

Replacement IT service**SUMMARY**

This report details the changes needed for IT services and capital budget requirements.

RECOMMENDATION(S)

The Authority is asked to:-

- 1) Authorise a capital budget to procure a comprehensive range of replacement IT infrastructure and services up to the value of £200,000
- 2) Note the anticipated savings in running costs of £10,000 per year

1. Background

The Authority's IT services have been outsourced for many years. Since 2014 they have been delivered largely through Ealing Council's IT infrastructure and network with some elements delivered by other organisations. The Authority also "piggy backs" onto third party solutions delivered to Ealing Council by various service providers. The table below provides a summary of the key services and current providers:

Service	Service Provider	Method of service delivery
Desktop hardware and MS Office applications i.e. Windows, Word, Excel, Access, Outlook, centralised files	Ealing	Virtual Desktop Infrastructure (VDI) and centralised applications, monitors, printers etc. (no PCs)
Telephony, communications and network	Ealing	Dedicated 10MB line (BT) between Hounslow and Ealing, routers and switches
Finance system (Agresso)	Ealing	Separately set up in Ealing's Agresso (Unit4)
Waste data management system	Opensky	Cloud based
HR/Payroll	Ealing	Cloud based
Banking	HSBC	Cloud based
Bacs/Gemplus	D+H / HSBC	Via Ealing hardware
Security and backups	Ealing	Various system wide applications, controls and processes

The above includes administration (e.g. user set up etc.) support and maintenance.

Two issues will require changing the above approach going forwards.

Firstly Ealing Council have recently advised that the Government's Public Services Network (PSN) requirements, makes it virtually impossible for them to permit a WLWA connection into their IT infrastructure. This means they will be unable to deliver IT services in the future and a change is required. Ealing Council have provided assurance that they will continue to help and support the Authority including any migration to new service providers.

Secondly, the Authority will require a new head office in 2018 which will result in IT changes and will require considerable input from Ealing Council including a complete change to communications at the very least.

Therefore, it would be more cost effective to implement any IT changes before the office relocation, to avoid any duplication of work/costs or unnecessary costs (e.g. installation of new 10MB lines to Ealing). It would also be desirable to de-scope as many IT issues as possible from the office relocation project (e.g. by getting cloud based solutions where possible i.e. services accessed via the internet).

As the office lease expires in June 2018, the timeframe should aim for completion of all IT changes before then. Given the breadth and technical nature of IT changes, this will be challenging. Additional skilled IT detailed project management resource will be needed to plan and deliver this project together with technical help and support from Ealing Council's IT.

2. Budget implications

The above new issue and de-linking its implications from the office project mean that a capital budget will be required. No provision has (or could have) been made for this in the 2017/18 budget. Therefore in accordance with the Financial Regulations, this report seeks the Authority's authorisation of this capital work and budget.

To inform the size of budget, three organisations Unit4, Mustard IT and Starcom were approached to provide indicative prices for solutions based on high level specifications replacing Ealing services. In terms of the specifications, where possible the "piggy back" solutions will be replaced with direct arrangements with the service providers (Agresso, D+H / HSBC). Other solutions will be procured in accordance with the Authority's procurement rules.

The pricing from the three organisations has been used to build an overall estimate of the cost of implementing the IT changes. These estimates are summarised below and are for the purpose of establishing a budget.

Service	Service Provider	Method of service delivery	Indicative implementation cost
Desktop hardware and Office applications i.e. MS Windows, Word, Outlook etc	New provider (complete change)	Cloud based or local server, PCs, monitors, laptops, printers etc.	25,000
Telephony, communications and network	New provider (complete change)	Business broadband and telephony	10,000
Finance system	Unit 4 (major	Upgrade Agresso to independent cloud	48,000

(Agresso)	change)	based solution	
Waste data management system	Opensky (no change)	Cloud based	0
HR/Payroll	Ealing (minor change)	Cloud based	3,000
Banking	HSBC (no change)	Cloud based	0
Bacs/Gemplus	D+H / HSBC (minor change)	Move to independent PC based solution	2,000
Security and backups	New provider (complete change)	Cloud backup	10,000
Professional services	New provider	Implementation services per project plan	20,000
Sub Total			118,000

Other costs	From	Details	Indicative cost
Migration costs	Ealing	Per project plan	10,000
Project management	Term employment contract	Recruitment	40,000
Sub Total			50,000

Total Cost/Budget	168,000
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To provide flexibility in procurement and allow for the possibility of quotes which are higher than estimated (i.e. because only a high level specification has been used at this early stage) a £200,000 capital budget is recommended.

The prices from the above suppliers indicate that there will be savings of £10,000 per year in annual running costs. This equates to a saving of 15% from the current budget of £67,000 per year. This will include services for administration, support, upgrade and maintenance of these IT systems. There are favourable day to day budget implications resulting from changing IT service provider.

It is also worth noting that the direct arrangements with several individual service providers and use of cloud based solutions will mitigate the risk / impact of any similar future changes in requirements – we won't have to change all of our IT in one go again.

- 3. Financial Implications** – These are detailed in the report.
- 4. Legal Implications** – There are no legal implications as a result of this report.
- 5. Impact on Joint Waste Management Strategy** – IT services need to be maintained to support the delivery of policies of the JWMS.

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