

Item: 4

Asset Management Sub-committee: 31 May 2018.

Information Technology Capital Replacement Programme.

Report by Executive Director of Corporate Services.

1. Purpose of Report

To consider the proposed Information Technology Capital Replacement Programme.

2. Recommendations

It is recommended:

2.1.

That the Information Technology Capital Replacement Programme for 2018 to 2019, together with the indicative programme for 2019 to 2020, to be funded from the allocation of £420,000 per annum within the Council's current approved capital programme, attached as Annex 1 to this report, be approved.

2.2.

That powers be delegated to the Executive Director of Corporate Services, in consultation with the Head of Finance, to adjust the two year programme, referred to at paragraph 2.1 above, as variations arise in order to maximise use of the annual capital allocation.

3. Background

3.1.

Any organisation that depends on reliable and up to date information technology to deliver its Services needs to allocate a proportion of its budget to an annual replacement programme.

3.2.

In April 2014, the Council agreed that an annual amount of £420,000 should be set aside to support a programme of Capital Replacement. This covers hardware across all Council services, and the infrastructure to deliver the Services that all staff are increasingly dependent upon.

3.3.

As detailed in the Information and Communications Technology Asset Management Plan 2016 to 2020, approved by Council in December 2016, the total full replacement value of Information and Communications Technology Assets across the Council is estimated at £9,500,000. If the asset replacement programme assumed that 20% of the assets should be replaced every year, the budget required would be in the region of £1,900,000. As the budget is not this amount, a focus on the most urgent and business critical systems and infrastructure is required, and this is the approach that is taken.

4. Detail of Programme – 2018 to 2019

4.1.

As the Council becomes ever more reliant on Information and Communications Technology, it is important that the Information Technology Capital Replacement Programme is sufficient to ensure service continuity and resilience.

4.2.

Whilst there have been considerable changes to the delivery of email services via use of Microsoft's Office 365 Cloud services, the vast majority of information technology services and servers are still delivered on-premise and therefore continuity, capacity, currency and resilience for these services remain a priority.

4.3.

Maintaining the information technology estate to ensure that the technology used is current, supported and reliable with the capacity to meet the continuous growth in demand is fundamental to delivering ongoing services effectively.

4.4.

Service Availability across the council has improved. Periods of disruption are now less frequent, less severe and quicker to resolve due to replacement of equipment that has lacked the necessary stability. However, there is still significant work to be done in some areas as points of weakness and aged infrastructure are replaced.

4.5.

Furthermore, it is relevant to note the policy obligations that the Council must maintain an information technology infrastructure that remains "in support" with the vendor and replace technology once a vendor declares "end of support".

4.6.

Details of the proposed Information Technology Capital Replacement Programme for 2018 to 2019 and the proposed programme for 2019 to 2020 are attached as Annex 1 to this report.

4.7.

The Information Technology Capital Replacement Programme budget covers the replacement of personal computers, laptops and tablets, known as Desktop Infrastructure, on a rolling programme. Given the introduction of Office 365, this budget will be used to move relevant staff onto more mobile and flexible devices, with in-office docking stations where needed.

4.8.

The Server Infrastructure budget covers the replacement of equipment such as servers, Storage Area Networks, backup devices and other server related equipment. There are currently more than 130 servers in use.

4.9.

The Network Infrastructure budget covers the replacement of equipment such as network switches, routers and the equipment required for links between sites. There are currently more than 70 sites connected to the Council's Wide Area Network.

4.10.

The Telecoms Replacement allocation is to cover the cost in advance of the renewal of the main telephony exchange at School Place and related telecoms infrastructure.

5. Disaster Recovery and Business Continuity

5.1.

In addition to the £420,000 per annum referred to at section 3.2 above, a further £420,000 has been allocated for a 3-year ICT Disaster Recovery and Business Continuity Programme.

5.2.

This work was due to start on 1 April 2017 and concluded by 31 March 2020 but, due to the focus on delivery of Cloud Services during 2017 to 2018, the start date of the project has been revised to 1 April 2018 with an end date of 31 March 2021.

6. Corporate Governance

This report relates to the Council complying with its governance and financial process and procedures and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

7. Financial Implications

7.1.

The capital programme includes an approved provision of £420,000 in each of the financial years 2018 to 2019 and 2019 to 2020 in respect of the Information Technology Capital Replacement Programme.

7.2.

The Council has adopted the definition of capital expenditure and accounting procedures as contained in the Code of Practice on Local Authority Accounting. For expenditure to be considered improvement or enhancement and count as capital in nature it must lengthen substantially the useful life of the asset, increase substantially the open market value or increase substantially the extent to which the asset can be used.

8. Legal Aspects

The implementation of an updated IT Capital Replacement Programme will help the Council to meet its statutory obligation to secure best value.

9. Contact Officers

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10. Annex

Annex 1: Draft Information Communication Technology Capital Programme 2018 to 2019 and forecast for 2019 to 2020.