



London Borough of Enfield

Report Title	Digital Services EUC (End User Computing)
Report to	Councillor Leaver
Date of Meeting	20/09/2023
Cabinet Member	Cabinet member for the finance and procurement
Executive Director / Director	Fay Hammond, Executive Director Resources/Paul Neville
Report Author	Martin Sanders Head of Service Management and Governance
Ward(s) affected	All
Key Decision Number	KD5579
Classification	Part 1

Purpose of Report

1. The End User Computing (EUC) programme seeks to replace and upgrade digital devices (laptops, tablets and mobile phones) to ensure that all staff have the right digital devices to support their work delivering services across locations

Recommendations

This report is seeking approval to:

- a. Draw down £2.8m of the £7.4m EUC project budget to support the first year's procurement of digital devices (replacing the oldest devices which no longer have a useful life) and associated implementation services. Further request(s) for approval will be brought forward as needed.
- b. Delegate authority to the Executive Director Resources, in consultation with the Cabinet Member for Finance and Procurement, for the award of associated contracts to the suppliers of devices and associated services.
- c. Undertake the delivery detailed in Appendix A .

Background and Options

2. To set out the broader context to the investment required to support the EUC and smart mobile devices programme:
3. A Modern Council-Digital Business Portfolio Update" (KD5573) sets out the overall Digital Transformation portfolio approved by Cabinet in January. This programme was included as part of that approved portfolio.
4. We expect to reduce the current estate of over 7,000 devices (laptops, mobile phones and tablets) by 20% and around 30% of the remainder will be replaced by the end of the first year through the funding in this request.
5. The overall cost of the programme going forward is £7.4m (£7.9m when including initial spend to set up the programme) which includes the purchasing of devices and the costs of implementation for all devices that need to be replaced over two or more years. The split is £5m for laptops and £2.8m for phones and tablets.
6. The LBE Digital Strategy (10 Years) was agreed in November 2020 and was launched to ensure that all staff have the right digital devices to support their work delivering services across locations. Due to the rapid changes in technology, needs of services, as well as growing and changing cyber threats, we would expect to see a replacement of devices every four to five years.
7. The current mobile devices and software to manage them have critical issues to address:
 - Majority (over 80%) of the mobile phones are either end of life and due for replacement or will become obsolete as older technology (2G and 3G) is switched off at the end of 2023. There is no warranty on any of the current mobile phones. There are 65 variants of mobile phone which is very complex to manage.
 - Enfield has two sets of software to manage the mobile phones (Mobile Device Managers - MDMs). The software needs to be reconfigured, but

the IT team do not have the skills for this. The software which manages user's identity (Active Directory) requires a considerable clean up to allow mobile phones to be managed properly

- The SIM contract needs to be brought under control as soon as possible as the number of SIMs has been poorly maintained

The EUC programme resolves all the issues detailed above, through:

- Replacing devices
- Replacing / upgrading software to manage devices
- Putting in place a new operating model including a managed service
- Cleaning up Active Directory
- Moving to a new SIM contract which will provide better control and save money

Contract Description	2023	2024	2025	Total
End User Compute	£1,140,000	£1,740,000	£468,000	£3,348,000
Extended Warranties	£172,500	£262,500	£82,500	£517,500
Smart Mobile Device	£758,000	£490,000	£246,200	£1,494,200
Extended Warranties	£34,386	£58,226	£69,876	£162,488
Managed Service	£200,000	£300,000	£300,000	£800,000
Resource Cost	£250,680	£223,700	£200,000	£674,380
Risk Sum	£250,000	£150,000	£53,400	£453,400
	£2,805,566	£3,224,426	£1,419,976	£7,449,968

Main Considerations for the Council

8. The EUC programme supports our key statutory services and digitalisation requirements to keep everyone working effectively. An alternative to this programme would be to deal with device issues in a piecemeal manner. Clearly, this would not deal with the issues detailed above. Not supporting this programme would impact the ability of officer to deliver their roles.

Risks that may arise if the proposed decision and related work is not taken

9. The primary risk is that currently, staff have devices that become out of date and unable to run latest software or cannot be repaired and is more at risk of cyber-attack.
10. The other key risk is that the majority of Enfield current laptops and tablets no longer have a cost-effective warranty meaning repairs are costly and not always possible. This translates a continuation of the general degradation in effectiveness of the technology being used to deliver the council services to residents.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks.

11. The key risk is that devices are not rolled out in line with the programme delivery dates or that staff still insist on multiple devices per person resulting in a digital estate using different devices and making the support more difficult and costly. Mitigation to this is that this is delivered as a single programme supported by Executive Management Team that ensures staff have a single device from the reduced catalogue.
12. A key risk of doing this on a year-by-year basis is that not all staff will have the latest devices replaced if we stop after one year. This is mitigated by reviewing after the first year of the plan, which will focus on the prioritised areas already agreed.
13. There is a risk that the final security platform will not be fully functioning until all devices are refreshed and dual running of current and future platform will be required. This will be mitigated through the agreed refresh rollout of devices.
14. The devices will be procured using compliant frameworks which are currently expected to end in 2026 and estimated pricing is based on that. This is mitigated as they are consumption-based frameworks, so there is a no long-term commitment.

Preferred Option and Reasons For Preferred Option

Options Considered

15. Do Nothing – there are 75% of devices were of warranty at the end of September 2022 and another 10% at the end of March 2023. This is leaving the council at risk of staff and services being unable to operate.

Conclusions

16. This change is needed as the consequences of doing nothing will mean that devices will fall into disrepair. This is already having a direct impact on the support provided and therefore impacts on a cost-effective service to staff and therefore residents.
17. By taking an approach of commencing the first year of the programme and then reviewing the position, this ensures that the council is not committing to the full cost of the programme and the borrowing that would be required beyond Year 1. Our contractual position would support this.

Relevance to Council Plans and Strategies

18. This provides the equipment for all staff to use to deliver services, so covers all aspects of the council plan.

Financial Implications

19. The purpose of this report is to seek the approval of £2.8m from the £7.4m EUC project budget.

20. This will be funded from borrowing and will result in a total cost of £3.257m, including the financing cost.

21. The £2.8m capital expenditure will be funded from the £7.5m Digital Service Investment Capital Programme budget in 23/24 previously agreed by Council on the 8th February 2023.

Description	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Spend										
Active Directory redesign & Operating system Workstream (Item 1)	450									
Smart Mobile Devices (Line 2)	750									
Service Wrapper, airtime transition & Resource costs (Item3)	430									
Hardware Replacement & End User Computing (Item 4)	1,200									
Total Capital Cost	2,830									
Financing cost										
MRP (Item 1)		56	56	56	56	56	56	56	56	450
Interest rate 5.36% (Reducing balance) (Item 1)		24	21	18	15	12	9	6	3	109
MRP - Item 2,3,4		595	595	595	595					2,380
Interest rate 5.36% (Reducing balance) (Item 2,3,4)		128	96	64	32					319
Total Financing cost		803	768	733	698	68	65	62	59	3,257

22. The cumulative interest cost on the investment of £2.8m on this project is £0.43m.

23. The known revenue implication of this investment is £3.257m. £2.8m of minimum revenue provision and £0.43m of interest cost.

24. The managed services cover two specific requirements for mobile devices, the license cost for the security platform which is a one-off cost and such licences are transferable as assets. The second element is the service support cost which will have an on-going revenue implication, the level of which will reflect the volume of devices deployed. The breakdown of the costs will be reflected in the contract award DARs for EUC (EA21) and Smart

Mobile devices. Any revenue impact will be funded from the Digital Services contract budget of £6.6m on FG0227.

Legal Implications

25. The Council, under s.111 Local Government Act 1972, has the power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The Council also has a general power of competence under s.1(1) Localism Act 2011 to do anything that individuals generally may do, provided it is not prohibited by legislation and subject to Public Law principles. The purchase of devices and services in order to support Council officers in carrying out the Council's functions is in accordance with these powers.
26. The procurement of the devices and services detailed in this report must be carried out in accordance with the Council's Contract Procedure Rules and, where applicable, the Public Contract Regulations 2015. This report refers to the use of framework agreements, which represent a compliant route to market provided that due diligence is carried out by Procurement colleagues into the relevant frameworks, and officers comply with the terms and conditions of such frameworks when awarding contracts under them.
27. Any contracts entered into as a result of the proposals within this report must be in a form approved by Legal Services on behalf of the Director of Law and Governance

Equalities Implications

28. The impact will be the same for all staff as the technology will be a new version of what they currently use. All accessibility options will be improved as standard and tailored by technical configuration as required to individual needs.

All staff will be impacted in some way by the change in devices but this will be addressed through effective change management, the use of User Champions, training, improved accessibility and improved skills in the technical support teams.

Environmental and Climate Change Implications

29. All new devices procured will follow the council's sustainability and ethical standards including reviewing social value.

Digital Implications

30. The hardware platforms and operating systems covered by these contracts are critical key hardware and software platforms for the council, and without them council colleagues would have to revert to paper-based working. By having a long-term agreement, this will enable the service to have a strategic

contract that aligns with key performance targets, control of running costs, improved performance and response times and better supplier relationship and support both for delivery of day-to-day services, but also to contribute to delivery of new innovative projects.

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Appendices

Appendix A

Background Papers

None

Appendix A

- a. Refresh laptops, tablets and mobile phones which are now out of warranty or coming to the end of life. This includes where they can no longer operate latest software or operating systems or can no longer be repaired.
- b. **New Mobile Device Management (MDM) security platform and Managed Service wrap** which will be delivered directly as a software service through the supplier working with our Digital Services support teams.
- c. **DS Business as Usual (BAU):** Just-in-time service support enables Enfield to have the minimum level of stock available for immediate access when required – this will ensure that devices needed at short notice are available and running the most up to date software to ensure service provision is not interrupted.
- d. **Recycling and Disposal of old equipment:** This will follow the council's core ethical and sustainability policies to ensure that these are recycled into the community where possible or disposed of securely. Options at looking at selling these will also be considered.
- e. **Programme and Project Team:** This team will be made up of Digital experts and external suppliers to ensure that the programme is delivered efficiently on time and within budget.
- f. **Reduced Catalogue:** Reducing the number of variant hardware devices that are current supported. In EUC this equates to **34 variants to 5** and SMD from **65 variants down to 3**.
- g. **Warranty:** We will be purchasing the plus 1-year extended warranty on all devices in line with Enfield current approach.
- h. **Security Gaps:** Security gaps closed through updated operational routines, Active Directory redesign, effective system updates and use of Mobile Device Management (systems).
- i. **Resident Impact:** By ensuring that staff delivering services, including front line services have modern, secure hardware this provides opportunities for services to look at operational changes and efficiencies. For instance, staff that visit external premises will be able to attend job without the need to return to the office for updates after each visit.