

Report to the Cabinet

Report reference: C-016-2012/13

Date of meeting: 10 Sept 2012



**Epping Forest
District Council**

Portfolio: Finance & Technology

Subject: ICT Capital Requirements

Responsible Officer: David Newton (01992 564580).

Democratic Services Officer: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

- (1) To determine the projects to be scheduled for the financial year 2013/14; and**
- (2) That a sum of £230,000 be included in the Capital programme for 2013/14 for the following ICT projects:**
 - (a) Upgrading of the Telephony System (£210,000); and**
 - (b) Expansion of the Storage Area Network (£20,000).**

Executive Summary:

Historically, ICT were allocated £300,000 per annum in the Capital programme for the updating and maintenance of the core technical infrastructure. Following the revision of the Capital programme, this allocation has been removed and now all proposed ICT projects are considered on an annual basis.

Estimated project costs for the following financial year 2013/14 are set out below:

- (i) Upgrading of the Telephony System £210,000; and**
- (ii) Expansion of the Storage Area Network £20,000.**

Reasons for Proposed Decision:

The projects detailed below are necessary to maintain the current ICT infrastructure, improve business continuity within the Council and allow staff to fully utilise the benefits available from ICT systems. The ability to take and make telephone calls is absolutely essential and failure to upgrade will put this functionality at risk.

Other Options for Action:

To not approve one or more of the proposed projects, could impact on the reliability of the ICT infrastructure and the Council would be vulnerable in the event of a Disaster Recovery situation.

Report:

Telephony

1. Currently telephony is provided by four Private Automated Branch Exchange (PABX) switches. These switches have been in place since 1982 and are now very expensive to maintain (£17,500 per annum), with spare parts becoming increasingly difficult to source. The switches are located at the Civic Offices (main switchboard), Loughton Leisure Centre, Langston Road and Hemnal Street.
2. During this financial year, it was intended to implement a pilot Voice Over Internet Protocol (VOIP) switch for approximately 20 staff. VOIP technology uses the Local Area Network (LAN) instead of separate telephony cabling. VOIP is now the established industry standard for the delivery of voice communications for business. It uses the same data network as computers and allows interaction with other computer technologies. This is known as Unified Communications and the functionality and flexibility this provides will ensure the longevity of this technology. It reduces revenue expenditure on both the connection charges to remote sites and the high annual maintenance charge for the current switches. A VOIP solution would consolidate all of the switches and as standard, incorporate additional functionality, including call centre facilities (to replace the old BCM50 system currently used by the Environment and Street Scene Directorate) as well as SMS text messaging, voicemail, continuous call recording, unified communications (integration with Outlook) and one number contact (to facilitate home/remote working).
3. Concerns regarding telephony have been highlighted during recent Disaster Recovery exercises and have raised the priority of this project. In addition, the switch supplier, Siemens, have also stated their intention to withdraw support for the existing switch from 2017 and consequently, the initial planned pilot scheme is no longer considered adequate.
4. This is a major project for this Authority and will take a considerable time to implement. It is essential to commence work on it as soon as possible. Although supplier support will continue until 2017, parts are already becoming scarcer and in the event of a major failure, it will take far longer to source replacements. ICT are already experiencing delays in acquiring parts and those that are available are invariably refurbished.
5. The telephone voicemail system also becomes unsupported from 2013 and the current supplier has presented an initial quotation of £19,000 to upgrade. However, a new telephony solution would incorporate a voicemail system, thus removing this additional cost and the existing annual maintenance charge.
6. ICT have evaluated all major supplier systems including Cisco, Avaya and Mitel. All provide the functionality required and in the current climate, all suppliers are keen to acquire business. Indicative prices for the system range from £249,000 to £283,000. ICT continue to evaluate some of the smaller suppliers and it is also anticipated that there is potential to reduce overall cost through competitive tender.
7. A procurement exercise will be required and estimated overall implementation costs are expected to be in the region of £250,000. A capital request for £40,000 was made last year for the implementation of the pilot VOIP project. This can be offset against the overall cost.
8. A potential solution which would not use physical switches but would use the internet to provide a Cloud based (out hosted) solution, would offer a superior alternative from a Disaster Recovery perspective, but would have a higher on-going revenue cost (approximately £119,000 per annum) and is therefore considered cost prohibitive.

Estimated cost £210,000

Storage Area Network Upgrade

9. The rollout of the Councils electronic Document Management System, Information at Work, continues to increase demand on the available disk storage. It is now necessary to expand the Storage Area Network (SAN) by 24 Terabytes (TB) raw capacity to manage predicted future growth and the continuing planning back scanning.

10. There has been no increase made to the SAN since the initial virtual server implementation in 2010. It is anticipated that this additional storage will meet predicted future growth for at least the next 2 financial years (2013/14 & 2014/15) and will include the additional storage required for the continuing back scanning exercise by the Planning Directorate. This is the optimum level of additional storage to purchase at this time as there is no significant discount for buying a greater quantity and the annual maintenance charge from Hewlett Packard is based upon the amount of storage capacity within the SAN.

Estimated cost £20,000

Resource Implications:

At this early stage it is not possible to calculate exact costings for these projects. However, it seems prudent to allow an amount of £230,000 for the financial year 2013/14. An amount of £170,000 for Capital projects was agreed for the previous financial year. It is likely that revenue savings will be generated by these projects and further reports will be made on individual projects as they progress.

Legal and Governance Implications:

None.

Safer, Cleaner and Greener Implications:

None.

Consultation Undertaken:

None.

Background Papers:

None.

Impact Assessments:

Risk Management

There is a risk to the Council should the whole Civic Offices site be lost in a major DR incident. The loss of accommodation, at least partial, has been identified as a major concern. In addition, any disruption to the ICT infrastructure will have a significant impact on staff's ability to carry out their duties.

Equality and Diversity

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? N/A

What equality implications were identified through the Equality Impact Assessment process?
None

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?
N/A