REPORT TO: POLICY AND RESOURCES COMMITTEE – 24 NOVEMBER 2008

REPORT ON: E-MAIL AND E-CALENDAR REPLACEMENT

REPORT BY: HEAD OF INFORMATION TECHNOLOGY

REPORT NO: 533-2008

1   PURPOSE OF REPORT

1.1   To seek Committee approval to replace the current e-mail system with IBM Lotus/Domino e-mail system.

2   RECOMMENDATION

2.1   It is recommended that the Committee note and agree the contents of this report and instruct the Head of Information Technology to proceed with the purchase of the proposed e-mail system.

3   FINANCIAL IMPLICATIONS

3.1   The current Teamware product has an annual licence and support cost of £64,714 per annum. This is funded from the IT Division revenue budget.

3.2   The proposed IBM Lotus/Domino e-mail licence purchase and support for a full 5-year period is £230,742. This is an annual cost of £46,148.

3.2   The cost of the proposed IBM Lotus/Domino e-mail will be funded from the existing IT Division Revenue Budget.

3.3   Hardware platform costs have yet to be fully determined. These will be contained with IT Division Capital expenditure 2008/09.

4   BACKGROUND

4.1   Fujitsu Teamware Electronic Mail and Calendaring system has been in use since the inception of Dundee City Council in 1996.

4.2   There are approximately 5,000 users of the Council's corporate Teamware e-mail system. Teachers and pupils use a separate e-mail system which is provided as part of the National Schools Intranet program, known as GLOW.

4.3   Rapid and sustained developments in electronic communications over recent years have resulted in the Council's Teamware system becoming increasingly lacking when compared with leading communication and collaboration platforms.

4.4 Councillors and many employees have an increasing requirement to access e-mail and e-calendar from any location at any time using a variety of devices, whether mobile phone, PDA, laptop or home access out-with office hours.

4.5 The Council is continually investing in new technology to increase efficiency and effectiveness of the services it provides to its Citizens. Current developments include a Corporate Electronic Records and Document Management System (CeDRMS). Developments such as this, and the full integration of vendor provided applications require a fully-functional electronic mail and messaging system as part of the underpinning technical architecture. It is clear that the current functionality of the Teamware product will not allow the Council to maximise the benefits of such developments.

4.6 Discussions with Fujitsu Teamware suggest that their product will continue to lag behind the market leaders for the foreseeable future. The product has a very low market share in the United Kingdom and consequently does not increase functionality and compatibility at the same rate as higher market share products. There are concerns that the low, and reducing market share may lead to the product falling further behind market leading products and this inevitably leads to concerns over long-term viability of the product.

4.7 It should be noted at this stage that migrating a core system such as e-mail will be a resource intensive project which will require detailed planning and migration work both within the IT Division and with key staff in Council Departments.

5 BENEFITS OF CHANGE

5.1 Electronic mail, messaging and collaboration now form such an integral part of business management that the major vendors invest heavily in developments in this area. Adoption of a fully-functional platform will ensure that the Council will be in a position to benefit from any developments that take place in the electronic mail arena. The recommended proposal permits the Council to upgrade to latest versions of the software over the full 5-year timeframe. This will not incur additional licence costs.

5.2 Fully-functional mail solutions normally form part of a suite of components that provide solutions for a number of business processes. These components integrate to provide an environment which can be tailored to users' or departments' needs. The components sit on a shared platform which must be in place before any individual components are deployed.

5.3 The proposed platform not only includes core e-mail and e-calendar functionality, but also includes mobile capability, contacts management, to-do functionality, secure instant messaging and presence capability. This additional functionality (compared to the current system) will provide significant productivity benefit opportunities for the Council.

6   PROPOSAL

6.1   The proposed e-mail platform is the IBM Lotus/Domino e-mail Platform. The platform pricing has been obtained in accordance with the CATALIST national procurement scheme. This method of procurement was agreed by the Policy and Resources Committee (report number 900-2002).

6.2   The IBM platform has been recommended to Committee after an extensive evaluation of industry-leading platforms. Two platforms currently dominate the enterprise messaging market. They are Microsoft Outlook/Exchange and IBM Lotus/Domino.

6.3   A wider review of Open Source e-mail and hosted e-mail solutions concluded that both categories of e-mail services should be eliminated from consideration due to very significant risk.

6.4   Open source applications do not have the market-share of the two dominant systems noted above, and consequently the same organisational risks that are driving the current replacement would apply. These risks are future lack of product development and integration capabilities.

6.5   Hosted solutions were eliminated on the basis that the added risk of Council-wide confidential data being stored off-site could not be fully-mitigated. In the current environment, where there have been public concerns raised about sensitive and confidential data being misplaced, it was concluded that this option should not be pursued.

6.6   After investigation it was concluded that both the Microsoft and IBM offerings have the full messaging functionality that the Council require.

6.7   The decision to recommend IBM Lotus/Domino was then based on a full 5-year lifecycle cost of the Software purchase. As the IBM and Microsoft Licensing offerings are formulated differently, this requires further explanation below.

6.8   The IBM cost includes the 5-year cost of Licence purchase, unlimited support and the right to upgrade to the latest version over the 5-year timeframe. Beyond the 5-year time-frame the Council has a right to use, but not upgrade the software, unless a further support agreement was put in place. This cost is £230,742.

6.9   The Microsoft cost includes the licence purchase, right to upgrade over a three-year time frame and limited support. For years four and five, upgraded licences would need to be purchased or a further contract put in place to enable product upgrades. The cost is £277,340.

6.10   As can be seen from the above cost comparisons, the IBM offering represents the lower cost offering and it is a comprehensive, full 5-year Software cost. Additional Secure Instant Messaging functionality is also provided with the IBM offering.

6.11   Based on the above evaluation and information the IBM proposal is recommended for approval to the Committee.

7.0   POLICY IMPLICATIONS

7.1   This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Assessment. The major issues identified are:

i)   For the operation and maintenance of a wide range of I.T. equipment and support systems, consideration will be given in support of all service developments in line with the **Purchasing and Procurement** principles of the Sustainability Policy.

ii)   The impact of this policy will have the combined effect of reducing energy costs, life cycle costs and ensure sustainable recycling of equipment at end of useful life.

8.0   CONSULTATIONS

8.1   The Chief Executive, Depute Chief Executive (Support Services), Depute Chief Executive (Finance) and Head of Finance have been consulted.

9.0   BACKGROUND PAPERS

9.1   None

Ged Bell   Head of Information Technology   Date: 22 October 2008