

Committee: **Executive Committee**
 Date of meeting: **24th February 2021**
 Report Subject: **ICT Investment Roadmap**
 Portfolio Holder: **Councillor Nigel Daniels, Leader / Executive Member Corporate Services**
 Report Submitted by: **Anne-Louise Clark, Chief Officer Commercial;
 Rhian Hayden, Chief Officer Resources;
 Matt Lewis, Chief Operating Officer, SRS**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	07/01/21	09.02.21			22/01/21	24/02/21	25/03/21	

1. Purpose of the Report

- 1.1 The purpose of the report is to provide the Executive Committee with a full set of proposals on investment options required to maintain a stable and resilient ICT infrastructure.

The proposals are broken down into three categories which aim to describe the current challenges and future options. This is designed to help decision making required for the SRS Medium Term Financial Plan (MTFP) and Blaenau Gwent County Borough Council capital refresh.

1. Desktop estate;
2. Network and telephony estate
3. Contract register.

2. Scope and Background

2.1 Background

- 2.1.1 There has not been, in the history of the SRS, nor indeed the internet, such a massive and sudden shift in the way we all expect to use and rely on technology as now. With so many of us unable to meet in person, due to COVID-19, our way of working has suddenly shifted from direct contact to having meetings and working virtually overnight.
- 2.1.2 Whether it is holding team meetings, running Emergency Response Team (ERT) meetings, social services settings, teaching children remotely or making sure our staff are coping in partial lockdown, people are using their technology in a way and to an extent they have never done before.

2.1.3 The current situation, which seems set to continue for some time in 2021, has introduced millions to a technology which up to this point was, really, just limited to those who already worked virtually. This will undoubtedly have a major impact on the strategy of the SRS and indeed of Blaenau Gwent.

2.1.4 Due to the above reasons, all partners including Blaenau Gwent rely more heavily on the technology infrastructure than ever before and this paper sets out the component parts of the technology estate within Blaenau Gwent and the capital investment required to maintain it.

2.2 **The benefits of maintaining the infrastructure**

2.2.1 There are many benefits from maintaining the technology estate in Blaenau Gwent and they include but are not limited to:

- the SRS and Blaenau Gwent needs to continually improve the technology estate to ensure that is flexible enough to deliver the changing demands upon it. March 2020 is a good example of this when we had to switch Blaenau Gwent across to remote working and Teams over a single weekend. This was possible because of a programme of improvement that had been put in place and was ready for an event such as this.
- to continue to achieve Public Sector Network (PSN) accreditation the technology hardware estate has to be able to be “patched” and upgraded to the latest versions to ensure the estate is secure. You have to have PSN accreditation to deliver services such as Revenues and Benefits.
- user devices such as laptops and desktops have a useful life expectancy of between 3-5 years, when a standard device is used past that time it becomes a regular support issue for the user.
- the technology estate is what connects everyone together and delivers everything you see on your device. If network, server and storage estates are left past their useful life then the entire provision starts to slow down, to become unable to host the newest systems and becomes a performance issue for the entire organisation.
- it is typical that the older a technology estate is the more expensive it becomes to procure support contracts for it. This means that every year we retain the existing estate it gets more expensive to support and there will be a point in the next two years where the majority of it is unsupportable by vendors.

2.3 **Component parts of the technology estate**

2.3.1 Figure 1 over the page is a diagram of the technology estate to assist members in understanding which areas of the estate this capital request covers.

2.3.2 There are many component parts involved overall and we could simply describe all locations as either “edge sites” or “core sites”. For example, we would call Ebbw Vale

Civic Centre, Abertillery Learning Centre, Blaina Library or Anvil Court an “edge site”, this simply means that it is not the central site where all IT services are delivered from, it is on the edge of the network. A “core site” is a location such as the data centre where all of the services are delivered from.

2.3.3 If we used example Blaenau Gwent locations such as Ebbw Vale Civic Centre, Abertillery Learning Centre, Blaina Library or Anvil Court then it would include:

- laptops / desktops and other devices that people use in their day to day work at those locations to access services
- the WiFi network they connect to when in those locations provided by the Cisco Wireless Access Points that you may have noticed on ceilings or walls.
- an edge switch is a network switch in the edge location. So, in those locations there is an edge switch that connects those locations to Blaenau Gwent.
- PSBA means Public Sector Broadband Aggregation and very simply the broadband connection that is used to connect Blaenau Gwent locations together.
- the items in the data centre and below are not part of this capital request.

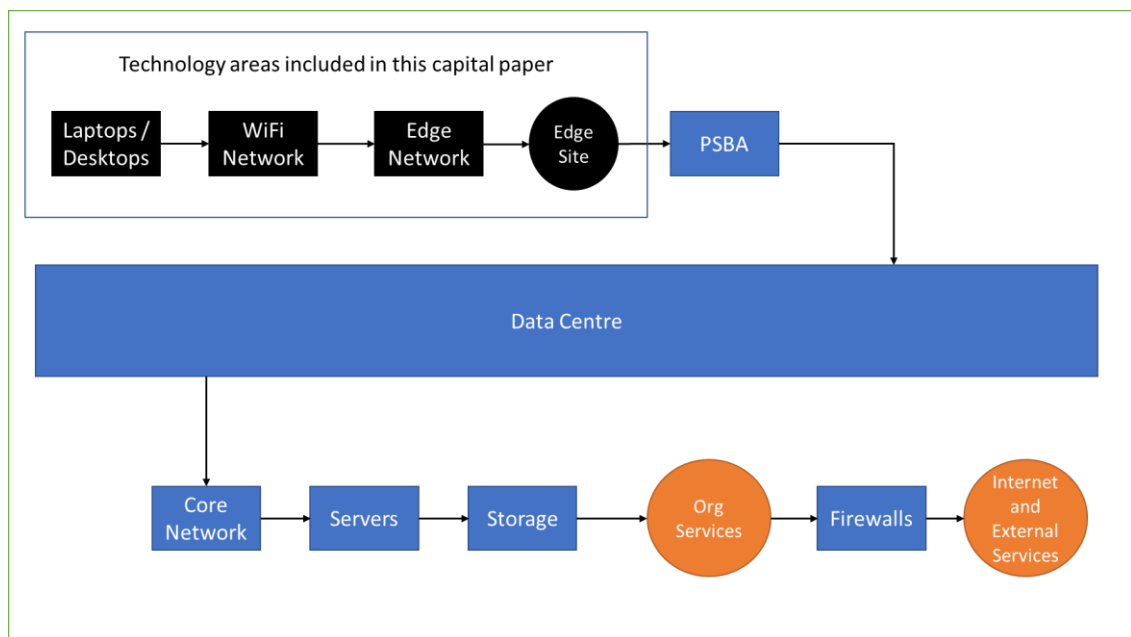


Figure 1 Technology estate component parts

2.4 Desktop estate

2.4.1 The SRS MTFP provides an estimated investment that Blaenau Gwent should make in their desktop estate. This amount is not factored into the MTFP itself. The life span of the current desktop estate has been a critical element of ICT Delivery Group meetings over the year in the Council and a desktop replacement process began in quarter 3 of 2019.

- 2.4.2 Planning the desktop replacement is currently done on an estate of 1,451 devices. This is based on the number of devices requested by the Council to deliver services and meet the needs of staff and elected members.
- 2.4.3 SRS advise partners to refresh their laptop/desktop estate every five years. Performance is hampered after year six and this can lead to interruptions in service delivery and emergency replacement of devices.
- 2.4.4 The current cost of a standard laptop is £510 per device which would suggest a budgetary number of £123k per year is needing to be factored into departmental budgets or a core budget to replace 241 devices per year.
- 2.4.5 This excludes the software support such as Office 365, it is purely a hardware replacement cost for laptops. A separate budget might need to be considered for display screens if Blaenau Gwent wished to do so or fund on a break fix basis, these are standard catalogue items and cost £140 each.

2.5 **Network estate**

2.5.1 Edge switch network

Blaenau Gwent has 120 network edge switches and 144 wireless access points across their corporate infrastructure. The end of life points of these switches, as set by the support available from Cisco for updates and patches, range from January 2020 to November 2021. The recommendation from the SRS is to replace key building infrastructure in 2020-21 financial year which equates to 67 edge switches and 22 wireless access points. The cost of this is currently estimated at £70k (increased from £58k due to dollar rate fluctuation since the initial quotes). The recommendation from the SRS is to replace the remaining infrastructure in 2021-22 financial year which equates to 53 edge switches and 122 wireless access points. The cost of this is currently estimated at £148k. If these are not replaced, then the risks in section 5.2 will be realised.

- 2.5.2 Telephony Part 1: The telephony estate in Blaenau Gwent is outdated and whilst it can currently still be supported it is becoming more difficult to maintain and support, this year costing approximately £43k for telephony hardware. The SRS Strategic Board has agreed a proposal to move to the use of Teams telephony. This would replace all of our existing telephony, voicemail and conferencing needs. Any telephony hardware support contract, voicemail support contracts and rentals of any handsets would be able to be removed. Based on Blaenau Gwent's view, there could be costs for headsets for using with Teams telephony which would be an additional capital spend. The cost of a license is £57 per year per person and the total cost is dependent on the number of staff that Blaenau Gwent require, this is a revenue cost.
- 2.5.3 Telephony Part 2: The SRS were asked to find a solution to replace the contact centres and switchboard functionality which are critical to the operation of Blaenau Gwent. Blaenau Gwent has had a demonstration of a product that appears to meet all these needs and the product set offers improved functionality and flexibility including the ability for contact centre leads to manage the contact centre queues directly through a simple interface. The solutions would be procured using a Welsh

Government framework called Connecting Wales and the estimated revenue costs are estimated to be ~£30k a year.

2.6 Contracts register

2.6.1 Taking forward the investments outlined in this report provides the opportunity to reduce expenditure on key software and hardware support contracts that are managed on our behalf by SRS and some that are managed directly by ourselves. The total reduction is approximately £100k and will be built into the SRS budget process.

2.6.2 PSBA Contracts

Blaenau Gwent currently funds over 80 PSBA connections at a cost of £187k a year. With the review of our strategic property assets it is likely that the number of PSBA connections will be reduced further reducing our costs. PSBA lines are typically able to be cancelled and the bill will reflect that change within one month and the SRS are working with Blaenau Gwent as part of the Estate's Strategy to identify what those cost differences could be.

3. Options for Recommendation

3.1 **Option 1:** That the Executive consider the proposals and recommend the ICT infrastructure investment to Council for approval.

3.2 **Option 2:** That the Executive consider the proposals and do not recommend the ICT infrastructure investment to Council.

4. Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan

The Local Government (Wales) Measure 2009 (Section 15), places a duty on all Local Authorities in Wales to make arrangements to secure continuous improvement. As part of this, the Council is required to develop a Corporate Plan. The Well-being of Future Generations (Wales) Act 2015 also places individual duties on public bodies. The legislation is about improving the social, economic, environmental and cultural well-being of Wales and creating a Wales that we all want to live in, now and in the future.

Investment to secure resilient and future proofed ICT infrastructure is vital for all public sector organisations and this supports these objectives and the Corporate Plan priority 'An ambitious and innovative council delivering the quality services we know matter to our communities'. It is a critical organisational investment strategy for the future sustainability of the organisation. It is designed to secure the best use of our resources and to create ways of working that are fit for the 21st Century.

5. Implications Against Each Option

5.1 *Impact on Budget (short and long term impact)*

Capital

The infrastructure investment proposals require an initial capital investment across the desktop and network estate of £464,000 in the first 2 years followed by an annual investment of £166,000 thereafter.

The recent desktop replacement programme for the initial tranche has been funded by reserves, however, this is not sustainable in the longer term.

It is therefore proposed that an annual allocation of £166,000 is agreed as part of the Council's capital programme from 2021-22 onwards with the balance for years 1 & 2 (£132,000) funded from the ICT Reserve.

Revenue

Revenue Costs for the implementation of Teams Telephony & Contact Centre are estimated to be £77,000 per annum. This will be funded from the established revenue budget however there is expected to be some transitional costs incurred whilst transferring from current provision to new, it is proposed that these cost be funded by the ICT Reserve.

The table below identifies the annual impact on capital and revenue.

		Revenue or Capital	2021-22	2022-23	2023-24	2024-25	2025-26
Desktop Estate	Phase 1 - 20%	Capital	123000				
	Phase 2 - 20%	Capital		123000			
	Phase 3 - 20%	Capital			123000		
	Phase 4 - 20%	Capital				123000	
	Phase 5 - 20%	Capital					123000

			2021-22	2022-23	2023-24	2024-25	2025-26
Network Estate	Network Refresh	Capital	70000	148000	43000	43000	43000
	Teams Telephony	Revenue	54000	54000	54000	54000	54000
	Teams Contact Centre	Revenue	23000	23000	23000	23000	23000

Total Capital	193000	271000	166000	166000	166000
Total Revenue	77000	77000	77000	77000	77000

5.2 Risk including Mitigating Actions

The performance of our ICT infrastructure is built into the management fee and the partnership arrangement with the SRS. Performance is reported to Council on an annual basis and the maintenance of a resilient infrastructure underpins our ability to deliver critical services to our communities. The risks associated with under-performance against ICT expectations will be mitigated through implementation of these recommendations.

There are major risks currently associated with the provision and why a decision is required at this time:

- Blaenau Gwent's infrastructure in many areas is over 10 years old and requires to be replaced. Without this being done there is a high risk of the ICT equipment failing.
- If the infrastructure is not upgraded, then there is a risk that Blaenau Gwent will lose their PSN accreditation.
- The upheaval around transition time between infrastructures will create issues around availability and performance for a short period.
- Operating costs in continuing with the current provision will continue to increase.
- Dollar rate fluctuations are occurring by the day and prices keep changing as we have seen between draft one and draft two of this report.
- Nightingale installations take priority over business as usual for many suppliers which has created delay in costing and design work and will continue to do so.
- The PSBA stopped work on business as usual (BAU) in March and only recently started accepting BAU work again which has delayed our costings and design work.
- The social distancing measures will undoubtedly cause complications in the implementation phases of the work.

5.3 ***Legal***

Changes in service delivery that might emerge through the deployment of the recommendations in this plan will be reviewed from a legal perspective. Due diligence will be undertaken for any related procurement.

5.4 ***Human Resources***

Where changes in service delivery or roles as a result of this plan are identified normal human resources processes and policies will be applied including consultation with the Trade Unions.

6. **Supporting Evidence**

6.1 ***Performance Information and Data***

Key performance information and data will include:

- Delivery of the planned activities within timescales and budget;
- Regular reports on progress;
- Visibility of the overall programme and impacts on service delivery;
- Risks and any programme changes will be managed by the Chief Officer Commercial.

6.2 ***Expected outcome for the public***

Through the delivery of this plan the Council will maintain and develop the ICT infrastructure to ensure continuity of service delivery, strengthened capacity to deliver digital solutions and improved ways of working. This strategy will also contribute to the resilience and sustainability of the organisation therefore protecting front line services.

6.3 ***Involvement (consultation, engagement, participation)***

Corporate Overview Scrutiny considered this report on 22nd January 2021 and support the proposals for investment into the Council's ICT infrastructure.

6.4 ***Thinking for the Long term (forward planning)***

This programme is at the heart of the development of a resilient and fit for future ICT infrastructure for Blaenau Gwent and recognises the critical nature of continuous investment in digital products and services.

6.5 ***Preventative focus***

This strategy is designed to support the needs of the Council now and in the future. It is designed to build ICT resilience and to prevent the unanticipated expenditure.

6.6 ***Collaboration / partnership working***

There are opportunities through this programme to seek value for money opportunities across the SRS partnership.

6.7 ***Integration (across service areas)***

This strategy takes a whole council approach and promotes transparency across key elements of the ICT infrastructure ensuring systems can be supported and services delivered effectively and efficiently.

6.8 ***EqIA***

All service changes arising for this strategy will be screened to ensure there is no adverse impact on any protected characteristics.

7. **Monitoring Arrangements**

7.1 The implementation of this programme of work will be monitored by the Chief Officer Commercial and supported by the Digital Programme Officer in partnership with the SRS. Feedback on the delivery of the outcomes will be through the financial management arrangements for the capital investment programme.

What are the key outcomes expected from these investments:

- Deliver a fit for purpose infrastructure
- Retain PSN accreditation.
- Deliver a secure infrastructure.
- Deliver a flexible infrastructure capable of a blended service of on premise and remote.
- Minimise failures and disruption for the partners due to an ageing infrastructure.

Background Documents /Electronic Links

- Appendix 1 – Blaenau Gwent Planning document.