

To receive an IT report and consider any actions and associated expenditure

Information for the year **2022/23**:

1. P&F IT/Office Costs				
Nominal Code	Budget 2022/23	Virements	Total Budget	Precept 2023/24
6300 Telephone	£2,425		£2,425	£ 2,670
6301 Stationary	£4,312		£4,312	£ 4,748
6302 Office and IT Equipment	£7,008		£7,008	£ 7,716
6303 Copier Maintenance	£5,499		£5,499	£ 6,054
6304 Broadband	£496		£496	£ 546
6305 Finance Software	£3,435	£4,750	£8,185	£ 3,782
6306 IT Maintenance	£9,825	£4,900	£14,725	£ 14,484
TOTALS	£33,000	£9,650	£42,650	£ 40,000

P&F IT / Office Cost (Merged Budget Codes 6300-6306 as Above).

IT Maintenance costs (IT Consultant cost)

- per month for the year 2022/23: £957.30 +vat
- annual for the year 2022/23: £11,487.60+v

Increased Cost for the year 2023/24:

The IT Consultant has confirmed there is an increase in cost for the year 2023/24. At this stage the increase looks to be as follows, however, there is a possibility that a further **increase** could be received:

STAFF INCREASED COST:

Item	Monthly increase per item per month	Annual increase per item per month	Total in use	Total Annual Cost
Duo Security	48p	£5.76	13	£74.88+v
Office 365 License	£2.66	£31.92	13	£414.96+v
BD Antivirus Services	32p	£3.84	19	£72.96+v
TOTAL STAFF MONTHLY COST INCREASE: £46.90+v				
TOTAL STAFF ANNUAL COST INCREASE: £562.80+v				

Councillors increased cost:

Item	Monthly increase per item per month	Annual increase per item per month	Total in use	Total Annual Cost
Office 365 License	£2.66	£31.92	16	£510.72+vat
BD Antivirus Services	32p	£3.84	16	£61.44+vat
TOTAL MONTHLY COST INCREASE: £47.68+vat				
TOTAL ANNUAL COST INCREASE: £572.16+vat				

IT proposal received from the Town Council IT Consultant:

1. Security / Password Admin

IT Consultant confirmed: *'We can move the authentication from the server to 365, but at the same time we need to consider device security. To ensure this is good, we'd look at implementing Encryption and DUO MFA on all laptops.'*

The encryption is non-intrusive, as it sits in the background, and only becomes an issue if someone tries to steal the hard drive. DUO MFA – You're already using this on your remote access, but with the move of your files to the cloud, it makes sense to protect the mobile device at logon level. This can be done with your existing key-fobs, or the preferred and quicker way is with the free to download APP.'

Current DUO holders and 365 License Holders:

Town Clerk
Assistant Town Clerk
Finance Officer (Currently assigned to HRSC)
Community Hub Team Leader
Assistant Service Delivery Manager
Administration Officer
Planning & General Administrator
Finance Assistant
Senior Policy & Data Compliance Officer
Mayors Secretary / Receptionist
Administration Assistant
Service Delivery Manager
Finance Consultant (Temporary)

Members' laptops would require having the DUO MFA installed.

Item	Monthly cost increase per item	Annual cost increase per item	Total in use
DUO Security	£5.33	£63.96	16
TOTAL ANNUAL COST INCREASE: £1,023.36+vat			

Advice received following Data Protection Training from consultants Breakthrough Communications is that of a strong recommendation that from the inception of the new Council (following the elections in 2025) the plan should be that all Members are issued with a Council IT device including Office 365 as standard procedure. The current approach to taking up a device being optional is not ideal as it can increase the risk to the Town Council of data breaches, non-compliance and the management of subject access requests is also compromised.

2. Network Control

IT Consultant confirmed - *'This is purely a background task of us moving some policies from the server to the 365 Cloud, and at the Guildhall, replacing the router/firewall for something more substantial.'* **Total Cost: £480+vat.**

3. File Storage

IT Consultant confirmed - *'Moving all your files from the local server to 365 SharePoint. This is the largest of the tasks, and has to be planned to have minimal impact on users. There are two stages to this:*

Stage 1 - move all the Common/server directories to the cloud.

Stage 2- move users personal documents to the cloud, and remove connection to the local server.

Looking at this, it's around 3-4 days of background work to move the files, and 2-3 days of on-site work to re-configure the laptops and pc's. So, in the region of £3,500. Once this is completed, we can then break the link between the server and 365, which will allow self-service password resets.' **Anticipated Total Cost: £3,500+vat**

Town Council Resolution

At the P&F meeting held on 01.01.22 it was agreed to:

Minute number 143/21/22 - To delegate authority to the Acting Town Clerk up to an expenditure limit of £1,000 to further progress additional IT projects, including the use of SharePoint which will require additional training for staff and Councillors as required.

4. Remote File Access

IT Consultant confirmed - *'Once the file move above is done, there is then no-need for remote file access, as everything will be available via the cloud/staff laptops.'*

Town Council Information:

DUO Security is still required – it provides an additional layer of security when connecting to the server using a laptop and working in remote locations such as the Library and Longstone. The IT Consultant advises the Town Council to continue to use this system. Associated costs have already been provided.

5. Modern.gov Hosting

IT Consultant confirmed - *'TBD – Dawn, if you could contact your Civica account manager and explore having them host Modern.gov please, we can work from there.'*

Town Council Information:

The Administration Department sought costs from Modern.gov for hosting.

Further discussions were held with the Town Council's IT Consultant with three options identified for Members consideration:

Option 1: Modern.gov hosting Solution

Option 2: External cloud hosting

Option 3: Local Server

OPTION 1: Modern.gov Hosting Solution

IT Consultant confirmed - *circa £8k setup + £800 month – This is very expensive, but does achieve what we'd like for STC – Cloud based operations.*

Please note: CIVICA have offered a 10% discount for associated transferring and hosting costs. Purchase orders will need to be submitted by 30th June 2023 in order to be eligible for these savings. These costs have been included in the report in red.

Move to Hosting Quote		
Modern.Gov Hosting Solution (100GB)	£6,060 p.a.	After discount until 30 th June 2023 £5,454 p.a.
Data Transfer costs		
If data less than 150Gb:	£0 if electronic data transfer (please allow £200 if Civica need to supply a storage device)	
Initial transfer for Test (not time critical - no downtime)	2 days set-up blank system, plus 1.5 days transfer: £5,246.50 (3.5 x £1,499)	
Live Transfer for Go-Live:	No cost for disk (send same back) Final Data transfer from Civica servers (1 x day): £1,499 Re-transfer, check data and go live (1 x day): £1,499 5.5 days @£1,499 Total: £8,244.50	Day Rate reduced to £950 per day 5 days @ £950 Total: £5,225
TOTAL		
Year 1	£14,304.50 (+VAT)	£10,679.00+vat
Year 2 onwards	£6,060 (+VAT) (Annual costs increase in line with RPI)	£5,454+vat

Civica provides cloud-based hosting solutions as detailed above.

The total costs shown below are inclusive of the complete transfer of all Town Council data stored on the in-house Modern.gov server.

Type of Cost	Cost For	Total Cost
Capital Cost	Transfer of Existing Data to Modern.gov cloud (as detailed above)	£8,244.50+vat £5,225.00+vat
Annual Cost	Modern.gov Hosting (Increases in line with RPI)	£6,060.00+vat £5,454.00+vat
Monthly Cost	Monthly cost for hosting (For Members information)	£505.00+vat £454.50+vat
<p>Option 1 Total Capital Cost: £8,244.50+vat After Discounted Cost: £5,225.00+vat Option 1 Total Annual Cost: £6,060.00+vat After Discounted Cost: £5,454.00+vat</p>		

OPTION 2: External Hosting Solution

The Town Council's IT Consultant sought an alternative quote from a third-party provider for hosting the Modern.gov server. This offers a comparative quote for Members consideration.

IT Consultant confirmed – *'SoS Hosting – This is our recommended option for you, in terms of cost/reliability, and functionality.'*

We've leveraged some of our contacts over the last few weeks and have finally got a potential solution for hosting your Modern Server.

We went to several partners in total (ANS, 1and1, Hyve), most of which were unable to help, but a local hosting company in Plymouth was able to help us with a customised solution through our partnership with them.

The server is UK based, and data is kept in the UK, which ticks those GDPR boxes. This will give the same benefits of the Civica solution, but without the £8k on-boarding and £10/year running costs.

Cost:

On-boarding and data transfer from existing server - £1,500 (downtime expected to be around 24 hours while data transfer takes place)

Monthly costs - £285+vat (based on annual payments), it's slightly more to pay over 12 months – approx. £312/month'.

Type of Cost	Cost For	Total Cost
Capital Cost	On-boarding and data transfer from existing server (as detailed above)	£1,500.00+vat
Annual Cost	Annual Hosting (If paid annually monthly cost breakdown equivalent to £285+vat)	£3,420.00+vat
Monthly Cost	Monthly cost for hosting (If paid monthly annual cost equates to £3,744+vat)	£312.00+vat
Option 2 Total Capital Cost: £1,500.00+vat Option 2 Total Annual Cost: £3,420.00+vat		

OPTION 3: Local Server

The option to replace the Town Council's current and existing server is not recommended by our IT Consultant. However, due diligence is advisable to be always actioned. Therefore, associated costs and works have been sought for Members information and consideration.

IT Consultant confirmed – ‘*Lastly, we've priced up a local server for you to replace the existing. This is NOT the route we suggest, as it still leaves you vulnerable to your internet connection/power issues/physically being stolen/water damaged etc*’.

The expenditure below is only a reflection of the costs charged by Modern.Gov to move the data for Issue Manager from one physical server to another:

Server Move quote	
Internal server move (3 days @ £1,499)	£4,497
Public server move (2.5 days @ £1,499)	£3,747.50
SQL database move (0.5 day @1,499)	£749.50
TOTAL (5.5 days @ £1,635.27)	£8,994

Prices are subject to change and quotes are valid for 30 days.

Type of Cost	Cost For	Total Cost
Capital Cost	Replacement physical server	£7,280+vat
Capital Cost	Installation	£2,000.00+vat
Capital Cost	Server move of Modern.Gov data only	£8,994.00+vat
Option 3 Total Capital Cost: £18,274.00+vat		

Budget Information:

The below offers clarity of all the associated costs contained within the IT Proposal received from the Town Council's IT Consultant, inclusive of increased charges for the year 2023/24.

Increased costs for IT Maintenance for 2023/24:

Staff:

Item	Annual Cost Increase
Duo Security	£74.88+vat
Office 365 Licenses	£414.96+vat
BD Antivirus Services	£72.96+vat
Total Increased Annual IT Maintenance Costs for Staff: £562.80+vat	

Total IT Maintenance costs per **month** for the year 2023/24: £1,004.20 +vat

Total **annual** costs based on this figure for the year 2023/24: £12,050.40+vat

Available Budget for IT Maintenance for the year 2023/24: £14,484.00

Councillors:

Item	Annual Cost Increase
Duo Security	£1,023.36+vat
Office 365 Licenses	£510.72+vat
BD Antivirus Services	£61.44+vat
Total Increased Annual IT Maintenance Costs for Councillors: £1,595.52+vat	

Current Annual Costs for the Provision of Councillor IT Maintenance: £3,379.20+vat

All 16 Members have Office 365 accounts. The costs were agreed to be allocated to budget code **PF EMF 6370 Computer Equipment Renewal** until 31st March 2023.

It has been identified that the annual cost for Councillors IT Provisions was **not** budgeted at Precept stage for the year 2023/24. Therefore, a virement from budget code **6370 PF EMF Computer Equipment Renewal to 6306 IT Maintenance** is required for the year 2023/24 for the provision of Councillor IT Maintenance:

6370 Available Budget: £11,675

Virement: £4,974.72+vat

Hosting Solutions:

Item	Option 1 Modern.gov	Option 2 External (SOS)	Option 3 Server
Network Control	£480.00	£480.00	N/A
File Storage <i>(This includes transfer of Town Council data to Office 365 cloud hosting - SharePoint)</i>	£3,500.00	£3,500.00	N/A
Data Transfer <i>(Storage and transfer of Issue Manager Data) (After Discount Costs)</i>	£14,403.50 £10,679.00	£4,920.00	£8,994.00
Server <i>(Inclusive of installation)</i>	N/A	N/A	£9,280.00
TOTAL <i>(After Discount Costs)</i>	£18,383.50+vat £14,659.00+vat	£8,900.00+vat	£18,274.00+vat

Please note the above costs are correct for the fiscal year 2023/24 and will therefore be subject to inflation for the year 2024/2025

Information:

The Town Council's IT Consultant has advised **not** to replace the server. Reasons for this include the following:

- *The server was purchased in 2016 and has software contained within from 2016. This software can become outdated and although the server has been supported for 6 years out of the expected 10, it is already apparent that the server is not running to the standards and capacity the Town Council Staff require to undertake work efficiently.*
- *The physical hardware contained within the server has support in place for 5 years and therefore is not currently supported.*
- *The server is a single point of failure and when appointing the Town Council's IT Consultant, it was with the view to move to the cloud at the earliest suitable opportunity.*

The Administration Department posed some questions to the IT Consultant on the work entailed in transferring the Town Council IT Operations to a cloud-based hosting solution. Please see questions and answers below:

1. Do SOS offer training for SharePoint or is this something we will require to undertake externally?
1A. We're happy to cover the basics with you, over what you can and can't do, and how to access. If you need in-depth training, then of course we'd always recommend a training course on that.
2. How will we manage minimal distribution? Is this work that will be done out of hours? Over a weekend?
2A. Disruption is minimal from the end-user side – there will be 1 day of disruption for users initially when they move over to the new shared files, and around an hour per user when changing their pc login to the new 365 Azure system.
3. What operational impact do we need to consider?
3A. We have 100% fallback in case of a "disaster". All local files are kept on the server until we're 100% sure the SharePoint move has worked, so it's very minimal.
4. Is there a timeline for moving to the cloud?
4A. Once approved, we would aim to have it done within around 6 weeks.
5. Any costs that we are not aware of?
5A. I don't think so at the moment!

There is a vast amount of information on the web in regard to an on-premises server v cloud hosting. Interesting reading and offers further clarity in the advantages and disadvantages of both options:

<https://www.parallels.com/blogs/ras/cloud-vs-server/#:~:text=When%20you%20use%20a%20cloud,outsourced%20to%20another%20IT%20provider.>

https://labforward.io/blog/cloud_server/

<https://www.microsoft.com/en-gb/microsoft-365/business-insights-ideas/resources/cloud-storage-vs-on-premises-servers>

Operational Impact:

Due to increased workloads and timescales of moving to the cloud the operational impact must be considered.

The Administration department posed their concerns to the IT Consultant and were advised:

We're a little worried about your server already, as it keeps on having "moments".

With that in mind, we're thinking that maybe we should get a copy of most of the data onto SharePoint (even if we're not using it), so if there were a disaster, we have a useable copy of the data there. We can schedule for it to be updated monthly. I'd be much happier this way, as would hate for you to have potentially a week or more of downtime if there was a hardware issue.

If it needs to be next year, then that's of course your decision, as we can't make you do it!! Timing wise though, we don't implement any projects over August – (mainly because I'm always away, and it allows all the engineers some downtime with their families) – so we could look at doing it in June/early July.

I will stress though, it's really not that much of a change from the existing way of working, and in a lot of cases will be easier. We've done much larger change overs than yours with minimal issues.

Recommendation from the IT Working Group:

1. To note there are sufficient funds to cover the increased cost for IT provisions for staff (Duo Security, Office 365 Licenses and BD Antivirus Services) for the year 2023/24;

Budget Code: 6306 IT Maintenance
Annual Cost 2023/24: £12,050.40+vat
Available Budget 2023/24: £14,484.00

2. To vire £4,974.72+vat (combination of Office 365, duo security and anti-virus costs - £1,595.52 + £3,379.20) from budget code 6370 PF EMF Computer Equipment Renewal to budget code 6306 IT Maintenance for **IT provisions for Members** for the year 2023/24;

Budget Code: 6370 PF EMF Computer Equipment Renewal
Annual Cost 2023/24: £4,974.72+vat
Available Balance 2023/24: £11,675

3. To recommend to Full Council to approve **Option 2** - External Cloud based hosting solutions provided by the IT Consultant, inclusive of Network Control, Office365 Cloud File Storage (SharePoint), Town Council Data Transfer, Modern.Gov Data Transfer and Annual Cloud Hosting at a total cost of **£8,900.00+vat** (subject to inflation) to **Precept** for the year **2024/2025**;
4. The IT Consultant be appointed to copy Town Council data onto the Office 365 Cloud as soon as feasibly possible **at no cost to the Town Council at this stage**, with the complete transfer of all Town Council data to the Office 365 Cloud to be actioned in **June 2024** to allow sufficient internal preparations and training.

Point 4 is based on the Town Council **approving point 3** at which point the IT Consultant would be paid.

End of Report
Administration Officer