Annex 1

Board Meeting Paper	
Nov17 BM D 2.3	
Purpose of report	☒ Decision[1] ☐ Discussion / debate ☐ Information only[2]
Sensitive Information?	☐ Yes ☒ No

If sensitive, protective marking[3]	
Date of Meeting	14 November 2017
Agenda Item	D 2.3
Report Title	ICT hosting and helpdesk
Sponsor	Nigel Holden
Author(s)	Eamon Caughey

1. Summary

Options and plans for the our future ICT hosting and helpdesk support and approval of the anticipated costs for the ICT migration project and ICT contract extension

2. Recommendations / decision required

The Board are asked to note the approval from the Management team that we move all our core applications to the cloud (Office 365, SharePoint 365, CRM 365) and remaining applications to a public cloud (Azure), with a separate contract for helpdesk to support our applications and infrastructure.

If the Board are content with this decision they are asked to approve

- the total costs for the ICT migration project of £130,700 (including £29,000 of staff costs).
- the extension of the existing contract for ICT services and support with Daisy Group at a cost of £149,000 (including VAT). This extension will allow the migration from our current systems to a cloud based solution to be phased over a period of up to twelve months to a manage the risks associated with such a move

3. Further details

Current situation

Our current contract with Daisy group for ICT infrastructure and support expires in December 2017, and the timescale for procuring the ICT services and ensuring the smooth transition of services is approximately nine months.

We currently use a 'Cloudsure' platform for our main applications (ie SharePoint, CRM, email), which is hosted and fully managed by Daisy. In addition we have Microsoft office (Word, Excel, PowerPoint) installed on our computers and additional specialist applications for data analysis and our accounting system. Our helpdesk for infrastructure and core applications is currently part of the Daisy contract, with specialist support from Civica (formerly SfW) for our CRM and SharePoint systems and West Pier for our telephone system.

Daisy plan to close down the 'Cloudsure' platform by the end of 2018 so we will need to migrate to either and alternative platform with Daisy or find another platform and supplier.

[1] If a decision is required, or you are asking for the paper to be formally noted, please set this out in section 2
[2] If for information only, please make clear in section 1 **why** this information is being provided
[3] ie **OFFICIAL/SENSITIVE**: plus COMMERCIAL / POLICY / MANAGEMENT-STAFF / PERSONAL PROTECT

Our current software applications are not the latest versions and will need to upgraded to newer versions over the next one to two years.

Therefore the objectives from our procurement are:

- Reduce costs
- Our ICT services continue to support the organisation (eg multi-location operation)
- Our ICT services are resilient and secure
- The ICT helpdesk delivers high quality and responsive service
- Industry standard, up to date ICT applications and infrastructure

Options for future services

	Option	**Summary**	**Estimated Transition costs**	**Estimated annual running costs (including support)**
1	Hosted data centre and managed infrastructure	Shares hardware and replicates existing services and software will need to upgraded over the next two years and kept up to date	£167,700	£209,500 (excluding software upgrade costs)
2	On Premise (Private Cloud)	All our servers in the offices. Software will need upgraded over the next two years and kept up to date, and we will on site staff with IT skills to support the hardware.	£270,700	£111,400 (excluding software upgrade costs)
3	Co-location (Transport Focus equipment but hosted externally)	All our servers in a data centre shared with other organisations. Software will need upgraded over the next two years and kept up to date	£255,700	£124,000 (excluding software upgrade costs)
4	Public Cloud – 365/Azure.	SharePoint (Connect) and CRM are on shared servers run by Microsoft (Azure). Software will need upgraded over the next two years and kept up to date. We use Office 365 which is 'pay as you go' and automatically kept up to date	£156,900	£211,800 (excluding software upgrade costs)
5	Core services 365	SharePoint, CRM and Office are cloud based so are 'pay as you go' and automatically kept up to date. Location independent so accessible from any site with good internet connection	£107,700	£167,700

More details of the above options are set out in Annex 1.

Timescales and plans
In order to accommodate the likely timescale for procurement and transition as well as any additional timescales for migration to cloud based service we have recently triggered the option to extend the current Daisy contract for ICT hosted services and first line support for up to one further year. This extension will start on the 15th December 2017 with the option to give three months' notice during the extended period.

4. Implications – Financial, Risk, Legal, Staffing

1. **Financial**
   The costs of the options have been included in Annex 1.
2. **Risk**
   The main risks arising from this paper are potential business disruption:
   - during migration of the services to an alternative platform which will be managed by effective planning, testing, staging any migration and project management. In addition the use of an experienced technical adviser will help mitigate risks arising from any technical issues
   - due to lack of familiarity with the latest software versions which will be partly mitigated through providing additional training and support for staff
   - if we do not change our ICT services to 'software as a service' and 'infrastructure as a service' there is a risk that we face significant software and hardware upgrade costs in the future as our systems become increasingly out of date. In addition there are high transition costs each time we change our hosted data centre provider. This risk can be mitigated by moving to cloud based services
3. **Legal**
   The only legal issues arising from this paper are those from the procurement of services. This will be mitigated by using government contracts where possible
4. **Staffing**
   The main staffing implications arising from this paper will be:
   - the time needed for testing of systems during transition
   - training of staff on the latest version of the applications
   - the potential drop in productivity due to the lack of familiarity with the up to date versions of the software applications
5. **Equalities**
   There are no specific equalities issues arising from this paper

5. Background information

Description	Web Link

6. Equalities screen

Sometimes, an equalities impact assessment (EIA) is required for a given report, proposal or project. To help decide whether an EIA is required, a screen must be undertaken based on the information provided above. The screen seeks answers to four questions which are used to determine impact on the protected characteristics – major, minor or none (default). Please choose the correct impact value and, if **major**, link it to an explanation below.

Annex 1

Gender	Age	Sexual orient'n	Disability	Marital status	Political belief	Religious belief	Racial group
1. What is the likely impact on equality of opportunity for those affected by this policy, for each of the Section 75 equality categories?							
None	None	None	None	None	None	None	None
2. Are there opportunities to better promote equality of opportunity for people within the Section 75 equalities categories?							
None	None	None	None	None	None	None	None
3. To what extent is the policy likely to impact on good relations between people of different religious belief, political opinion or racial group?							
					None	None	None
4. Are there opportunities to better promote good relations between people of different religious belief, political opinion or racial group?							
					None	None	None

*Summary of **major** impacts*

1	

Conclusion (the board's consideration of this paper may result in a change of conclusion)

Based on the information above, and having regard to the guidance below, the sponsor and author of this paper agree that (√)	
(a) A full equalities impact assessment is **not** required	√
(b) A full equalities impact assessment is **not** required at this time but the impact values above suggest the matter should be kept under view during the lifetime of the project	
(c) A full equalities impact assessment is required and should be completed during the lifetime of the project	
(d) A full equalities impact assessment is required and should be completed immediately	
Please provide a brief explanation of why you have arrived at this conclusion	
The proposal has little no relevance to equality of opportunity or good relations and / or is purely technical in nature and will have no bearing in terms of its likely impact on equality of opportunity or good relations for people within the equality and good relations categories.	

TRANSPORT FOCUS
ICT SERVICE AND HOSTING OPTIONS

	Option	Advantages	Disadvantages	Estimated costs	Support	Risks
1	Hosted data centre and managed infrastructure	Hosted on a shared infrastructure platform, however using Transport Focus dedicated Virtual Machines. This is the same solution which is currently in use known as CloudSure. Keep the exact solution as we have now with a lift and shift approach Allows access to systems from a number of locations Ensures secure and resilient systems	Cloudsure had a limited life so how long would an alternative but similar infrastructure be available? Transition costs to retain what we have now with the either the same or a different supplier. No routine upgrade of software so we will need to purchase and install newer versions of our application software periodically	Estimated annual costs - £149,500 Estimated set up costs - £167,700 Total costs over 3 years : £616,200	ICT Helpdesk would be procured as part of ICT Hosting and management contract Estimated annual support costs are: Helpdesk support: ICT support £36,000 CRM and SharePoint support: £24,000	Due to the size of the contract there is limited competition for these services The ICT Helpdesk may not be able to provide the tailored service we expect We are reliant on a single supplier for all our ICT services
2	On Premise (Private Cloud)	Data is secured with in Transport Focus confines. Greater control over applications and customisations. Transport Focus owned equipment No privacy or data ownership approval required Helpdesk requirements can be tailored to our specific requirements	Infrastructure management including patch management, monitoring, backups etc.… Rack space, powering and cooling. Future office moves, relies on Transport Focus building On-going technical refresh of both hardware and software required so we will need to buy new servers and newer	Estimated annual costs - £51,400 Estimated set up costs - £270,700 Total costs over 3 years : £424,900	ICT Helpdesk would be procured separately: Estimated annual support costs are: Helpdesk support: ICT support £36,000 CRM and SharePoint support: £24,000	Limited in house expertise to deal with any ICT server problems which may lead to additional business disruption Increased risk of IT security failure as our servers are not in a secure data centre Limited system resilience so any ICT failure may cause significant business disruption

	Option	Advantages	Disadvantages	Estimated costs	Support	Risks
		Allows access to systems from a number of locations	versions of our application software High upfront costs as Hardware/Software will require purchasing Will require onsite person with basic IT skills Will need to buy in IT skills for significant software or hardware upgrades No contingency if we lose the links to the on-site servers or access to the office			due to extended recovery period Reliance on key staff or advisors to ensure the smooth running of the systems Applications get increasingly out of date
3	Co-location (Transport Focus equipment but hosted externally)	Offers all the advantages of the On Premise solution, but hosted in a secure UK data centre removing the dependence of Transport Focus buildings and local IT support Removes the need for local server hosting with power, cooling and physical security requirements Allows access to systems from a number of locations	Infrastructure management including patch management, monitoring, backups etc. On-going technical refresh of both hardware and software required so we will need to buy new servers and newer versions of our application software High upfront costs as Hardware/Software will require purchasing Will need to buy in IT skills for significant software or hardware upgrades	Estimated annual costs - £64,000 Estimated set up costs - £255,700 Total costs over 3 years : £447,700	ICT Helpdesk would be procured separately: Estimated annual support costs are: Helpdesk support: ICT support £36,000 CRM and SharePoint support: £24,000	Any issues with server problems may Increased risk of IT security failure as our servers are not in a secure data centre Limited system resilience so any ICT failure may cause significant business disruption due to extended recovery period Reliance on key staff or advisors to ensure the smooth

	Option	Advantages	Disadvantages	Estimated costs	Support	Risks
						running of the systems Applications get increasingly out of date
4	Public Cloud – 365/Azure.	This offers the ability to use the Microsoft Public cloud but move our existing servers in their data centre. Pay as you go – can be scaled up or down as required. No reliance on Transport Focus buildings Low cost disaster recovery options Office applications will be upgraded automatically Allows access to systems from a number of locations	High migration costs. Performance could be affected by internet speeds. Security in relation to privacy settings We will need to ensure CRM and SharePoint are compatible with the email and office products	Estimated annual costs - £151,800 Estimated set up costs - £156,900 Total costs over 3 years : £612,300	ICT Helpdesk would be procured separately: Estimated annual support costs are: Helpdesk support: ICT support £36,000 CRM and SharePoint support: £24,000	CRM and SharePoint legacy applications not routinely upgraded in line with Office 365 which may lead to compatibility issues No control over future costs as demand drives costs Incompatibility between existing systems and 365 during migration leading to business disruption or temporary work arounds
5	Core services 365	Pay as you go – can be scaled up or down as required. Software as a service (SaaS) All patches and upgrades to the SaaS are included so we are always on the latest version of core Microsoft products	All systems will need upgrading which may lead to compatibility issues with legacy applications Re-training staff needed for new applications SaaS so no control of changes or updates to	Estimated annual costs - £107,700 Estimated set up costs - £97,000 Total costs over 3 years : £420,100	ICT Helpdesk would be procured separately: Estimated annual support costs are: Helpdesk support: ICT support £36,000 CRM and SharePoint support: £24,000	No control over future costs as demand drives costs Incompatibility between existing systems and 365 during migration to business disruption or temporary work arounds

	Option	Advantages	Disadvantages	Estimated costs	Support	Risks
		Location independent so accessible from any site with good internet connection Low entry costs as no physical infrastructure requires purchasing Reliability as most of the services are replicated between Microsoft Datacentres Additional functionality is available through the core 365 services	services which may affect the service. Less customisation, having to work within the provided framework In the hands of Microsoft so no local support for the infrastructure.			The regular updates to applications may result in the need for regular user refresher training or update notifications Reliance on Microsoft for all our key applications and services

Notes

1. All costs include VAT
2. Costs for hosted data centre are based on estimates provided by Daisy group for a 'Daisy Flex' Solution and network infrastructure