support digital ways of working. The report requests the draw down and planned expenditure by the ICT Team for replacing switches and Wi-Fi equipment following a joint Lincs Procurement exercise with NKDC.
- 1.3. To approve the draw down and planned expenditure for Microsoft Software Licensing following a procurement exercise by Lincs Procurement and the ICT Team for the contractual renewal of software licensing in use within the authority.

2. Background

2.1. Desktop refresh

- 2.1.1. Current Position: The current equipment in use is becoming end of life causing an increasing demand on the ICT Team, the equipment has issues on space and this has a knock on effect of failure during periods of security patching.
- 2.1.2. The following risks will be mitigated through the approval of this report.
 - 2.1.2.1. Remote working and improved capacity for business continuity (the new equipment would be configured to connect to the corporate network in a secure and uniform way).
 - 2.1.2.2. Cyber-attack – equipment would not fail during the update process due to space issues.
- 2.1.3. Alternatives: The current equipment could continue to be used but colleagues would have an increased level of downtime as more hardware failures would occur. The current equipment would after a period of time stop receiving security updates and would be vulnerable to a cyber-attack.

2.1.4. The current equipment could be made available for resale following secure data removal and or included within the future procurement contract for secure disposal.

2.1.5. Costs: Approve the drawdown from reserves to purchase replacement desktop equipment at a cost of £175,000. This will be funded from the IT Reserve.

2.2. Infrastructure and Wi-Fi

2.2.1. Current Position: The current IT infrastructure is out of date, unsupported in areas and does not reflect either the logical or physical design of the network. We have had issues on equipment that have begun to fail and are no longer working as required.

2.2.2. The recent Cyber-Attacks have highlighted the need to replace the out of date switches, firewall and wireless infrastructure to allow next generation monitoring and protection to stop future attacks.

2.2.3. The following risks will be mitigated through the approval of this report.

2.2.3.1. The Councils infrastructure is dated and does not support the capacity and capability required in a modern business and will be subject to repeated failures on an increasing frequency.

2.2.3.2. Cyber-attack – equipment would not be subject to an increasing number of published vulnerability's and attack methods (the new equipment would be supported and the security would be updated).

2.2.4. Alternatives: The unsupported units could continue to be used, colleagues would not see speed increases on network requests. The number of failures would increase and the impact on colleagues will rise, and during these periods the length of downtime will increase.

2.2.5. Costs: Approve the drawdown from reserves and the expenditure on the switch and Wi-Fi network equipment that is end of life at a cost of £120,000 this is to be funded from the IT

Reserve and was approved through the business planning process.

3. Microsoft Software License

3.1.1. Current Position: The current licensing contract was renewed through a Lincs procurement exercise and allows the Council to support the demand for infrastructure services that are capable of supporting digital technologies.

3.1.2. The following risks will be mitigated through the approval of this report.

3.1.2.1. The council will maintain a compliant licensing position.

3.1.3. Colleagues will see improvements in the way back office applications work (those applications that are capable of working on improved technology will).

3.1.4. The ability to use cloud services for both current and future applications will be available, allowing for secure data synchronisation.

3.1.5. Alternatives: The council could revert back to the software licenses it purchased in 2011, stop the use of some software and its cloud adoption or become none compliant.

3.1.6. Costs: Approve the drawdown from reserves and the expenditure by the ICT Team on software license at a cost of £34,000 and was approved through the business planning process.