Central Bedfordshire

Business Case

For

ICT INFRASTRUCTURE CAPITAL BUDGET 2009/10

Revision History

Version	Author	Date	Summary of Changes
1.0	Philip Reader	03/12/09	First Draft
1.1	Philip Reader	10/12/09	Alterations to texts
1.2	Philip Reader	15/12/09	Alterations to title and text
1.3	Philip Reader	16/12/09	Alterations following comments from Cllr M Jones

Approvals

Name	Signature	Title	Date	Version
Caroline Carruthers		Assistant Director	16/12/09	V1.3

Distribution: This document has been distributed to:

Name	Title	Date of issue	Version
CAMG		15/12/09	
Caroline Carruthers	Assistant Director	16/12/09	

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1. Purpose of this document

This document identifies funds omitted from the Capital Programme and seeks to rectify the position with regard to ICT Infrastructure capital budgets

The objectives of this are to comply with the Constitution and Financial Regulations of Central Bedfordshire and to obtain approval for capital funds to support the omission.

2. Introduction and context

The agreed capital budgets set at the beginning of 2009/10 by CBC for the purchase of ICT hardware, equipment and associated infrastructure totalled £908,000. This was an amalgamation of a number of predecessor body budgets which were carried forward into the Central Bedfordshire Capital Programme

As a result of requirements to reduce the Capital Budgets in 2009/10 it was proposed to the November Executive Committee that changes were made to budgets. This resulted in a number of budgets being altered and the ICT Infrastructure budget was reduced to £108,000 with £800,000 slipped into 2010/11

3. Current position and environment

The predecessor bodies had different approaches to refresh arrangements and provision of equipment. BCC in particular had a programme of a five year refresh of its IT equipment attempting to maximise the life of individual items. The result of this approach is that some equipment coming to the end of its life and will still be operational, however, some will be in desperate need of replacement. Rather than continue with a specific refresh programme the combined ICT infrastructure budget was created to replace failing equipment and provide new equipment based on a service business cases. In order to provide a flexible approach to the provision of ICT equipment as well as to control expenditure and maximise best use of resources a governance process has been put in place. This has ensured that funds are available throughout the financial year to support specific requirements and are channelled into priority areas.

All IT equipment are centrally owned assets allowing more efficient use of equipment and movement of unused items to where required.

Different specification desktops and laptops have been sourced via Dell resulting in a reduction in an overall cost when compared to that provided to predecessor bodies without any reduction in quality.

The budget was also available to meet the changing requirements for infrastructure, server and storage replacement as the organisation developed.

It was intended that changes and requirements for additional equipment as a result of the Interim Accommodation Plan would be supported from this budget. This requirement has now slipped into 2010/11 as a result of delays in the programme

4. Problem Definition

A managed approach based on the statements in 3. above was developed in order to meet service requirements throughout the financial year. The amalgamation of the different ICT budgets from predecessor authorities meant that there was a combined budget of £908,000. This budget supported Member and Staff equipment requests including all infrastructure costs

The Capital Budget Report submitted to and approved by both Executive and Council in November revised the 09/10 ICT Infrastructure budget to £108,000, with £800,000 being identified as slippage into 2010/11.

The Capital Budget Report submitted to and approved by both Executive and Council in November revised the 09/10 ICT Infrastructure budget to £108,000, with £800,000 being identified as slippage into 2010/11. At the time the Executive considered the revised Capital Programme the budget set omitted to take into account the existing spend and commitments totalling £342,000; and the budget required to provide services with equipment for the remaining part of the financial year. The budget figure should have been set at £450,000 with £458,000 slippage into 2010/11

In accordance with CBC Constitution it is necessary to seek approval for the £450,000 omission to be reinstated to rectify the situation.

Currently as no capital budget is available all outstanding commitments and requests made by service departments on on hold and cannot be met and no further new equipment and infrastructure items will be purchased from corporate budgets in this financial year.

5. Investment Appraisal

5.1 Benefits

To rectify an omission from the capital programme and to rectify the situation under the CBC Constitution. To meet outstanding commitments and ensure CBC complies with all Health and safety and access to work legislation as well supporting service delivery.

5.2 Costs

An additional £342,000 to meet the amount omitted from the revised capital programme. The total budget figure would therefore be set at £450,000 with £458,000 slippage into 2010/11.

6. Risks

1) Failure to meet statutory health and safety and access to work requirements
2) Loss of efficiency by frontline staff
3) Large Increase in IT support costs in terms of money and time due to additional fault calls being logged on old equipment.
4) Efficiency Loss – loss of IT access and slow working of access to critical IT systems (such as SAP & E-mail)
5) Efficiency Loss – increased staff time delivering business needs and increased manual working as back up.

6) Compliance – delays or failure in responding to legislative requests (e.g., FoIA, Data Protection, critical social services issues, financial accounting requirements and Member requests).
7) Increased burden on customer facing revenue budgets for replacing failed and non-standard performing equipment on an individual basis.

7. Constraints

The 2009/10 Capital budget was over committed and a large number of projects had to be slipped into 2010/11. The availability of funds to undertake to rectify this omission.

8. Process

The Business Case to be assessed by the ICT Governance Board, CAMG, CMT and Executive.

9. Resources

It is estimated that existing staff resources can be utilised

10. Timescale

The objective is to obtain approval from 12 January 2010 Executive

11. Scope

The scope of this project is to regularise the purchase of ICT Infrastructure and to rectify the situation where funds were omitted from the 2009/10 Capital Programme

12. Current Assumptions

- That until approval of the business case no further spend from corporate ICT capital budgets can be undertaken
- A freeze on the purchase of all ICT infrastructure is in place
- That Members agree the business case and funds found to rectify the omission

13. Conclusions and Recommendations

It is recommended that the business case is approved