

Committees: Digital Service Committee - <i>For Decision</i> Projects and Procurement Sub Committee – <i>For Information</i>	Dates: 30 Jan 2025 4 Feb 2025
Subject: Public Switched Telephone Network (PSTN) Replacement Unique Project Identifier: 12453	Issue Report
Report of: Chamberlain Report Author: Nishat Faruque	For Decision
<h1>PUBLIC</h1>	

1. Status update	<p>Project Description: By 31 January 2027, the Public Switched Telephone Network (PSTN) and the Integrated Services Digital Network (ISDN) will be switched off nationally and must be replaced by an IP (Internet Protocol) fibre-based network and infrastructure. The City of London Corporation also relies on MPF technologies (metallic path facilities) for the majority of its business connections, and although the deadline for MPF to IP migrations is 2030, the project will aim to migrate these connections by 2027 to ensure a smooth transition to IP only services. The work mitigates corporate risk CR40.</p> <p>RAG Status: Amber. (Green at last report to Committee)</p> <p>The project is marked Amber due to the need to migrate failing lift and alarm devices before completing the PSTN audit and earlier than originally scheduled. Approving the requests in this issue report will address risks associated with device failures caused by the PSTN and 3G shutdown, as detailed in Section 4.</p> <p>Risk Status: Low (Low at last report to committee)</p> <p>Total Estimated Cost of Project (excluding risk): £2.5m</p> <p>Change in Total Estimated Cost of Project (excluding risk): £0</p> <p>Spend to Date: No spend to date.</p> <p>Costed Risk Provision Utilised: None.</p>
-------------------------	---

	Slippage: None.										
2. Requested decisions	<p>Next Gateway: Gateway 3/4 - Options Appraisal (Regular)</p> <p>Requested Decisions:</p> <ol style="list-style-type: none"> 1. Note that since the last committee, the total estimated cost for the project remains at £2.5m, subject to the results of the PSTN audit, which will reveal exactly how many lines and devices must be migrated. 2. Approve an additional budget drawdown of £350k ahead of the completion of the PSTN Audit for the migration of high priority analogue lines and devices associated with Facilities Management across the City of London Corporate Property Group, the Barbican Housing Estate, and the Community and Children's Services Department (Housing). 3. Note the revised budget for Gateway 2 is £550k (excluding risk). 4. Approve Option 2, subject to decision of Digital Services Committee. 										
3. Budget	<ol style="list-style-type: none"> 1. Since the last committee, the total estimated cost for the project remains at £2.5m, subject to the results of the PSTN audit. 2. Of the £200k requested for Gateway 1 and 2, the project expects to spend the full amount on the procurement of the PSTN Audit Contract and internal staff costs. 3. Of the £50k allocated for CRP for Gateway 2, none of the risk provision has been drawn down. 4. The project requires an additional budget drawdown of £350k to action Option 2 at Gateway 2. 5. The budget breakdown is based on estimates to migrate lift and alarm devices and were provided by Facilities Management across Corporate Property Group, Housing and Barbican Estate. 6. No funding is being requested from the City Bridge Foundation, as no changes are planned for CBF sites at this stage. <table border="1" data-bbox="528 1615 1390 2011"> <thead> <tr> <th data-bbox="528 1615 762 1760">Item</th> <th data-bbox="762 1615 1007 1760">Reason</th> <th data-bbox="1007 1615 1198 1760">Funds/ Source of Funding</th> <th data-bbox="1198 1615 1390 1760">Cost (£)</th> </tr> </thead> <tbody> <tr> <td data-bbox="528 1760 762 2011">GSM (Global System for Mobiles) - Barbican Estate</td> <td data-bbox="762 1760 1007 2011">To replace PSTN dependant lines and devices with</td> <td data-bbox="1007 1760 1198 2011">City Fund: 60% City Estate: 40%</td> <td data-bbox="1198 1760 1390 2011">£150k</td> </tr> </tbody> </table>			Item	Reason	Funds/ Source of Funding	Cost (£)	GSM (Global System for Mobiles) - Barbican Estate	To replace PSTN dependant lines and devices with	City Fund: 60% City Estate: 40%	£150k
Item	Reason	Funds/ Source of Funding	Cost (£)								
GSM (Global System for Mobiles) - Barbican Estate	To replace PSTN dependant lines and devices with	City Fund: 60% City Estate: 40%	£150k								

		SIM technology		
GSM Units - Housing	To replace PSTN dependant lines and devices with SIM technology	City Fund: 60% City Estate: 40%		£100k
GSM Units – Corporate Property Group	To replace PSTN dependant lines and devices with SIM technology	City Fund: 60% City Estate: 40%		£100k
Total				£350k

Costed Risk Provision requested for this Gateway: An additional risk provision of £50k is required at this Gateway. This brings the total CRP amount for Gateway 2 to £100k.

4. Issue description

1. At the last committee meeting, the proposed project plan outlined the need to audit the Corporation's entire PSTN network before implementing any changes to connections or devices. The audit will begin in February 2025 and is expected to be completed within seven months. Result will be shared with relevant committees at the next Gateway report.
2. Since the last committee, Facilities Management and Housing have advised that several lift and fire alarm devices are failing due to existing PSTN line faults and dependence on the 3G network, which is also being phased out. These non-compliant devices pose significant risk to both site users and the Corporation.
3. While a physical audit will be conducted at the affected sites to identify further connections, fire and lift devices have already been identified as a priority for replacement by the departments.
4. Most are suitable for migration to wireless GSM devices, which utilise the 4G and 5G network via a SIM card, as opposed to physical lines.
5. For these reasons, it is recommended that lift and alarm systems are migrated without delay (Option 2 below).

<p>5. Options</p>	<p>Option 1 – Delay funding request and device replacement until post-audit (Gateway 3/4/5):</p> <ul style="list-style-type: none"> • Not recommended due to reduced time for completing replacements after the audit. • Increased risk of device failures due to existing faults and the ongoing phase-out of the 3G network. • Replacing devices individually as they fail prevents the Corporation from capitalising on economies of scale. <p>Option 2 – Migrate known devices, such as lift lines and alarms, alongside the PSTN audit based on the recommendation from Facilities Management:</p> <ul style="list-style-type: none"> • Recommended approach. • Enables Facilities Management to initiate a centrally managed replacement program with funding readily available. • Provides sufficient time to conduct market research and tender processes as needed. • Reduces the risk of device failures. • The procurement of devices will be managed by the respective departments and Commercial Services.
--------------------------	---

Appendices

Appendix 1	Project Coversheet
Appendix 2	Risk Register

Contact

Report Author	Nishat Faruque
Email Address	nishat.faruque@cityoflondon.gov.uk