CABINET

Report subject	**IT & Programmes Infrastructure Capital Investment Plan 2026–2032**
Meeting date	2 September 2026
Status	Public Report
Executive summary	This report seeks approval for a multi-year IT Infrastructure Capital Investment Plan to maintain, modernise and secure the Council's core digital infrastructure over the period 2026 to 2032. The Council's IT infrastructure and end-user devices underpin the delivery of all frontline, statutory and corporate services and support approximately 6,500 users across multiple sites. A significant proportion of the current estate is reaching, or has exceeded, its effective lifecycle. Without planned investment, the Council faces increasing cyber security risk, rising maintenance costs, reduced system performance and a higher likelihood of service disruption, impacting the delivery of critical services to residents. Three options have been considered: extending asset lifecycles further, increasing use of revenue-funded models or continuing a structured lifecycle-based capital investment approach. The first two options are deemed to either increase risk or are not viable given the remaining IT infrastructure requirements. The recommended option is to continue a lifecycle-based investment programme supported by capital funding, totalling £11.2 million over six years. This approach will ensure technology remains secure, supportable and aligned to service needs. Approval of this plan provides a stable, resilient and cost-effective foundation to support BCP Council's strategic objectives and ongoing delivery of reliable, resident-focused services
Recommendations	**It is RECOMMENDED that Cabinet:** **a) Approve delegated procurement authority to Director of IT & Programmes.** **b) Recommend to Audit and Governance Committee to recommend to council to approve prudential borrowing of £11.2m to support delivery of the programme over 6 years.**

	It is RECOMMENDED that Cabinet recommend to Council: **c) To approve the business case for the delivery of a multi-year IT Infrastructure Capital Investment Plan to maintain, modernise and continue to secure the Council's core digital infrastructure.** **d) To approve recommendation for capital budget allocation of £11.2m over the period 2026–2032 to fund core IT infrastructure and a rolling program of end-user laptop replacement.** **e) To prioritise MTFP growth of £2.8 million over 6 years to fund the prudential borrowing cost of £11.2 million IT investment.**
Reason for recommendations	Approval of the recommendations is required to enable IT & Programmes to deliver a structured, multi-year investment programme that maintains and modernises its core IT infrastructure in a controlled and financially sustainable way. The proposed capital allocation of £11.2m and associated prudential borrowing provides the funding certainty needed to plan and deliver lifecycle-based replacements, avoiding a fragmented or reactive approach to investment. Prioritisation within the Medium-Term Financial Plan (MTFP) ensures that the revenue implications of borrowing are recognised and managed over the life of the programme, maintaining affordability and alignment with BCP Council's wider financial strategy. Delegated procurement authority is required to enable timely and efficient delivery of the programme within approved budgets, ensuring BCP Council can respond to market opportunities and maintain continuity of IT services. Recommendation to Audit and Governance Committee supports appropriate oversight and approval of prudential borrowing, ensuring the programme is delivered within BCP Council's financial governance.

Portfolio Holder(s):	Councillor Jeff Hanna
Corporate Director	Sarah Chamberlain, Service Director IT & Programmes
Report Authors	Marc Biondic, Head of IT Infrastructure
Wards	Council-wide
Classification	For Recommendation

Background

1. The IT & Programmes service provides the core digital platforms that support all Council services, including hosting, networks, end-user computing, telephony and cyber security, enabling approximately 6,500 users across the organisation to deliver services to residents.

2. BCP Council's IT infrastructure and laptop estate is now reaching the end of its supported lifecycle, creating increasing challenges in maintaining performance, supportability and compatibility with delivery of modern systems and services.

3. At the same time, demand for reliable digital services, agile working and increasing cyber security threats require IT infrastructure that is secure, resilient and capable of supporting consistently good service delivery.

4. Full detail on the current position, drivers for investment and the Council's infrastructure estate is set out in Appendix 1.

Options Appraisal

5. A number of options have been considered for managing the Council's IT infrastructure requirements. Full detail is provided in Appendix 1.

6. **Option 1 – Extend Asset Lifecycles Further**

7. Advantage: Reduces or defers short-term capital investment.

8. Disadvantages: Significantly increases cyber security exposure, reduces system reliability and increases the likelihood of service disruption and reactive costs as assets become unsupported.

9. Conclusion: Discounted as it introduces disproportionate operational and financial risk and is not consistent with maintaining and delivering reliable services.

10. **Option 2 – Increase Use of Revenue-Funded Models**

11. Advantage: Shifts some cost from capital to revenue and provides flexibility through "as-a-service" delivery of cloud IT.

12. Disadvantages: Does not remove the need for core infrastructure investment (e.g. networks, security and laptops) and is already utilised where viable. Further expansion would not meet service requirements.

13. Conclusion: Not recommended due to limited applicability and risk to service delivery.

14. Option 3 – Lifecycle-Based Capital Investment (Recommended Option)

15. Advantages: Maintains required IT infrastructure in a secure, supported and cost-effective state, reduces unplanned spend and supports reliable service delivery.

16. Disadvantage: Requires planned capital investment and associated borrowing.

17. Conclusion: Recommended as the most balanced and sustainable option, managing cost, risk and service continuity effectively.

Summary of financial implications

18. A breakdown of the IT capital investment required each year between 2026 and 2032 is provided below:

Financial Year	Capital Investment Requested (£000s)
2026/27	1,199 (of which 0.5 was approved with an Officer decision record and further 0.7 requires council approval – see para 19)
2027/28	2,752
2028/29	2,754
2029/30	1,367
2030/31	1,721
2031/32	1,400
Total	**11,193**

19. To provide clarity on the 2026/27 funding position, £0.5 million of the £1.199 million shown above has already been approved through an Officer Decision Record - Technology Security and Resilience Programme in May 2026, signed under delegated authority by the Chief Finance Officer and Corporate Director for Resources. This approved capital expenditure of £498,200 enabled IT & Programmes to proceed with the early purchase of 470 Microsoft Surface Laptop devices at £1,060 per device, ahead of the wider Council approval for the remaining programme funding. The decision was taken to secure a favourable price and avoid an anticipated increase of approximately £500 per device.

20. Between 2027 and 2032 the breakdown of what areas of the IT estate will utilise this funding is described within [IT & Programmes Infrastructure Capital Forward Plan] dashboard.

21. Additional detail on factors influencing the cost of BCP Council provided laptops is available within Appendix 2.

22. It is proposed that the IT infrastructure investment plan is funded from prudential borrowing. The table below shows the prudential borrowing requirement over the 6-year period. A total investment plan of £11.2 million requiring £2.8 million across the

6 years of revenue budget to repay the prudential borrowing, of which £1.1m is already factored into the MTFP and £1.7m requires further MTFP growth.

IT network and laptop replacement strategy	2026/27 % Interest	2026/27 £000	2027/28 % Interest	2027/28 £000	2028/29 % Interest	2028/29 £000	2029/30 % Interest	2029/30 £000	2030/31 % Interest	2030/31 £000	2031/32 % Interest	2031/32 £000	2032/33 % Interest	2032/33 £000	Total £000
CAPITAL INVESTMENT:															
- Total capital investment		**1,199**		**2,752**		**2,754**		**1,367**		**1,721**		**1,400**		**0**	**11,193**
COST OF BORROWING:															
- Total annual borrowing cost using prevailing PWLB interest rate and future years forecast				**342**		**682**		**666**		**329**		**415**		**337**	**2,772**
- Total included in MTFP				364		366		371		0		0		0	**1,101**
>>recommended MTFP adjustment				(22)		316		295		329		415		337	**1,671**
Alternative interest scenario using 6% BCP rate															
- Total alternative annual borrowing cost scenario				**350**		**716**		**716**		**355**		**447**		**364**	**2,948**
>>Alternative MTFP adjustment				(14)		350		345		355		447		364	**1,847**

23. Further detail on financial implications and assumptions, including sensitivity analysis, is available within Appendix 1.

Summary of legal implications

24. There are no direct legal implications arising from the recommendations set out in this report.

25. All procurement activity undertaken as part of the delivery of the programme will be carried out in accordance with BCP Council's procurement rules.

Summary of human resources implications

26. There are no direct human resources implications arising from the recommendations set out in this report.

27. The proposed programme will be delivered through existing IT & Programmes structures and roles.

Summary of sustainability impact

28. The proposed investment plan supports a structured, lifecycle-based approach to IT asset management, ensuring equipment is replaced at the optimal point to balance performance, supportability and longevity.

29. The programme will also ensure that all end-of-life IT assets are disposed of responsibly and in compliance with relevant UK legislation, including the Waste Electrical and Electronic Equipment (WEEE) Regulations, supporting reuse, recycling and the safe handling of materials.

30. No significant adverse sustainability impacts have been identified.

Summary of public health implications

31. There are no direct public health implications arising from the recommendations set out in this report.

32. The proposed investment supports the continued delivery of reliable and secure digital services, which indirectly enables staff to effectively deliver services that contribute to the health and wellbeing of our residents.

Summary of equality implications

33. The recommendations set out in this report relate to the maintenance and replacement of core IT infrastructure and do not propose any changes to service delivery, access to services or Council policy.

34. As such, no impacts on individuals or groups with protected characteristics have been identified, and a full Equality Impact Assessment (EIA) is not required.

Summary of risk assessment

35. The principal risks associated with this programme are financial, operational and strategic. Full detail, including mitigation measures, is provided in Appendix 1.

36. There is inherent financial risk linked to market volatility and cost uncertainty over the life of the programme. This is managed through prudent baseline assumptions based on extensive experience and a continued annual refinement of cost profiles and ongoing supplier engagement as the years progress.

37. There is also a significant operational risk associated with ageing or unsupported infrastructure, including increased exposure to cyber threats and the potential for service disruption. This risk is a key driver for the proposed investment and is mitigated through timely asset replacement.

38. Additionally, there is a strategic risk that failure to invest appropriately may impact the Council's ability to deliver its Corporate and Digital Strategy ambitions, particularly in relation to reliable, modern and resident-focused services.

39. Overall, the recommended programme reduces these risks through a controlled, lifecycle-based approach supported by established governance, financial management and risk oversight arrangements.

Background papers

None

Appendices

Appendix 1 IT & Programmes Infrastructure Capital Investment Plan 2026–2032

Appendix 2 Factors influencing the cost of BCP Council laptops