

Year End
REPORT



30 June 2013

FINANCE AND SUPPORT
GROUP

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1 AUDIT, RISK AND ASSURANCE COMMITTEE

1.1 Department overview - ICT

ICT Summary

It has been yet another challenging year for the department with some major upgrades and projects and 2 key staff leaving just on year end:

The audit and review of our SAP licenses was completed with an increased base fee to ensure we have the flexibility in licenses required going forward.

The project to upgrade the business desktops to later versions of OS and MS Office progressed well, though ensuring compatibility with the more than 600 existing applications is proving challenging.

The High availability wide area network (HAWAN) project is progressing with Water with masks being built to accommodate the hardware. The water group are project managing this.

Progress is also being made on a region wide Light Detection And Ranging (LiDAR) flyover in conjunction with all the regions TLAs to refresh the GIS maps and provide the depth detail The data manipulation for this work is progressing.

The internal file servers were moved to the WCC computer room, and will be moved to a secure and externally hosted data centre in August. GWRC and WCC have collaborated well on this project.

Whilst 3G Data use overall has increased, since ICT have been publishing the numbers to respective GM's there has been a noticeable downward trend (see graph).

The Metlink Website is now being hosted by the developers of the software. This sits better with the architecture of the system and appears to have improved the performance and reliability of the site.

The SAP client licences have been reviewed and as well as more licences purchased (due to the growing number of staff), the type of licences have also been reviewed and realigned to better fit our current business processes.

HAWAN. As a part of our Business Continuity Plan, we have begun a region-wide High Availability Wide Area Network (HAWAN) project using a combination of wireless and microwave technologies. The intention is to increase the number of network paths that connect each of our individual sites. This would ensure that in the unlikely event that one of our network pathways went down; we would still have inter-connectivity and continue to be fully operational through the alternative network stream. Ideally the project would have included the needs of the public transport group, but the cost was not deemed a high enough priority at this time, alternatives with Kiwirail are being investigated.

There are on-going discussions with adding a separate dedicated service to link the Masterton office as part of the overall Business Continuity Plan.



Looking ahead

The relocation of the virtualised servers currently housed at WCC's data centre to the outsourced Revera Data centre in Trentham, scheduled for late June 2013. This is the 2nd stage of a 2 stage project.

WREMO. Currently working with the other regions councils in the ICT support of WREMO. Long term, need to ascertain their ICT system needs and resources, again, this is being done in collaboration with the other councils ICT departments.

Bio Security Mgmt System. A new Biodiversity project in partnership with the BOP Regional Council. It is anticipated that the original budget (\$200K split 50:50) will not be sufficient to complete the project. Will need to review and re-budget the project before proceeding further.

Mobile maps. Working with Eagle Technology our GIS software supplier in developing GIS maps for our handheld devices.

The call for iphones, ipads, smart portable devices in general and compatible applications continues to grow. This is a whole technology shift (vs Microsoft) for the ICT department; current resource demands on the ICT staff amount to approximately ½ FTE, though if current device numbers and types remain as is, we expect this to gradually reduce.

WiFi has been rolled out within the RCC. The other GW sites and selected railway stations are to be scoped. Once this has been completed and a business needs and a project scope have been confirmed we should be in a position to roll this out.

Shared services are progressing with the other councils in the region. A paper was presented to the CEO forum outlining shared service achievements and new initiatives. Examples of the shared service initiatives are:

- ▶ A Regional ICT Strategy, merging to common platforms over time
- ▶ A new EDRMS system
- ▶ Merging of Vodafone Accounts
- ▶ Moving GWRC Computer systems into either WCC computer room or CentrePort as an interim step before moving it in to a commercial data centre (see earlier comments).
- ▶ Expanding the councils city fibre network
- ▶ LiDAR Aerial mapping of the entire Wellington Region
- ▶ The release of Windows 8 and the associated tablets.

A ICT Shared Services Charter has been compiled by the group and is to be forwarded to the CEO forum for ratification.

ICT financial reports

ICT Department Financial Performance Statement Year ended 30 June 2013	YTD			Last Year YTD Actual \$000
	Actual \$000	Budget \$000	Variance \$000	
External Revenue	244	165	79	7
Investment Revenue	244	217	27	212
Internal Revenue	2,578	2,064	514	2,528
TOTAL INCOME	3,066	2,446	620	2,747
less:				
Personnel Costs	1,387	1,605	218	1,366
Materials,Supplies & Services	1,609	1,580	(29)	1,268
Travel & Transport Costs	6	8	2	5
Contractor & Consultants	191	282	91	191
Grants and Subsidies Expenditure	-	-	-	-
Internal Charges	265	264	(1)	288
Total Direct Expenditure	3,458	3,739	281	3,118
Financial Costs	58	81	23	11
Bad Debts	-	-	-	-
Corporate & Department Overheads	(957)	(957)	-	(1,045)
Depreciation	1,115	832	(283)	849
Loss / (Gain) on Sale of Assets / Investments	-	-	-	-
TOTAL EXPENDITURE	3,674	3,695	21	2,933
OPERATING SURPLUS / (DEFICIT)	(608)	(1,249)	641	(186)
Add Back Depreciation	1,115	832	283	849
Other Non Cash	-	-	-	-
Net Asset Acquisitions	(2,010)	(1,915)	(95)	(370)
Net External Investment Movements	-	-	-	-
NET FUNDING BEFORE DEBT & RESERVE MOVEMENTS	(1,503)	(2,332)	829	293
Debt Additions / (decrease)	1,047	1,915	(868)	99
Debt Repaid	(203)	(219)	16	(43)
Net Reserves (Increase) / decrease	659	637	22	(348)
NET FUNDING SURPLUS (DEFICIT)	-	1	(1)	1

ICT Department Capital Expenditure Statement Year ended 30 June 2013	YTD			Last Year YTD Actual \$000
	Actual \$000	Budget \$000	Variance \$000	
Total Asset Acquisitions	949	-	(949)	-
Capital Project Expenditure	1,062	1,915	853	370
Asset Disposal Cash Proceeds	-	-	-	-
Net Capital Expenditure	2,011	1,915	(96)	370
Investments Additions	-	-	-	-
NET CAPITAL AND INVESTMENT EXPENDITURE	2,011	1,915	(96)	370

ICT financial summary and variance analysis

Total Direct Expenditure for the ICT department is \$3,458k, which is \$281k less than the budget. Records management and Network Support both show savings in Personnel costs due to staff vacancies throughout the year.

Additional revenue and expenditure associated with the changes to the capital programme noted below. \$165k of both revenue and expenditure relate to the external components the LiDAR project.

Changes to projects include:

The earlier than expected need for a new back-up system, \$155,000

The refresh of the GIS Aerial Photography has now been expanded to include full copyright free LiDAR data. This has resulted in a \$1.2 million dollar project with recoveries being made from the Territorial Authorities. The full regional LiDAR data will be a great asset for the region, Greater Wellington Regional Council's increase share will be met from the ICT reserve.

HAWAN, brought forward some of the 2013/14 spend as the project has started earlier than planned; this project is a joint ICT and Water Supply. The cost to bring Transport on board has been seen the western side delayed for further review. This does not impact the current project other than spreading the costs to more groups.

The Portal upgrade project is postponed until further decisions about future delivery of services are made.

The top 12 projects

	Actual Full Year	Budget Full Year	Proposed 2013/14
1. Data back up system	154,775.16		
2. Relocate GW RCC Data Centre			
3. HAWAN	387,456		603,000
4. Wireless LAN at RCC (Wi-Fi)	57,334		
5. Contacts DB		200,000	
6. Ortho-photography and LiDAR	659,897	-	240,000
7. Firewalls upgrade			
8. Archived Emails accessible from remote devices i.e. tablets and smart phones			
9. Desk top upgrade & virtualisation	350,484	1,300,000	
10. Submissions Management System			
11. EDRMS (Hummingbird replacement)			
12. SAP enhancement EHP 6			50,000
Top Project total	1,609,946	1,500,000	893,000

ICT risk analysis

We have reviewed the risks relating to the ICT area and there are no material changes since the last review. The delivery of the new desktop thin or flat client has been delayed due to the work required with the move to CentrePort.

The shifting of the file servers in January was the first step in lowering the risk of building damage to the ICT infrastructure. The move to a dedicated data centre in August will greatly reduce the likely impact of a seismic, fire or other event.



greater WELLINGTON

REGIONAL COUNCIL

Te Pane Matua Taiao