

Report Title:	Modern Workplace Project
Contains Confidential or Exempt Information?	No - Part I
Member reporting:	Councillor Rayner, Deputy Leader of the Council, Lead Member Resident and Leisure Services, IT, HR, Legal, Performance Management and Windsor
Meeting and Date:	Council – 23 October 2019
Responsible Officer(s):	Andy Jeffs, Executive Director
Wards affected:	None

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REPORT SUMMARY

1. The current thin client desktop environment has been in place for over seven years. It has come to the end of its useful life and system availability for staff has been severely impacted over recent months. In addition, a significant number of devices have started to fail, meaning that it is more difficult to ensure there are enough devices available for all staff. There are significant benefits to replacing the thin clients with new mobile devices. These are detailed in section 2 below.
2. Procurement of replacement mobile devices is being carried out through a government framework contract and this is underway. Award of a contract is subject to approval of the capital requested in this paper. Capital funding approvals are already in place for £530,000 (pilot 2018/19 - £69,000, year 1 2019/20 - £321,000, year 2 2020/21 - £140,000).
3. A detailed analysis of the council's specific requirements was completed as part of the pilot. This work identified that the original device specification was not sufficient, and more memory was required (16GB due to the size of the applications used by staff to deliver services), a larger screen with a higher definition, along with a docking station to ensure each desk has the same user experience, the latter being identified as a requirement while visiting a neighbouring council who had implemented the same solution.
4. In addition, the number of mobile devices that were thought to be able to be re-used reduced from the original 100 to 30, increasing the number required by 70, the scope of the project changed to include another 97 devices for Optalis, and the cost of mobile devices increased by 30% due to external market factors.
5. The result of this has increased the estimated cost of the project by £405,000 (£354,000 devices/peripherals and £51,000 project costs), taking the total estimated project costs for this phase of the project to £935,000. The new assets will be depreciated over four years, not 10 as stated in the earlier paper.
6. Council should note that the Microsoft Enterprise License is up for renewal on 31 March 2020, and the licensing costs will increase due to this. However, if the council remains on the current devices beyond this date, apart from the continuing system issues, the additional licensing cost will be around £900,000 more over the next three years than if we implement the new mobile devices.
7. A further request for capital will be made for devices for the staff not part of phase 1. This further phase is currently being developed. A rolling mobile device replacement programme will be built into future capital budgets to ensure that the technology used by the council remains fit for purpose.

1. DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That Council notes the report and:

- i) Agrees to the bringing forward of £140,000 of capital funding from 2020/21 to 2019/20.**
- ii) Approves additional capital funding of £405,000 in 2019/20.**
- iii) Delegates to the Executive Director, in agreement with the Lead Member approval to award a contract for the supply of the new equipment.**

2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

2.1 The current thin client desktop environment has been in place for over seven years. It has come to the end of its useful life and system availability for staff has been impacted over recent months due to this.

2.2 Several neighbouring councils have successfully changed their desktop IT equipment for mobile devices, running Microsoft products. These include Reading, Bracknell Forest, Wokingham and West Berks.

2.3 A pilot carried out in early 2019 identified that the council would benefit significantly from deploying similar devices. These benefits include:

- Enabling council officers to carry out their duties more flexibly
- Leveraging the investment already made by the council on Microsoft products including conference/video calling and instant messaging
- Reducing the need for some mobile phones, as Skype calls would be the preferred solution
- Improve productivity and quality of service delivery for those officers who are currently not office based
- Supporting the council's hot desk policy, as staff can work from various alternative locations with ease
- Quicker logon and response times would provide a better user experience
- Significantly reduced lost productivity and system downtime
- Supporting the council's business continuity plans, as allows connectivity on the go outside of the office
- Easier to increase memory for those users where they access multiple applications and 16GB is not enough
- Mobile devices allow for easy swap out, minimising downtime should a problem arise
- Ensures the council is on a supported version of Microsoft Windows after 2008 ceases support at the end of January 2020
- Efficiencies in terms of minimising the pressure on other IT hardware and support resources.

- 2.4 The original Modern Workplace project costs were estimated on a specification of device that was thought to be enough to future proof them. A small ‘proof of concept’ group has been assessing these laptop devices over the last six months to gain feedback. Feedback in connection with the original, lower specification devices, has confirmed that 8GB of memory was insufficient to access applications used by officers, including Academy (Revenues & Benefits), Agresso (Finance), PARIS (Children’s and Adults), iTrent (HR), Confirm (Asset Management), Uniform (Planning and Environmental Health), IDOX (Planning and Licensing). The size and quality of screen resolution was also not as anticipated and the battery life on the trialed devices was poor.
- 2.5 The original project costs were also based on approximately 100 existing devices being capable of being upgraded and re-used. Following a detailed analysis being completed in respect of the devices that are already in the organisation, it is recommended that only 30 of the 100 existing devices are re-built and re-used due to the unsuitability of the other devices. A further 70 mobile devices are therefore required.
- 2.6 In addition, the original project budget did not include Optalis staff. They are now in-scope and the associated cost for 97 devices/peripherals, and project resources have been included.
- 2.7 It should further be noted that, since the original request to Council for capital, the price of hardware has increased by approximately 30%, due to some issues with the supply of processors.
- 2.8 The Microsoft Enterprise Licence is due to be renewed on 1 April 2020 and the licensing costs will increase due to this. The cost of these licenses will be considerably more expensive for the thin clients than the mobile devices. It would be in the region of £900,000 additional revenue over three years if we were to stay on the current devices. Therefore, the roll-out needs to be completed by 31 March 2020, rather than later in the year as previously planned, to reduce this cost. A need to draw down £140,000 in capital in 2019/20, rather than in 2020/21, as approved, is also necessary.
- 2.9 Work is currently ongoing to develop phase 2 of the project, which will include Libraries, Culture and Arts, Call Centre, Registrars, AfC and the remaining Optalis employees. A further request for capital associated to this phase will be brought forward when this work is complete.
- 2.10 A plan is also being developed to ensure a rolling device replacement programme is in place and built into future capital budgets and that the technology used by the council remains fit for purpose.

Options

Table 1: Options arising from this report

Option	Comments
To approve £405,000 in additional capital funding and bring forward £140,000 in capital funding from 2020/21.	Enables a contract to be awarded followed by a roll out of the improved specification Modern Workplace devices (larger screen; HD resolution; 16Gb memory and touch down workstation) to
This is the recommended option	

Option	Comments
	<p>be issued to all in scope users: 495 laptops, 72 desktops and 468 monitors.</p> <p>The Council has also implemented many of the Office 365 suite of applications and, the new devices will allow council staff to benefit from using these.</p>
<p>To continue with original laptop specification</p> <p>This is not the recommended option.</p>	<p>Smaller screen; non-HD resolution; reduced memory (8Gb). Mobile device not future proofed.</p>
<p>Do nothing</p> <p>This is not the recommended option</p>	<p>This option is not feasible as the organisation needs to ready itself with Windows 10 enabled devices as the current operating system, Windows 2008 R2, will be out of support from January 2020 and no further updates will be available. Also, the cost of the Microsoft Licenses will be significantly more expensive.</p>

3. KEY IMPLICATIONS

3.1 Key implications are shown in Table 2.

Table 2: Key Implications

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
RBWM users moved onto new devices	<400	480	520	567	31/3/2020

4. FINANCIAL DETAILS / VALUE FOR MONEY

4.1 The total estimated project costs to fully replace the current hardware and software at the time of the original request was £530,000 (pilot 2018/19 £69,000, year 1 2019/20 £321,000, year 2 2020/21 £140,000).

4.2 CLT approved the pilot cost of £69,000 under its delegated authority on 16 January 2019, and full Council on 26 February 2019, approved the year 1 and year 2 £461,000 capital cost as part of the council's capital programme.

4.3 New capital budget approval is requested for £405,000 as outlined in Table 3.

Table 3: Additional capital requirement

Category of Spend	Original budget for	New Estimate	Additional capital required	Reasons
Pilot	£69,000	£69,000	£0	N/A

Devices and peripherals	£249,400	£603,400	£354,000	<ul style="list-style-type: none"> Improved future proofed device specification 30% increase in price Original budget based on 100 current devices being re-built, now 30 Optalis now in-scope increasing the number by 97
Project costs	£211,600	£262,600	£51,000	<ul style="list-style-type: none"> Optalis now in-scope
Total	£530,000	£935,000	£405,000	

- 4.4 The paper to Council in September depreciated the devices over 10 years, which was historically the period used for hardware. The accounting policy allows for depreciation between four and 10 years. These devices will therefore now be depreciated over four years.
- 4.5 The cost of borrowing for the additional £405,000 is £10,611 per annum, £42,444 in total, and the Minimum Revenue Provision (MRP) is £101,250 per annum. The cost of borrowing for the £140,000 brought forward from 2020/21 is £3,668 per annum, £14,672 in total, and the MRP is £35,000 per annum.
- 4.6 The cost of borrowing the full £935,000 is £24,497 per annum, £97,988 in total, and the MRP is £233,750 per annum.

Table 4: Additional revenue and capital requirement

REVENUE COSTS	2019/20	2020/21	2021/22
Additional total	£7,140	£14,279	£14,279
Reduction	£0	£0	£0
Net Impact	£7,140	£14,279	£14,279

CAPITAL COSTS	2019/20	2020/21	2021/22
Additional total	£545,000	£0	£0
Reduction	£0	-£140,000	£0
Net Impact	£545,000	-£140,000	£0

5. LEGAL IMPLICATIONS

None.

6. RISK MANAGEMENT

- 6.1 The following risks have been identified.

Table 5: Impact of risk and mitigation

Risks	Uncontrolled risk	Controls	Controlled risk
Decision made not to implement	<ul style="list-style-type: none"> Increased pressure on 	Implement same device	Reduced pressure on

Risks	Uncontrolled risk	Controls	Controlled risk
a consistent, single device	existing IT support resources <ul style="list-style-type: none"> Existing hardware failing and the organisation unable to work Increased costs associated with Microsoft licences 	(laptop/desktop) across the council	IT support resources
Increased budget not approved and reduced specification laptops implemented	<ul style="list-style-type: none"> Pressure on existing resources (support). Does not 'future proof' organisation – may lead to earlier replacement of devices and increased costs Additional Microsoft Licensing costs 	Procure higher specification devices	Reduced pressure on support resources. Better longevity of devices

7. POTENTIAL IMPACTS

7.1 The Modern Workplace initiative will affect the entire council workforce including Optalis and Achieving for Children. An Equalities Impact Assessment has been completed.

7.2 All redundant equipment will be disposed of appropriately, giving due consideration to environmental impact and re-use of components where possible.

8. CONSULTATION

None.

9. TIMETABLE FOR IMPLEMENTATION

9.1 The full implementation stages are set out in table 6.

Table 6: Implementation timetable

Date	Details
23 October, 2019	Full Council
5 November 2019	Confirmation of Award
6 November 2019	Orders raised
30 March 2020	Phase 1 rollout complete

10. APPENDICES

There are no supporting Appendices.

11. BACKGROUND DOCUMENTS

None

12. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Date returned
ClIr Rayner	Deputy Leader of the Council, Lead Member Resident and Leisure Services, IT, HR, Legal, Performance Management and Windsor	15/10/19	15/10/19
Duncan Sharkey	Managing Director	15/10/19	15/10/19
Russell O'Keefe	Executive Director	15/10/19	15/10/19
Ruth Watkins	Deputy Section 151 Officer	15/10/19	15/10/19
Elaine Browne	Interim Head of Law and Governance	15/10/19	15/10/19
Nikki Craig	Head of HR and Corporate Projects	15/10/19	15/10/19
Louisa Dean	Communications	15/10/19	15/10/19
Kevin McDaniel	Director of Children's Services	15/10/19	15/10/19
Hilary Hall	Interim DASS and Deputy Director of Strategy and Commissioning	15/10/19	15/10/19

REPORT HISTORY

Decision type: Non-key decision	Urgency item? No	To Follow item? No
Report Author: Andy Jeffs, Executive Director, 01628 796527		