



## Democratic Services

**Location:** Phase II  
**Ext:** 7655  
**DDI:** 01895 277655  
**CMD No:** 568

**To: COUNCILLOR IAN EDWARDS  
LEADER OF THE COUNCIL**

**COUNCILLOR MARTIN GODDARD  
CABINET MEMBER FOR FINANCE**

**COUNCILLOR DOUGLAS MILLS  
CABINET MEMBER FOR CORPORATE SERVICES**

c.c. All Members of the Finance and Corporate  
Services Select Committee  
c.c. Michael Clarke – Central Services Directorate  
c.c. Jo Allen – Central Services Directorate  
c.c. Daniel Kennedy, Corporate Director of Central  
Services

**Date:** 25 August 2022

## Non-Key Decision request

## Form D

### CAPITAL RELEASE REPORT July 2022

**DEPARTMENT:** Resources

**SERVICE AREA / PROGRAMME:** Corporate Technology and Innovation Programme

**Release No 1: Telephony, LAN WAN & Internet Security**

Dear Cabinet Members

Attached is a report requesting that a decision be made by you as an individual Cabinet Member. Democratic Services confirm that this is not a key decision, as such, the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 notice period does not apply.

You should take a decision **on or after Monday 5 September 2022** in order to meet Constitutional requirements about publication of decisions that are to be made. You may wish to discuss the report with the Corporate Director before it is made. Please indicate your decision on the duplicate memo supplied, and return it to me when you have made your decision. I will then arrange for the formal notice of decision to be published.

Anisha Teji  
Democratic Services Officer

**Title of Report:** Corporate Technology and Innovation Programme Release No 1:  
Telephony, LAN WAN & Internet Security

**Decision made:**

**Reasons for your decision:** (e.g. as stated in report)

**Alternatives considered and rejected:** (e.g. as stated in report)

Signed .....Date.....

*Leader of the Council/ Cabinet Member for Finance / Cabinet Member for Corporate  
Services*

## CAPITAL RELEASE REPORT July 2022

DEPARTMENT: Resources

SERVICE AREA / PROGRAMME: Corporate Technology and Innovation Programme

Release No 1: Telephony, LAN WAN & Internet Security

<b>Cabinet Members</b>	Councillor Ian Edwards Councillor Martin Goddard Councillor Douglas Mills
<b>Cabinet Portfolios</b>	Leader of the Council Cabinet Member for Finance Cabinet Member for Corporate Services
<b>Officer Contact</b>	Michael Clarke – Central Services Directorate Jo Allen – Resources Directorate
<b>Papers with report</b>	Appendix A with capital release requests for approval

## HEADLINES

<b>Summary</b>	To seek Cabinet Member approval for the release of capital funds to allow for provision of Wireless Network Access Points to all Hillingdon Remote sites.
<b>Putting our Residents First</b>	<p>This report supports the Council objectives of:</p> <ul style="list-style-type: none"> <li>• Our People</li> <li>• Strong Financial Management.</li> </ul> <p>This report contributes to the delivery of the previously approved Telephony, (w)LAN, WAN and Internet Security Project.</p>
<b>Financial Cost</b>	<p>This report seeks the release of £220k for enhancement of the wireless coverage components of the Telephony, LAN, WAN &amp; Internet Security project.</p> <p>The project manager is David Cronin. The works will commence upon release of the funds and are due for completion by December 2022.</p>
<b>Relevant Select Committee</b>	Finance and Corporate Services Select Committee
<b>Ward(s) affected</b>	N/A

## RECOMMENDATIONS

**That the Leader, Cabinet Member for Finance and the Cabinet Member for Corporate Services agree to the capital release request of £220k from the 2022/23 General Capital Contingency for funding of Wireless Access Points of the Telephony, LAN, WAN & Internet Security project (Appendix A).**

### Reasons for recommendation

A robust network infrastructure is essential for the Council's business continuity. A ubiquitous Wireless Network Infrastructure is a key information technology component that enables mobility for Council staff to roam between Council offices whilst using a single wireless network to communicate with each other, with residents and third-party contacts, and to access the Council's applications and data in the delivery of service to residents.

ICT has a vision to transform and modernise services, focusing on improving the way that the Council works and improving services to its residents. To support these strategic objectives, the underlying ICT infrastructure must be modern, flexible and reliable. ICT aim to reduce or eliminate, where possible, the Council's reliance upon the Civic Centre, with new services procured or designed to enable staff to continue working independently if the Civic Centre is inaccessible or no longer connected to the network.

In the years since ICT began implementing wireless access as a 'nice-to-have' option in remote locations, including staff offices, libraries and adults'/children's centres, the evolution of the corporate asset strategy, usage of larger remote sites and changes to staff working practices and staff relocation have increased reliance on the Council's wireless network.

The capital release proposed in this report will provide support and maintenance for an enhanced and expanded wireless network infrastructure, enabling Council staff greater mobility within Council offices to continue fulfilling services to residents, while allowing ICT and Thrive Networks to transform these services to a modern, cost-effective solution that conforms to the ICT strategy of reducing reliance upon the Civic Centre by using Cloud, Hosted or Hybrid technologies where appropriate.

### Alternative options considered

Remote site surveys that could not be completed efficiently or cost-effectively within the tender period (none of the tenderers offered site surveys prior to submitting their tender) took place following the awarding of the Telephony, LAN, WAN and Internet Security contracts to ONI PLC. The site surveys were targeted specifically at wireless coverage at critical sites and how staff usage of wireless at those sites has changed over the years. A number of options and costings were then considered:

## **1. Do Nothing**

Doing nothing will render the existing wireless network infrastructure unsupported, unlicensed and reliant on the Civic Centre. Council staff within the Civic Centre and working remotely at other council-occupied buildings rely upon the Network Infrastructure in the delivery of their contractual duties. This is not recommended.

## **2. Balance increased wireless coverage at all sites against cost of that coverage**

ICT worked with Procurement colleagues and Thrive Networks to fully review the wireless network requirements. Four cost options were presented, offering cost comparisons between a minimum replacement of like-for-like wireless coverage at all sites against a maximum offering of full wireless coverage at all sites. ICT used site surveys and knowledge of known wireless coverage issues at specific sites to identify key sites where increased wireless coverage would provide clear improvement to staff capability at those sites. The chosen option details the number of Wireless Access Points required at each site and represents a reasonable balance between wireless coverage and cost, with an emphasis on improving wireless coverage at those sites where it would be most beneficial.

## **3. Re-Tender for additional / expanded Wireless Requirements**

ICT worked with Procurement colleagues and Thrive Networks to fully review the Wireless Network requirements. Adding the cost of the expanded wireless requirements to the cost of the original tender remains more cost effective than other options within the original tender.

Inter-dependencies between solutions for wired and wireless networks are such that complications may arise if components of the solution are delivered by different suppliers. ICT Officers recommend that the solution is delivered and maintained by a single supplier to reduce cost and complexity of the solution and make for easier management of the contract. Procurement officers have confirmed that awarding Lots to different suppliers would raise the overall cost of the solution over the contract period.

## **Democratic compliance / previous authority**

Cabinet has previously granted approval for the awarding of Telephony, LAN, WAN and Internet Security contracts to ONI PLC, who were subsequently acquired by Thrive Networks. This paper requests capital funding to provide extended wireless coverage following site surveys that were not possible to undertake during the initial tender process.

Cabinet authority is ordinarily required for the use of the Council's contingency budgets – capital or revenue. However, the Leader of the Council is also authorised in the Constitution to release contingency funds in the absence of a Cabinet meeting and, if approved, it is noted that it will be reported as part of the Cabinet's budget monitoring report. Decision-making on this specific capital release is, therefore to the Leader, Cabinet Member for Finance and the portfolio Cabinet Member for Corporate Services.

## Select Committee comments

None at this stage.

## SUPPORTING INFORMATION

The London Borough of Hillingdon (LBH) currently bases a considerable proportion of its staff at the Civic Centre in Uxbridge, and at a variety of remote locations around the Borough, including Libraries, Adult and Child Centres, and administrative offices. Although in recent history an increased number of staff have worked remotely, the Civic Centre is currently the central hub for the Council's Wide Area Connectivity to the internet and its Azure IaaS tenancy.

The ICT department has a vision to reduce/remove the reliance on the Civic Centre for its operations, whilst driving down the cost of Wide Area Connectivity, aiming to provide a network infrastructure that can adapt to strategic decisions made by Senior and Corporate Asset Management, meet the needs of a flexible workforce and which considers the Civic Centre as an important spoke on the LBH Wide Area Network, rather than as a central point of potential failure.

The Council has previously migrated its users from G-Suite to Office 365 (Exchange Online, E3) alongside an 'End-User-Device' refresh to Windows 10. Core business applications that were previously hosted at the Civic Centre have or will be moved to Microsoft Azure or consumed as Software as a Service. The Wireless Local Area Network at each site is the first step in connecting the 'End-User Devices' at that site to the various applications and services required. The capital release proposed by this paper will ensure staff at remote Council buildings will have improved wireless coverage (and therefore improved mobility within each location) and are able to continue working in the event of any failure at the Civic Centre.

### Breakdown of Costs

Previous Cabinet approvals for remote site connectivity are in place, allowing the continued use of existing Wide-Area Network Remote Site Connectivity (Express Routes, Virgin Media, BT/O2 Broadband) while services are transformed and transitioned to the new solution. As remote site links are transitioned to the new solution, existing links will be terminated. This paper is concerned with the level of Wireless Access to be installed at each site. The Wireless access points will be provided and supported by Thrive Networks Limited, and any cabling / installation work will be completed by Concept, who have an existing long, and strong working relationship with Hillingdon ICT.

The breakdown of capital allocation for the additional Wireless access points and associated hardware and installation costs for the recommended option is shown in the table 1 below.

**Table 1: Hardware & Installation Costs**

<b>Civic Centre - 21 Additional Access Points</b>			
MR46	21	£929.46	£19,518.66
MR Enterprise License 3 Year	21	£188.24	£3,953.04
<b>External Sites - 276 Additional Access Points, and 11 Teleworker devices broken down as follows:</b>			
MR Wireless Access Point Enterprise License 3 Year	276	£188.24	£51,954.24
Brackets	50	£164.00	£8,200.00
<b>Standard Sites:</b>			
MR36 Wireless Access Points	269	£356.96	£96,022.24
Z3C LTE Teleworker Gateway	11	£525.73	£5,783.03
Z3C Enterprise License 3 Year	11	£241.07	£2,651.77
Professional Services for Z3C Installation	1	£2,450.00	£2,450.00
<b>Manor Farm Library (Listed Building – Mounting Access points on Walls/Ceiling prohibited)</b>			
MR36 Wireless Access Points	2	£356.96	£713.92
MR46E Wireless Access Points with below accessories	2	£900.67	£1,801.34
Meraki Patch Antenna	2	£349.05	£698.10
Meraki Antenna Mount	2	£115.97	£231.94
<b>Yeading Library (Difficult structure for cabling)</b>			
MR36 Wireless Access Point	1	£356.96	£356.96
MR46E Wireless Access Points with below accessories	2	£900.67	£1,801.34
Meraki Bendable Dipole Antenna	2	£115.97	£231.94
Concept Installation Charges (est.)			£60,000
Additional Cabling Requirements (est.)			£10,000
<b>Total</b>			<b>£266,368.52</b>

Thrive credit contribution towards project. Credit represents value of equipment no longer required that is being bought back by Cisco. Confirmation received from Thrive that credit will be applied.			-£83,379
			<b>£182,989.24</b>

Table 2 below provides the project cost breakdown based on the contractor:-

Description	Amount (£'000s)
Thrive Network Ltd – Hardware (net of credit)	113
Concept Communications – Materials & Installation	70
<b>Sub Total</b>	<b>183</b>
Internal Fees	18
Project Contingency	19
<b>Total Project Cost</b>	<b>220</b>

## Financial Implications

### 2022/23 General Capital Contingency Budget £1,500k, Previously Released / Pending Release £0k, Capital Release Requested £220k - Appendix A

In March 2021, Cabinet approved the tender from ONI Plc, now acquired by Thrive Networks, for the provision of a digitalised Cloud-based Telephony and Contact Centre solution, and the support, maintenance and transformation of Local Area Network, Wireless, Wide Area Network, and Internet Security solutions for six-years from 1 April 2021 to 31 March 2027 at the value of £4,047k (revenue and capital). The contractual capital elements of the project amounted to £1,194k, plus internal project management fees and project contingency, over the life of the contract and cover the cost of replacing hardware that is near the end of its existing operational life, ensuring that the Council's network infrastructure will be robust in the medium to long term. In 2021/22, capital release approval was obtained for £810k from the Corporate Technology and Innovation capital budget, comprising Year 1 project implementation and hardware costs of £736k plus 5% project management fees and 5% project contingency. Further capital costs of £458k covering planned replacement costs in Years 4-6 are included in the 2024/25-2026/27 Corporate Technology and Innovation capital budget.

Site surveys conducted by the contractor at various remote sites across the borough have identified a need for additional access points and related infrastructure at a cost of £220k. The cost is based on quotations from Thrive Network Ltd including a credit that will be applied to the hardware costs, as well as estimated costs for cabling and installation from Concept Communications. The cost plan also includes internal fees and project contingency at circa 10% each of the total works costs of £183k.

These additional costs are above the original tendered sum and cannot be managed within the existing total project budget for Network and Telephony within the Corporate Technology and Innovation capital budget, therefore it is proposed to fund and release this from the 2022/23 General Capital Contingency budget of £1,500k, which is currently uncommitted, and report the virement to Cabinet in an upcoming monthly budget monitoring report for ratification and transparency.

## RESIDENT BENEFIT & CONSULTATION

### **The benefit or impact upon residents, service users and communities?**

The Wireless Local Area Network at each site is the first step in connecting the 'End-User Devices' at that site to the various applications and services required in the delivery of their services. The transformation of both the wireless network and the wide-area network will improve the resilience of both Council officer devices and publicly accessible devices (e.g. public PCs at libraries). The capital release proposed by this paper will ensure staff (and visitors, where guest public wireless is made available) at remote Council buildings will have improved wireless coverage (and therefore improved mobility) within each location and be able to continue working in the event of failure at the Civic Centre.

### **Consultation carried out or required**

N/A

## CORPORATE CONSIDERATIONS

### **Corporate Finance**

Corporate finance notes the additional costs of the Network and Telephony project of £220k to provide additional access points and infrastructure at remote sites that were not able to be identified and included in the original tendered sum and contract award. This investment is aligned to the Council's emerging asset management strategy, ensuring that connectivity is in place across the estate to meet service requirements. It is proposed to manage these costs from the 2022-23 general capital contingency budget of £1,500k, financed by Council resources.

### **Legal**

The Borough Solicitor confirms that the Council is responsible for carrying out this function pursuant to Section 40 of the Data Protection Act 2018 (which confers a duty on the Council to use appropriate technical or organisational measures to ensure its ICT has appropriate security arrangements), and Article 32 of the UK General Data Protection Regulation (which confers a duty on the Council to implement appropriate technical and organisational measures to ensure a level of security appropriate to the risk). Thus, there are no legal impediments to the capital release being authorised, although any contract entered into must comply with the Council's Procurement and Contract Standing Orders.



## **Infrastructure / Asset Management**

Consideration has been made for buildings known to be listed and therefore require specific Wireless Access points that will not be mounted on walls or ceilings.

## **Capital Release Protocol**

The release of all capital funds, and certain revenue funds, held by the Council is to be made by a formal democratic decision. No expenditure can be placed or committed by officers until this formal approval is given by Democratic Services. Release of funds must be for identified projects only and strictly not for the general release of funds for projects to be identified at a later date. No block releases of capital or funding will be allowed, except if authorised by the Leader of the Council in advance to Corporate Finance. The release of funds will only be made if previous Council, Cabinet or Cabinet Member agreement has been given to the project and only if there is an approved budget.

## **BACKGROUND PAPERS**

NIL

## APPENDIX A

### 2022/23 General Capital Contingency Budget – Telephony, LAN, WAN & Internet Security

Location	Project / Expenditure Title	Information	Funds Release Sought £000's	Approve	Hold	More Information Required
Borough Wide	Telephony, LAN, WAN & Internet Security	Hardware & Installation Costs	220			
<b>Total seeking release</b>			<b>220</b>			
<b>Previously released / pending release</b>			<b>0</b>			
<b>Budget</b>			<b>1,500</b>			
<b>Remaining budget</b>			<b>1,280</b>			