



Item: 3

Asset Management Sub-committee: 25 March 2025.

Information Technology Capital Replacement Programme.

Report by Corporate Director for Neighbourhood Services and Infrastructure.

1. Overview

- 1.1. In April 2014, the Council agreed that an annual amount of £420,000 should be allocated to support a programme of IT Replacement. This covers devices across all Council services, and the infrastructure hardware used to deliver the services that all staff are increasingly dependent upon. This includes servers, end-user devices, fixed-wireless network links, secure gateways, phone systems, data storage and backup systems. It also includes server, laptop and desktop PC assets purchased by other services, but does not include other technology such as plant and machinery or control systems.
- 1.2. At its meeting held on 18 June 2024, when considering a review of top-sliced asset replacement programmes, the Policy and Resources Committee recommended, inter alia, that for each of financial years 2025/26, 2026/27 and 2027/28, the Information Technology Capital Replacement Programme be allocated £600,000.
- 1.3. As detailed in the Information and Communications Technology Asset Management Plan, the replacement value of the Council's tangible information technology assets was valued at £6,101,500. If the asset replacement programme assumed that 20% of the assets should be replaced every year, the budget required would be in the region of £1,220,000.
- 1.4. As technology evolves and the Council becomes ever more reliant on information technology, it is important that the replacement programme is sufficient to ensure service continuity and resilience. Maintaining the information technology estate to ensure that it is current, supported, and reliable with the capacity to meet the continuous growth in demand is fundamental to delivering ongoing services effectively and efficiently.
- 1.5. It is relevant to note the cyber security obligations that the Council must maintain an information technology infrastructure that remains "in support" with the vendor and replace technology once a manufacturer declares technology at "end of support".

1.6. Whilst there have been considerable changes to the delivery of many services via the use of cloud services, the majority of the information technology asset base is still delivered “on premise” and therefore maintaining the continuity, capacity, currency and resilience of these remains a priority. These include:

- Equipment and technology used in server room locations and Microsoft Cloud Environment in which the IT systems are housed.
- The physical and virtual servers on which IT systems run.
- The data storage systems and backup facilities on which the Council’s data is held.
- The Security Gateways that protect the Council’s networks and permits secure access to the Internet.
- The Wide Area Network communications links which connect Council sites to one another and to the Internet.
- The Local Area Network and Wi-Fi infrastructure within Council premises.
- The desktop and laptop end-user devices across the Council Offices and schools used by Council staff, teachers and pupils, including interactive displays.
- The telephone systems used across the Council and Schools.

2. Recommendations

2.1. It is recommended that members of the Sub-committee:

- i. Approve the Information Technology Capital Replacement Programme for 2025/26, together with the indicative programme for 2026/27, attached as Appendices 1 and 2 respectively to this report, to be funded from the allocation of £600,000 per annum within the Council’s current approved capital programme.
- ii. Delegate powers to the Corporate Director for Neighbourhood Services and Infrastructure, in consultation with the Head of Finance, to adjust the two-year programme, referred to above, as variations arise in order to maximise use of the annual capital allocation.

3. Capital Replacement Programme

3.1. The proposed Information Technology Capital Replacement Programme for 2025/26, together with the indicative programme for 2026/27, are attached at Appendices 1 and 2 respectively.

- 3.2. With regard to Datacentre Replacements, the Council has two main datacentre rooms, plus a disaster recovery datacentre, additional network distribution rooms, network rooms and cabinets across Council premises. In these are IT communications cabinets, server racks plus cable management, uninterruptable power supplies (backup batteries) and, in the case of larger sites, environmental monitoring and remote management links which allow the sites to be monitored and supported remotely.
- 3.3. The server budget covers the replacement of servers that are end of support lifetime and cannot viably be replaced with cloud alternatives.
- 3.4. The data backup infrastructure is constantly in need of renewal as older storage arrays require expansion or retirement, particularly in schools.
- 3.5. The Local Area Network Infrastructure budget covers the ongoing replacement of Wi-Fi controllers, additional compatible wireless access points and also the network switches that support all of the network traffic across the Council's technology estate. This is particularly relevant in relation to the transition to digital phone systems and SWAN2, where new networking infrastructure will be required. Over the financial year 2026/27 the core network devices in the main datacentre will be due for replacement.
- 3.6. Of the Security Gateways which protect the Council's networks and permit secure access to the Internet and cloud hosted systems, over 2025/26 the Web Filtering system will be replaced with new infrastructure enabling web filtering to be additionally available for remote workers as well as continuing the current protection to the Council's premises. This will ensure that the protection of Council devices is consistent regardless of location.
- 3.7. The Council's Wide Area Network connects many of the Council premises securely via fixed wireless links to the main mast infrastructure. Links are being targeted for replacement due to age and latency issues. However, it should be noted that this infrastructure is particularly vulnerable to the weather and therefore the potential impact of weather may arise unexpectedly.
- 3.8. A high priority is ensuring the estate of PC laptops and desktops is kept up to date. The particular focus over 2025/26 will be the continued rollout of Windows 11 devices to both the corporate and the school's estates. Windows 10 will cease to be supported with necessary security updates in October 2025. IT will therefore continue to replace the older devices with new and rebuild the later models from Windows 10 to Windows 11.

- 3.9. Due to the BT analogue switch off, IT will continue to prioritise the retirement of Council standalone phone systems which are present on many Council locations, including schools. IT will be purchasing additional communications infrastructure and linking them to the Council Avaya phone system, which will reduce operating costs by removing or reducing landlines and routing calls via secure Internet connectivity.

For Further Information please contact:

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Implications of Report

1. Financial:

The capital programme includes an approved provision of £600,000 in financial years 2025/26 to 2027/28 in respect of the Information Technology Capital Replacement Programme.

The overall budget for annual improvement and replacement programmes is normally funded by a top slice from the General Capital Grant, however, the 3-year increase referred to at paragraph 1.2. above will exceed the total grant funding and will require the excess to be funded by prudential borrowings from the Loans Fund.

- 2. Legal** – Regularly monitoring and updating the IT Capital Replacement Programme helps the Council to meet its statutory obligation to secure best value.
- 3. Corporate Governance** – In terms of the Scheme of Administration, the establishment and review of the annual information and communication technology capital replacement programme, funded through the approved Capital Programme, is delegated to the Asset Management Sub-committee.
- 4. Human Resources** – None directly relating to the recommendations in this report.
- 5. Equalities** – An Equality Impact Assessment is not required.
- 6. Island Communities Impact** – An Island Communities Impact Assessment is not required.
- 7. Links to Council Plan** – The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:
- Growing our economy.
 - Strengthening our communities.
 - Developing our Infrastructure.
 - Transforming our Council.

- 8. Links to Local Outcomes Improvement Plan** – The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:
- Cost of Living.
 - Sustainable Development.
 - Local Equality.
 - Improving Population Health.
- 9. Environmental and Climate Risk** – None directly related to the recommendations in this report.
- 10. Risk** – None directly related to the recommendations in this report.
- 11. Procurement** – None directly related to the recommendations in this report.
- 12. Health and Safety** – None directly related to the recommendations in this report.
- 13. Property and Assets** – None directly related to the recommendations in this report.
- 14. Information Technology** – A well-maintained IT system, incorporating latest hardware and software updates, will assist the Council in delivering its priorities, as outlined in the Council Delivery Plan.
- 15. Cost of Living** – None directly related to the recommendations in this report.

List of Background Papers

None.

Appendices

Appendix 1: IT Replacement Programme 2025 to 2026

Appendix 2: IT Indicative Replacement Programme 2026 to 2027

Information Technology Replacement Programme 2025/26

Asset Group	Project	Reason.	Sub Total.	Total.
Datacentre Replacement	Server Room Replacement	Replacement of Server and Network Room Equipment including UPS (backup power), Remote Management, Monitoring and Access Controls. Improved UPS is required at all sites to ensure resilience for new digital phone systems.	£45,000	£45,000
Server Replacements	Replacement of servers that are end-of-life.	Replacement of the servers that are at end of operational lifetime and reaching or beyond vendor support.	£25,000	£45,000
	Replacement of Storage and Backup Infrastructure	Replacement of storage that is approaching capacity and enhance the resilience of data backups.	£20,000	
Local Area Network Replacement	Wi-Fi Modernisation	Renew and improve Wi-Fi systems to maintain capacity and currency of support, replacing end of life equipment.	£30,000	£60,000
	Replacement of Network Switches	Replacement of Network Switches that are end of support.	£30,000	
Security Gateways	Proxy/Firewall Replacements	The present web filtering system is end of life and requires replacement. This is an opportunity to ensure devices used remotely benefit from filtering and improved security protection. Included in this new system are corporate, remote/home working and school devices.	£200,000	£200,000
Telephony	Analogue to Digital switchover	Replacement of voice infrastructure requiring replacement as part of the analogue switch off in Council sites, extending the Council's core switchboard via updated equipment to Council and School sites.	£65,000	£65,000
Wide Area Network Replacement	Replacement of End of Life and Poor Performing Radio Wireless and Microwave Mast Equipment	To replace core WAN WIFI equipment to ensure connectivity between our main mast sites and care homes and schools.	£65,000	£65,000

Asset Group	Project	Reason.	Sub Total.	Total.
Device Replacement	Replacement of end User Devices (Corporate).	To replace end of life end-user devices in Council Offices.	£35,000	£90,000
	Replacement of end User Devices (Schools).	To replace end of life end-user devices in Schools.	£55,000	
Other	Failures and Emergency Replacements of Capital Equipment.	Allocation to replace failures not covered by repairs, and any systems that fail security audit requirements.	£30,000	£30,000
			Total	£600,000

Information Technology Indicative Replacement Programme 2026/27

Asset Group	Project	Reason.	Sub Total.	Total.
Datacentre Replacement	Server Room Replacement	Replacement of Server and Network Room Equipment including UPS (backup power), Remote Management, Monitoring and Access Controls. Improved UPS is required at all sites to ensure resilience for new digital phone systems.	£45,000	£45,000
Server Replacements	Replacement of servers that are end-of-life.	Replacement of the servers that are at end of operational lifetime and reaching or beyond vendor support.	£25,000	£75,000
	Replacement of Storage and Backup Infrastructure	Replacement of storage that is approaching capacity and enhance the resilience of data backups.	£50,000	
Local Area Network Replacement	Wi-Fi Modernisation	Renew and improve Wi-Fi systems to maintain capacity and currency of support, replacing end of life equipment.	£20,000	£90,000
	Replacement of Network Switches	Replacement of network switches that are end of support. Ensuring devices are in current support is an essential objective in maintaining Public Sector Network Accreditation in line with the Public Sector Action Plan, this will include the replacement of core datacentre networking switchgear.	£70,000	
Security Gateways	Proxy/Firewall Replacements	Main perimeter SWAN Pathfinder router will require upgrading	£80,000	£80,000
Telephony	Analogue to Digital switchover	To complete replacement of voice infrastructure requiring replacement as part of the analogue switch off in Council sites, extending the Council's core switchboard via updated equipment to Council and School sites.	£65,000	£65,000
Wide Area Network Replacement	Replacement of End of Life and Poor Performing Radio Wireless and Microwave Mast Equipment	To replace core WAN WIFI equipment to ensure connectivity between our main mast sites and care homes.	£65,000	£65,000

Asset Group	Project	Reason.	Sub Total.	Total.
Device Replacement	Replacement of end User Devices (Corporate).	To replace end of life end-user devices in Council Offices.	£60,000	£130,000
	Replacement of end User Devices (Schools).	To replace end of life end-user devices in Schools.	£70,000	
Other	Failures and Emergency Replacements of Capital Equipment.	Allocation to replace failures not covered by repairs, and any systems that fail security audit requirements. Particularly WAN wireless	£50,000	£50,000
			Total	£600,000