



Xoserve IX Refresh

Customer Update

19/02/2020

IX Refresh Customer Update

- The project has experienced slippage in the original migration plan. This has resulted in a revised completion date of August 2020
 - Key factors:-
 - The replacement of all IX servers was introduced into the scope of the project during 2019. This delayed the project moving into implementation. Implementation commenced on 23rd August 2019.
 - During implementation, the installation of lines has been more complex than envisaged. (Line availability and Data Centre access)
- Our network provider have introduced a new senior project team to manage the delivery moving forward
 - A deep-dive review has been conducted
 - A new implementation approach has been finalised and the project has been broken down into workstreams. Additional resources added.
 - A revised project plan has been produced
- The legacy network provider support contract has been extended to ensure that all customers have a fully supported IX service as the migrations progress
- We take this opportunity to thank you for your valued support and patience. Please be assured of our continued commitment to have the IX migration delivered as efficiently and cost- effectively as possible
- If you have any questions or concerns, please reach out to box.xoserve.IXEnquiries@xoserve.com

IX Refresh – Delay (Financial Impact)

The IX Refresh Project was set-up to manage the migration of all IX customers (175) from our legacy network provider to our new network provider. As part of the migration we are replacing all network lines, routers and servers. The project was due to complete in February 2020 with a forecasted project spend of £930k. In January we had confirmation that the project completion date has moved to August 2020.

Key Impact Points:-

- The delay to the project does not impact the forecasted project spend
- The delay does impact when Customers fully gain the benefit of moving to our new network provider (IX Pricing)
 - 18/19 – IX Pricing was higher under legacy arrangements
 - 19/20 – IX Prices reduced due to blend of legacy / new network provider costs
 - 20/21 – IX Prices were forecasted to be reduced further once fully migrated to new network provider
 - Due to the delay, 20/21 prices have remained the same as 19/20 prices
 - Prices set to reduce in 21/22. IX pricing is circa 45% cheaper than legacy arrangements



