

DATA CENTRE/MODERN RECORDS UNIT (MRU) RELOCATION AND CORPORATE ICT STRATEGY UPDATE

PORTFOLIO RESPONSIBILITY: ICT, EDUCATION AND ACHIEVEMENT

CABINET

16 OCTOBER 2008

Wards Affected

County-wide

Purpose

To approve the phased relocation of the data centre currently at Thorn Office Centre and the relocation of the Modern Records Units currently at Merchant House and Blueschool House to a co-located facility at Wallbrook Court, Rotherwas.

To note the update and follow-on actions from the Corporate ICT Strategy.

Key Decision

This is a Key Decision because it is likely to result in the Council incurring expenditure above agreed budgets for the service or function (shown as a line in the budget book) to which the decision relates but allowing for virements between budget heads and savings within budget heads of up to £500,000.

It was not included in the Forward Plan however inclusion in the agenda gives the required notice in accordance with Section 15 of the Local Authorities (Executive Arrangements) (Access to Information) Regulations 2000.

Recommendations

THAT:

- (a) the Thorn Office Centre Data Centre and the Modern Records Units at Merchant House and Blueschool House be relocated to a co-located facility at Wallbrook Court, Rotherwas;**
- (b) approval be given to begin work on the relocation project;**
- (c) approval be given to fund the project; and**
- (d) the Corporate ICT Strategy update be noted.**

Further information on the subject of this report is available from
Rob Knowles, Programme Manager (Corporate ICT Strategy) on (01432) 263764

Reasons

1. Cabinet should note that there are large interdependencies between the initiatives contained within this report from a Corporate ICT Strategy perspective. The data centre relocation, standardisation, virtualisation and the Community Network Upgrade (CNU) re-tendering all contribute to and support the Herefordshire Connects initiative and substantially mitigate current Council risks. Storage in the Modern Records Unit buildings is under significant pressure, and there is a serious risk that in one year the storage services provided will reach their capacity.
2. There is no fire suppression in either of the current Modern Record Units or the Thorn Data Centre at Rotherwas.
3. The MRU is split between Merchant House and Blueschool House meaning additional operational support and cost over two buildings.
4. The projection for Modern Records does not take account of the future level of annual destructions, which are currently not fully known. There will be destructions of files at the end of their retention period, which can be projected, and destruction of files transferred to another media through scanning. Scanning of documents would substantially affect the number of physical files held, but how many files would be scanned, and over what time period, is currently undecided but within the scope of Herefordshire Connects. Some files may be scanned but paper versions retained due to issues of long-term preservation. For other files, it may not be cost-effective to scan them due to a short retention period. Some records will need to be kept in paper form for legal reasons, such as sealed contracts.
5. On this basis, we would expect to see a net increase in the current volume of records needing to be held, from 18,500 boxes plus 40,000 planning applications filed out of boxes at present, to approximately 34,660 boxes by April 2011. However, with a corporate programme of document scanning (within the scope of Herefordshire Connects), these figures could be greatly reduced.
6. The total capacity of all facilities is 19,500 boxes plus around 6,500 boxes of loose planning documents – total of 25,000 boxes.
7. The lease on the data centre at Thorn business centre expires in February 2011. This data centre **does not** meet current standards and we will be obliged to move the data centre at that time. There is an anticipated lead time of 12 months to realistically move this data centre. Within the context of the Accommodation Strategy review by Knight Frank of options for the provision of headquarters accommodation in Hereford, it is necessary to look at alternative options for the future of the council's data centres.
8. The Thorn data centre is very susceptible to electricity spikes as the current power load is so high.
9. The current 2 main data centres are near capacity and would not be able to accommodate any expansion expected over the next 5 years.
10. Herefordshire Connects will deliver new applications to replace the ageing and outdated multitude of systems the Council currently operates. However, this introduces requirements for extra physical space to site the new servers required to run the applications and electronic storage space to store the data. Currently, neither data centre can support these additional requirements without major risk to the business.

Considerations

11. The Council has 2 data centres to allow the capability to have resilience for applications and servers. These data centres must be sited at least 1 mile apart, with one site being north and one site south of the river.
12. Herefordshire Health Informatics (Primary Care Trust and Herefordshire Hospitals Trust) also has two data centres, one of which is located at Belmont and the other at the hospital. They are keen to explore the possibility of joint utilisation of data centres. Joint use would involve agreeing joint funding or leasing of space within the data centre with the local NHS.
13. The new facility offers the potential to contribute towards economic regeneration by providing data centre facilities to Herefordshire businesses or a new wireless broadband service provider. It should be noted that although the council will be able to improve the infrastructure for a broadband service we would be in breach of state aid legislation should we then continue to manage this provision. Consequently, this element would have to be handed over to a third party ISP provider.
14. Joint Management Team will make every effort to ensure that the design/build timescales around the refit of Wallbrook Court be decreased due to the critical nature of the project. The timescales set out here are a maximum.
15. The Council own Wallbrook Court but it is managed through the Rotherwas Futures joint venture with Advantage West Midlands. This means that the Council would lease Wallbrook Court from Rotherwas Futures but benefit from being involved in the joint venture.

Legal Implications

16. All procurements required will be carried out in strict compliance with the Council's standing orders and overseen by the Head of Strategic Procurement and Efficiency with support from the Head of Financial Services and the Assistant Chief Executive (Legal and Democratic).

Financial Implications

17. This section applies to the Data Centre/Modern Records Unit (MRU) relocation only all other Corporate ICT Strategy projects mentioned within this report are covered within existing budgets.

18. The financial implications are as follows:

<i>Ref</i>	<i>Cost Element</i>	<i>Phase 1 (2008/09)</i>	<i>Phase 2 (2008/09)</i>	<i>Phase 3 (2008/09)</i>	<i>Phase 4 (2010/11)</i>	<i>Total</i>
1	Core Building Renovation	£ -	£-	£ -	£ -	£ -
2	Data Centre	£ 189,050	£991,600	£ 21,150	£ 237,500	£1,439,300
3	Modern Records Unit	£ -	£291,450	£ -	£ -	£291,450
4	Contingency (@15%)	£ 28,358	£192,458	£ 3,173	£ 35,625	£259,613
	Totals	£ 217,408	£1,475,508	£ 24,323	£ 273,125	£1,990,363

19. It is anticipated that Rotherwas Futures will pay for the core building renovation as the Council will be leasing back the property.
20. The costs for Phases 1 and 3 will be met from existing budgets for the Corporate ICT Strategy. By 2009/10 an additional £647k will have been allocated to this programme in accordance with the Medium Term Financial Management Strategy agreed as part of the 2008/09 budget process.
21. To complete Phase 1 £217,408 of expenditure will be required in this financial year and this will be funded from the 2009/10 allocation and covered by slippage in the capital programme. In 2009/10 this will be repaid from the ICT Strategy allocation
22. The costs for Phase 2 which amount to £1.475m can be funded through prudential borrowing. The source of funding will be as yet unallocated 2009/10 prudential borrowing capacity of £2.769m leaving a revised unallocated capacity of £1.294m in 2009/10. Clearly, using this funding source for the data centre/MRU relocation reduces the capacity for other schemes to be funded in 2009/10.
23. The costs for Phase 4 are indicative only as they will form part of the wider Community Network Upgrade (CNU) future requirements and costs and will be incorporated into the re-letting of the existing contract with Siemens which will be the subject of a future Cabinet report.
24. Contingency has been added at 15% which for a project of this size and complexity is considered prudent.
25. Ongoing revenue costs will be absorbed into the current budgets for ICT Services and Information Services.

Risk Management

The following corporate risks will be substantially mitigated by the implementation of the data centre/MRU relocation, standardisation, virtualisation and Community Network Upgrade (CNU) re-tendering process.

26. **CR4 Organisational Improvement and greater efficiency** - The inability to provide critical services due to the failure of the ICT networks.

27. **CR28 Organisational improvement and greater efficiency** - Deliverable benefits from Herefordshire Connects not realised.
28. **CR29 Organisational improvement and greater efficiency** - Both Data Centres are in leased accommodation, are near capacity, plus there are environment issues such as power and fire suppression that need to be addressed. Loss of data centres will affect delivery of all services.
29. **CR30 Organisational improvement and greater efficiency** - Legacy systems out of support with vendors, and on old hardware. Compounded by CR28 Benefits from Connects e.g. Cedar.
30. **CR36 Organisational improvement & greater efficiency** - Failure to deliver services and meet key objective of achieving performance targets due to lack of Data Base Administrator support and sufficient server capacity for housing benefit and local tax systems (risk BES1 from the Benefit & Exchequer Services risk register refers).
31. **CR45 Organisational improvement & greater efficiency** - Human Resources - an inability to develop robust and fit for purpose data management and strong transactional services to Directorates, which will enable and inform sound decision making and planning within the Council.

Alternative Options

This section applies to the Data Centre/Modern Records Unit (MRU) relocation only.

32. **Option A** – The option presented in this paper.
33. **Option B – find alternative facility.** Two options were considered within the Rotherwas Trading Estate. Wallbrook Court and an alternative building. The alternative building was found to be unsuitable due to small size, poor condition and the requirement to co-locate the Modern Records Unit. Finding an alternative facility in the timescales available would not be possible.
34. **Option C – postpone data centre move until the Accommodation Strategy identifies a target back office site.** This has been discounted due to timescales. Any proposed back office site that could hold a data centre would not be made available in time to meet the requirements of the Herefordshire Connects programme or the end of the lease at Thorn Office Centre. There would also be no provision for the Modern Records Unit (MRU) due to the large space requirements of this service. The discounting of this option has been carried out in consultation with the Accommodation Strategy Group.

Consultees

- Herefordshire Council ICT Services
- Herefordshire Health Informatics Service (HIS)
- Herefordshire Council Financial Services
- Herefordshire Council Legal and Democratic Services
- Deputy Chief Executive

- Accommodation Strategy Group
- Herefordshire Connects Board
- Joint Management Team

Appendices

Appendix 1 – Data Centre and MRU Relocation

Appendix 2 – Corporate ICT Strategy Update

Background Papers

- Community Network Upgrade Follow-On Actions
- Further breakdown of financial implications
- Community Network Update - Review and Benchmarking – Executive Summary