

Agenda Item	17
Report No	RES/69/17

HIGHLAND COUNCIL

Committee: Corporate Resources Committee

Date: 15 November 2017

Report Title: **ICT Transformation and Network Refresh**

Report By: Director of Corporate Resources

1. Purpose/Executive Summary

1.1 This report provides Members with an update on the status of the major ICT modernisation programmes now underway. These programmes cover the transformation activities within the Wipro contract and the refresh of the Council's ICT networks. The Transformation Programme has experienced some slippage to the start of device rollout and some pressure on the ICT Capital budget. However there has been progress since the last report and the key dates going forward are forecast to deliver on plan. The Network Programme is also slightly delayed due to testing of the new network equipment in the Millburn Associated School Group. This is not expected to impact on subsequent phases of the Network Programme which is still scheduled to complete, as originally planned, in December 2019.

2. Recommendations

2.1 Members are asked to consider the update on the ICT Transformation and Network Programmes.

3. ICT Transformation Programme

3.1 As reported to Members on 14 June 2017, the ICT Transformation Programme consists of 6 core projects which cover migration to a new data centre, self-service ICT tools and the refresh of computers across all offices and schools.

3.2 The status of the programme is currently impacted by three key risks:

- rollout start dates have slipped from the original dates in the contract and there is the risk of further slippage if more technical issues arise;
- the dependency on the Network refresh that underpins much of the programme's roll out of new devices – in particular the start of the Chromebook rollout (covered in section 4 of this report);
- increase in costs of computer equipment due to the impact of the exchange rate value of the pound against the dollar.

Due to these risks and the aggressive timescale being pursued to commence the corporate rollout, the overall programme status is amber.

3.3 At the August 2017 meeting of this Committee, Members were informed that the programme had moved from a planning phase to a delivery phase and progress was being made with the building and testing of devices. The revised plan has a pilot for the corporate refresh starting in November 2017 with the full corporate refresh running from January 2018 to August 2018. In schools, Chromebook rollout will be starting in November 2017 followed by a rolling refresh of managed computers in schools through 2018 and 2019. Chromebooks for the initial Associated School Groups (Millburn, Dingwall and Portree) have been built and are ready for rollout once the new networks in those schools are installed and configured. This is likely to be mid-November 2017 and Section 4.2 below covers this in more detail.

3.4 There is still a focus on the "packaging" of software applications to work on new devices and the setup of the Microsoft Office 365 environment. These are still proving to be complex and time-consuming tasks but there has been significant progress since August 2017. The first pilot groups of users have moved across to Office 365 and further pilot users will have their mailboxes and data migrated through early November 2017. The first group of approximately 60 devices to be refreshed are expected to be deployed in mid-November 2017. If successful, a further group of over 100 devices will be refreshed in early December. This stage of the project will test the rollout processes, technical solution and the support arrangements so that we can be confident of success when the full rollout starts in January 2018.

3.5 Initial feedback from the pilot users so far is that technical issues are being dealt with quickly and the Office 365 platform will provide significant benefits such as increased storage, enhanced Skype tools, up to date Office software and a number of new tools for collaboration. Office 365 will also offer the Council a number of new options for mobile and flexible working and will provide greater resilience.

3.6 Other aspects of the Transformation Programme are the transition to the new Managed Print Service (MPS) and the contract for bulk personalised printing (such as Council Tax bills). The MPS contract started on 1st April and a device refresh programme is currently underway. Significant savings (£250k in year 1) are coming from this new contract with successive reductions in print prices which have already taken effect on 1st April 2017 and 1st August 2017.

Transition to the new Royal Mail bulk printing contract took place on 1st October 2017 and will support the end of year billing activity. This too will generate savings compared to the previous contract.

4. Network Programme

4.1 As reported to the June 2017 meeting of this Committee the scope of the Network Programme covers the following 5 projects:

1. SWAN Transition and Implementation;
2. ICT Network Redesign;
3. ICT Network Refresh;
4. ICT in Learning Bandwidth requirements;
5. Transfer of non-SWAN WAN (Wide Area Network) services (such as low-bandwidth broadband (ADSL) services);

4.2 The programme has experienced some slippage as reported in August 2017. However the overall network design has now been finalised, new network equipment has been rolled out to the Millburn and Dingwall Associated School Groups, Capita configuration works have taken place and testing of the new solution has been successful. Time has been taken to ensure quality is maintained and that a proven solution is tested before full roll out of the agreed approach.

4.3 Members will be aware that the Council has been pursuing a claim with Capita for some months regarding costs related to the overall delays in the SWAN Programme. The Council team, working on behalf of the Pathfinder North partners, has followed the contract dispute process and, with the assistance of external legal advisers, has now reached a successful settlement with Capita. This is a significant achievement that will result in the majority of the extra costs faced by partners being met by Capita.

4.4 Significant progress has been made in all aspects of the programme.

- **SWAN Transition** – 1 site now remains to be transitioned to the SWAN network (Rosehall Primary School). There are also a small number of sites on an interim SWAN solution that are still to be upgraded.
- **ICT Network Redesign** – is complete.
- **ICT Network Refresh** – All the sites surveys for Wave 1 and Phase 1 (160 sites) of the Network Refresh have been completed.

This is one of the most complex and extensive changes undertaken on our local area network in over 15 years and it is essential that we get it right.

These changes will bring a degree of flexibility to our network connectivity that we currently do not have, including the ability for corporate and curriculum staff to work seamlessly across any Highland Council site, something staff are unable to do at the moment, hardening up of the security of our network and preparing it for the future transformation device rollout.

As a result, the delivery phase has been slightly delayed due to the complex nature of the network configuration changes that are required. These changes have now been tested at Daviot Primary School, in readiness for the rollout to the Millburn and Dingwall Associated School Groups (ASG) during November 2017. Following completion of this exercise, the delivery phase will continue across the remainder of the Phase 1/Wave 1 sites through to March 2018.

During this period, work has continued at sites to replace wireless access points and network switches in readiness for the network configuration changes to take place.

Following these changes, the rollout of Chromebooks can commence as sites are re-configured during November 2017.

Approval has been received from the Capital Programme Board for the remainder of the funding for Phase 2, Wave 2 and Phase 3 of the Project which will allow the project to continue beyond March 2018, with an expected end date for the Network Refresh at September 2019.

- **ICT in Learning Bandwidth requirements** – SWAN bandwidth upgrades have been ordered for the following secondary schools to support the use of Chromebooks – Dingwall, Inverness Royal Academy, Thurso, Lochaber, Nairn and Charleston. All schools will be monitored as use of Chromebooks increases.
- **Transfer of non-SWAN connections** – is complete.

5. Implications

- 5.1 **Resource** – The Transformation Programme revenue budget, predominantly covering project team costs, is currently on target. There are potential pressures on the capital budget arising from an increase in device costs, as referred to in paragraph 3.3 above, and the additional investment required for the network refresh in schools. These costs are factored into the overall assessment of the Council's Capital Programme.
- 5.2 **Legal** - The Council must adhere to the contract provisions within the contracts it has signed for all ICT contracts in order to ensure that work programmes remain on time and that any contractual penalties are avoided. Legal support was budgeted for to cover the exit from Fujitsu and the transition to Wipro. That support is still being called on occasionally to advise on complex contractual areas, but the legal risks are now seen as low following the completion of exit.
- 5.3 **Community (Equality, Poverty and Rural)** - There are no implications arising from this report.
- 5.4 **Climate Change/Carbon Clever** - There are no implications arising from this report.
- 5.5 **Risk** – There are a number of risks which relate to the Transformation Programme which are outlined in paragraph 3.5 above.
- 5.6 **Gaelic** - There are no implications arising from this report.

Designation: Director of Corporate Resources

Date: 2 November 2017

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