

Delegated Cabinet Member Decision Report

Decision Maker and Portfolio area:	Cllr A Jabbar MBE – Deputy Leader and Cabinet Member for Finance & Corporate Resources
Date of Decision:	15 October 2018
Subject:	Wider Area Network
Report Author:	Ray Ward, Deputy Chief Executive (Corporate and Commercial Services)
Ward(s) Affected:	All

Reason for the decision: To commit resources to the Wider Area Network scheme from within the approved ICT capital programme, now that detailed financial and implementation information is available in relation to the project.

Summary: The Council's ICT service is provided by the unity Partnership. It has undertaken a Wider Area Network (WAN) Discovery Project which has confirmed that Oldham Council's WAN is made up of a number of legacy services from various providers in a mix of technologies and suppliers.

The WAN Discovery Project has confirmed that Oldham Council can procure a new Multiprotocol Label Switching (MPLS) WAN solution by utilising the AGMA Rochdale WAN contract.

Phase 1 of the project will focus on the replacement of the 23 LES 10 and LES100 circuits which are not only the most expensive circuits in place but are being decommissioned in March 2020.

In addition, to replacing the end of life circuits, this project will upgrade 10 circuits where the current provision is not fit for purpose and install resilient links into 8 critical sites.

The capital funding requirement for this project will be £171k which is within the approved level of resources available. There will be a recurrent revenue saving as a result of the introduction of the new technology.

What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):

Option 1 – To approve the commitment of resources to the Wider Area Network scheme from within the approved ICT capital programme.

Option 2 – Not to approve the commitment of resources to the Wider Area Network scheme from within the approved ICT capital programme.

Recommendation(s):

That the Deputy Leader and Cabinet Member for Finance & Corporate Resources approves commitment of resources to the Wider Area Network scheme from within the approved ICT capital programme.

Implications:

What are the financial implications?

The capital cost of the project will be £171k for which resources have already been allocated within the Councils capital programme. A recurrent revenue saving of £159k will be made in a full year. This can be realised by reducing the core fee to the Unity Partnership.

(A Ryans)

What are the procurement implications?

The WAN Discovery Project has confirmed that Oldham Council can procure a new Multiprotocol Label Switching (MPLS) WAN solution by utilising the AGMA Rochdale WAN contract.

What are the legal implications?

None

What are the Human Resources implications?

N/A

Equality and Diversity Impact Assessment attached or not required because (please give reason)

N/A

What are the property implications

N/A

Risks:

The risks to the delivery of the project are set out at section 8 of Appendix 1, together with a range of mitigations. Good project management and a

continuous review of risks should minimise any implications for the Council. There is also the risk are that the project overspends and the revenue savings are not realised. Again, this can be mitigated by good project management.

Co-operative agenda

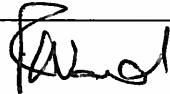
The capital strategy for 2018 to 2022 has been prepared to support the cooperative ethos of the Council. This scheme is included within the ICT capital strategy.

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution? Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget? Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council? No

Background papers for this report are contained in Appendix 1 – Oldham Council WAN Refresh – Implementation Phase 1

Report Author Sign-off:	
RAY WARD	
Date: 9/10/18	

Please list any appendices:-

Appendix number or letter	Description
1	Oldham Council WAN Refresh – Implementation Phase 1

Background:

1 Background

1.1 The Councils ICT service is provided by the Unity Partnership. The Wider Area Network (WAN) Discovery Project has confirmed that Oldham Council's WAN is made up of a number of legacy services from various providers in a mix of technologies and suppliers. The current services have grown organically based on tactical demand, and has resulted in a WAN that is built from an array of circuit types from a number of suppliers. To compound this, the Council has moved resources and people from site to site, at times with little or no consideration of the WAN

connectivity available. This has resulted in a WAN built from circuits that are each subject to one, or more, service impacting issues.

1.2 The WAN Discovery Project has confirmed that Oldham Council can procure a new Multiprotocol Label Switching (MPLS) WAN solution by utilising the AGMA Rochdale WAN contract.

1.3 Phase 1 of the project will focus on the replacement of the 23 LES 10 and LES100 circuits which are not only the most expensive circuits in place but are being decommissioned in March 2020.

1.4 In addition, to replacing the end of life circuits, this project will upgrade 10 circuits where the current provision is not fit for purpose and install resilient links into 8 critical sites.

2 Current position

2.1 Capital Funding for this phase of the project will be £171k.

2.2 The project will be funded from the Strategic RoadMap Programme where spend of £305k for the replacement of the WAN has already been approved by CIPB, £28K of which has been committed to the WAN Discovery project.

2.3 Capital costings are summarised in the table below and show the three elements of spending to the total of £171k.

Element	Cost
Capital Implications	
Project Resources	£73k
Hardware	£10k
Third Party Costs	£88k
Total Capital	£171k

2.4 It is expected that the capital will be incurred during 2018/19 so that the full revenue savings can be realised as early as possible in 2019/20

2.5 The introduction of this new technology will produce revenue savings of £159k in a full year which will be realized by a reduction in the Unity Core Fee as shown below.

Element	Cost
Revenue Implications	
Current Annual Revenue Costs	£291k
Future Annual Revenue Costs	£132k
Annual like for like Revenue Savings *	£159k

3 Options/Alternatives

3.1 There are 2 options being proposed.

Option 1 –To approve the commitment of resources to the Wider Area Network scheme from within the approved ICT capital programme.

Option 2 – Not to approve the commitment of resources to the Wider Area Network scheme from within the approved ICT capital programme

4 Preferred Option

4.1 The preferred option is option 1 - To approve the commitment of resources to the Wider Area Network scheme from within the approved ICT capital programme

5 Consultation

5.1 Capital Programme Investment Board.

Proposals:

To approve the commitment of resources to the Wider Area Network scheme from within the approved ICT capital programme.

Conclusions:

That the Deputy Leader and Cabinet Member for Finance & Corporate Resources approves the commitment of resources to the Wider Area Network scheme from within the approved ICT capital programme

In consultation with

Anne Ryans (Director of Finance) A.T. Ryans Date: 10/10/18