

# Contract for the Facilities Management of the Council's Data Centres

Date: 5<sup>th</sup> April 2024

Report of: Data Centre and Voice Team Manager

Report to: Chief Digital & Information Officer

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

## Brief summary

Following a tender exercise, I seek approval to award the Contract for the Facilities Management of the Council's Data Centres. I would like to award Lot 1 to Sudlows Limited for the regular Planned Preventative Maintenance visits and award Lot 2 will be awarded to Sudlows Limited, Keysource Limited, and Stultz Modular Limited as a framework to bring more competition on price for goods and services.

Both lots would be a three-year contract with the option to extend for an additional twelve months. The contract would commence on 1st May 2024.

This report is to evidence the reasons for the tender decision and gain a significant operational decision for its award.

The value of spend on the contract (3 years plus 1 x 12-month extensions) is estimated at £400,000. This is not subject to call in.

## Recommendations

The Chief Digital and Information Officer is recommended to approve the award of a contract for the facilities management for Council's data centre environments in two lots where I would like to award Lot 1 to Sudlows Limited for the regular Planned Preventative Maintenance visits, then award Lot 2 to Sudlows Limited, Keysource Limited, and Stultz Modular Limited as a framework to bring more competition for goods and services. The contract has an estimated value of £100,000 per year for a period of 3 years with an option to extend for a further 12 months, commencing 1<sup>st</sup> May 2024.

## What is this report about?

- 1 The purpose of this report is to seek approval to award of a contract for the facilities management for Council's data centre environments in two lots where I would like to award Lot

1 to Sudlows Limited for the regular Planned Preventative Maintenance visits, then award Lot 2 to Sudlows Limited, Keysource Limited, and Stultz Modular Limited as a framework to bring more competition for goods and services.

- 2 The framework would be for an initial three-years with an option to extend for a further 12 months.
- 3 The framework has an estimated value of £100,000 year comprising of annual maintenance costs and reactive costs following maintenance.
- 4 It is intended for the tender exercise to be carried out in two lots:
  - a. Lot One: It is intended that this lot will be awarded to one contractor who will be responsible for the regular Planned Preventative Maintenance visits for all listed equipment in the specification, for Leeds City Council's Data Centres. The contractor shall also provide remedial fixes from these visits, provide 24/7/365 cover for listed equipment and fuel delivers.
  - b. Lot Two: It is intended that multiple contractors will be appointed to this lot for the supply of goods and services to facilitate more effective and economical solutions. The service has found that during the most recent contract having a sole contractor has limited the competitive pricing they used to experience and has often led to delays by being restricted to one contractor. If lot one cannot provide a cost-effective solution, we would then request quotes from the contractors appointed to lot 2.

#### **What impact will this proposal have?**

- 5 The current contract expires on the 30<sup>th</sup> April 2024 and a replacement is required from 1st May 2024. This contract will provide support for all data centres, so that key services will continue to be provided to customers.
- 6 Not approving this request to procure a new framework risk non-compliant spend.

#### **How does this proposal impact the three pillars of the Best City Ambition?**

Health and Wellbeing       Inclusive Growth       Zero Carbon

- 7 The maintenance of the Council's data centres is vital in ensuring employees can access the systems they need to support the work undertaken by the council to deliver of the three pillars of the best city ambition.
- 8 All the infrastructure for the Council's IT systems sits within Data Centres. It is essential that we have a contract in place supporting what is quite a complicated and specialist environment, and to ensure that faults are investigated and resolved quickly.

#### **What consultation and engagement has taken place?**

Wards affected:

Have ward members been consulted?       Yes       No

- 9 IDS have been consulted as to their continuing requirements.

#### **What are the resource implications?**

10 Any contract entered will be regularly reviewed by monitoring the terms of the contract to ensure continuing value for money, by awarding Lot Two to multiple contractors will enable us to ensure we get best value for money on goods and services.

11 There are no TUPE implications.

12 IDS, Procurement and Commercial Services (PACS) have resources available to procure a new contract for the supply of Facilities Management for Data Centres.

### **What are the key risks and how are they being managed?**

13 Not awarding this contact would mean the current contract would for facilities management of the Council's data centre will end on 30<sup>th</sup> April 2024 which puts the integrity of the data centres at risk.

14 Awarding the contact to Sudlows LTD will ensure a suitable supplier is in place to continue to the facilities management of the Council's data centres commencing 1<sup>st</sup> May 2024.

### **What are the legal implications?**

15 The Chief Digital & Information Officer is authorised to make this significant operational decision to commence the procurement process.

16 Advice regarding any procurement exercise, including terms and conditions of contract/arrangement, will be obtained from Leeds City Council's Procurement and Commercials team to ensure council governance is met, and fair competition is observed.

17 The value of spend on the contract (3 years plus 1 x 12-month extensions) is estimated at £400,000. This is not subject to call in

## **Options, timescales and measuring success**

### **What other options were considered?**

18 Due to the critical nature of data centre environments, it is vital that contractors maintaining these environments understand the critical nature and work to data centre guidelines when maintaining equipment in a live data centre environment.

19 The complexity of data centres means that we require a specialist company that has the knowledge and access to suppliers who can support these environments.

### **How will success be measured?**

20 Success will be measured by procuring a compliant framework that meets the requirements of the Council.

21 Success will be measured through quarterly service review meetings where the agreed Service Level Agreements set out in the specification will be reviewed.

### **What is the timetable and who will be responsible for implementation?**

22 The new contract needs to be in place for 1<sup>st</sup> May 2024.

## **Appendices**

-

## Background papers

-