

To: POLICY & RESOURCES (FINANCE AND CUSTOMER SERVICES) SUB-COMMITTEE	Subject: UPDATE ON SCOTTISH WIDE AREA NETWORK (SWAN)	
From: HEAD OF E-GOVERNMENT AND SERVICE DEVELOPMENT		
Date: 30 th October 2014	Ref: IMcK/BT	

1. Purpose of the Report

- 1.1 The purpose of this report is to provide committee with an update on negotiations regarding the Council's migration to the national SWAN contract and to seek approval to proceed with the migration, subject to final due diligence regarding the technical functionality of the solution.

2. Background

Scottish Wide Area Network

- 2.1 The SWAN Programme is a Scottish Government initiative which forms a major component of the Digital Public Services Strategy (DPSS) which will deliver a single, secure public services communications network available for the use of any, and potentially all, public service organisations within Scotland, with aggregated demand delivering both cost and performance advantages. SWAN is aligned with the McClelland Review of Scottish Public Sector ICT Infrastructure, taking forward its recommendations on public sector collaborative procurement, aggregation of network demand and use of common standards.
- 2.2 The initial phase of the programme will deliver services to NHS Scotland, Education Scotland, Pathfinder North (a consortium that comprises the Highland Council, Argyle and Bute Council, Orkney Island Council, Moray Council and Comhairle nan Eilean Siar) and Pathfinder South (a consortium that comprises Dumfries and Galloway Council and The Borders Council).
- 2.3 The award of the SWAN contract was delayed due to a legal challenge to the procurement process, however in February 2014 Capita were announced as the successful bidder.
- 2.4 The Council's current Wide Area Network Services are provided via a contract with Virgin Media Business (VMB) and, as previously reported to this committee on 10 September 2014, this contract has been extended by a further year until 30 June 2016 to allow negotiations regarding migration to the SWAN contract to be concluded.

3. Current Status of SWAN migration project

- 3.1 Elected Members will recall that, in the report to committee in September 2014, it was explained that initial pricing for the migration to the National SWAN contract was proving substantially more expensive than the Councils current VMB contract, and additionally would incur significant one-off implementation costs.

- 3.2 Officers were tasked with continuing negotiations with Capita and with NHS National Services Scotland (who own the overall SWAN contract on behalf of public sector bodies) and to report back to committee with a recommended way forward.
- 3.3 A number of workshops have now been held between the Council, Capita and NSS and there has been positive progress made, such that the Council would now anticipate that the migration to SWAN would be effectively cost neutral. Final details on the technical solution are still to be confirmed, but costs will be contained within the current budget of £3.2m over a 3 year period.
- 3.4 In migrating to SWAN it had been anticipated that the Council would derive an annual saving of approximately £200K. Whilst this will not now be realised, migration to SWAN is still recommended as the best value option for the Council as it provides the opportunity to access a range of value added services as the national contract develops. This could include hosted services such as email and, in addition, as more public sector organisations migrate to this national network, there are clear benefits to national initiatives such as Health and Social Care integration.
- 3.5 Due diligence needs to be completed and to this end further workshops have been planned to seek assurance that the underlying technical functionality of the SWAN infrastructure is sufficient to meet the Council's needs.
- 3.6 In conclusion, given the progress in securing a suitable financial agreement with Capita, EGASD can now recommend that the Council proceed with the intended migration to SWAN. Subject to the completion of final due diligence as outlined above, the migration would be completed by June 2016.

4. Recommendations

- 4.1 It is recommended that committee:
- Note the contents of this report;
 - Approve the migration of the Councils Wide Area network services to the national SWAN contract, subject to final technical due diligence being completed, with costs to be contained within the current budget of £3.2m over 3 years.



Head of E-Government & Service Development

Members seeking further information on the contents of this report are asked to contact Irene McKelvey, on tel. 01698 302532 or Brian Teaz on 01698 302264