

Report of ICT Infrastructure Manager

Report to Chief Information Officer

Date: 16/03/2015

Subject: Report to seek approval to waive contract procedure rule 9.1 and 9.2 and enter into a contract with INS Sudlow for the provision of facilities maintenance for Council Data Centre environments.

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. A formal tender exercise has not taken place and there is no contract in place for the majority of Data Centre environmental facilities at Apex, Middleton, Civic Hall Basement and Civic Hall PABX Room (covering facilities such as UPSs, generators, air con units, fire detection / suppression, water leak detection etc.). The cost for keeping the Data Centre environments fit for purpose equates to around £39,000 annual fixed cost plus a variable amount for ad-hoc maintenance. This variable amount has averaged £35,000 per annum over the last three financial years.
2. We currently have a contract in place with Sudlows under scheme LCCITS110002 (DSIN-93VBBE) which covers specific items that were installed as part of the Apex Data Centre refurbishment in 2012. This was taken out on 5/3/2012 and has 8 x 12 month extension options from 10/5/2014 until 10/5/2022. This equates to approximately £9,000 per annum.
3. For easy management of the estate (as highlighted below), we have leveraged this contract to provide support for all of our Data Centre environmental facilities - thus £37k + £9k = £46k fixed cost + the variable £35k per year. This totals in the region of £81k per annum.

4. Leveraging the current contract has delivered a number of benefits including a 24/7 SLA and one supplier (with a single point of contact) covering all Data Centre environmental facilities. It continues to provide value for money and supports high availability of our Data Centres.
5. The yearly extension option date is 10th May each year until 2022.

Recommendations

6. The Chief Information Officer is recommended to approve the waiver of the following Contracts Procedure Rule(s): 9.1 and 9.2 and that approval is granted to award a single contract to cover all Council Data Centre environmental facilities at Apex, Middleton, Civic Basement and Civic PABX Room for a period of one year (starting 10/5/2015) to INS Sudlow. To give notice for the £9K element of the contract (ending this contract on 10/5/2015) and for this to be included as part of this waiver. To carry out a competitive tender exercise in line with Public Contract Regulations 2015 for all Data Centre environmental facilities. This new contract would become active on 10/5/2016.

1 Purpose of this report

- 1.1 The purpose of this report is to seek approval to award a contract to INS Sudlows for the maintenance of all Data Centre environmental facilities, and for all facilities to be included as part of this contract for a period of one year.

2 Background information

- 2.1 Leeds City Council operates several Data Centres which provide IT Infrastructure to support all its IT systems. This infrastructure supports a number of key systems across the council, such as Academy Revenues & Benefits, Orchard (housing IT system), SAP (payroll) and Adults and Children's Services
- 2.2 In 2012 ICT Services undertook major electrical infrastructure refurbishment to replace the previous aging and unreliable electrical infrastructure at the Apex Data Centre. This included the installation of a new transformer, switchgear and Power Distribution Units (PDU), Uninterruptible Power Supply (UPS), Diesel Generator, Fire Detection and Suppression and Air Conditioning
- 2.3 The current contract was taken out during the Apex Data Centre refurbishment. This covers all the items installed as part of the refurbishment. There is a need to amalgamate all environmental facilities maintenance for all Data Centres (Apex, Middleton, Civic Basement and Civic PABX Room) so they fall under one umbrella

3 Main issues

Reason for Contracts Procedure Rules Waiver

- 3.1 All the infrastructure for the Council's IT systems sits within the Data Centres. It is important that we have a solid SLA, supporting what is quite a complicated environment, and that any failure of environmental facilities within the Data Centres are investigated and rectified as quickly as possible. Proactive monitoring needs to be thorough and easily managed and Sudlows have a good track record of supporting a high level SLA and providing top quality maintenance since the Apex Data Centre refurbishment (particularly compared to having different environmental facilities maintained by several different companies).

Consequences if the proposed action is not approved

- 3.2 Management of the environmental facilities would be complicated and expensive. It would mean there would not be one single company covering the end to end environmental facilities maintenance, which in itself causes issues where suppliers try to pass on responsibilities for issues / component failure to other suppliers or sub-contractors who maintaining a related component within the Data Centre.

Should the waiver not be granted, there would be no maintenance contract in place for the environmental facilities at all the Data Centres which could pose a high risk to Leeds City Council's ability to provide IT systems to function, thus affecting Leeds residents and would also provide a high risk to the council financially

Advertising

3.3 A procurement exercise is to be carried out for the maintenance of all Council Data Centres; this exercise will be carried out in line with the Public Contract Regulations 2015.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 The bespoke maintenance of the facilities stretches back over well over 10 years so it is not clear what levels of consultation / engagement were performed in the past.

4.1.2 Consultation has taken place with ICT Sourcing, PPPU and the Service and Infrastructure Manager

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 Not applicable.

4.3 Council Policies and City Priorities

4.3.1 This report gives confidence that the Council's various plans are supported in ensuring solid environmental facilities which support the Council's IT systems.

4.4 Resources and Value for Money

4.4.1 Financial provision exists within ICT for the provision of this contract.

4.4.2 There is value added benefits in terms of resources, in the fact that this contract would provide a single point of contact for all ICT environmental facilities issues, rather than individual companies. The contractors used all have knowledge of the environments, buildings and equipment.

4.4.3 Over the next 12 months a competitive tender exercise will be carried out in line with Public Contract Regulations 2015 to ensure the Council obtain best value for money.

4.5 Legal Implications, Access to Information and Call In

4.5.1 This waiver will provide LCC with enough time to run a competitive procurement exercise in line with Public Contract Regulations 2015

4.6 Risk Management

4.6.1 Do nothing – there is a risk that the work could be challenged as not going through a formal tender process

4.6.2 Waiver – this will provide us with enough time to go out for a formal OJEU tender

4.6.3 Go out for a full OJEU tender now – there is not enough time to go out for a tender and complete the work by May 2015.

4.6.4 Perform the work in house – LCC do not have the skills to take on this work internally.

4.6.5 A Contract management plan will be put in place and the ongoing contract risk will be managed through the contract management process.

5 Conclusions

5.1 It is concluded that we need to maintain the Data Centre environmental facilities agreements that are currently in place for a period of one year to allow us to perform a full tender exercise.

6 Recommendations

6.1 The Chief Information Officer is recommended to approve the waiver of the following Contracts Procedure Rule(s): 9.1 and 9.2 and that approval is granted to award a single contract to cover all Council Data Centre environmental facilities at Apex, Middleton, Civic Basement and Civic PABX Room for a period of one year (starting 10/5/2015) to INS Sudlow. To give notice for the £9K element of the contract (ending this contract on 10/5/2015) and for this to be included as part of this waiver. To carry out a competitive tender exercise in line with Public Contract Regulations 2015 for all Data Centre environmental facilities. This new contract would become active on 10/5/2016

7 Background documents

7.1 Full budgetary spend can be provided upon request.