

Procurement of Licencing for Storage Area Network and Compute Hardware

REPORT TO; Madeline Hoskin, Assistant Director, Technology

DECISION DATE: 23rd April 2024

SUPPORTING ANNEX; This report includes a supporting Annex which contains exempt information as described in paragraphs 1, 3 and 5 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended).

PROPOSED RECOMMENDATION

It is recommended that the Authority proceed via CCS Framework RM6098 Technology & Associated Services 3, in order to procure subscription-based virtualisation licences for the replacement NYC Storage and Compute Hardware solution.

The proposed contract duration is:

- Term: 01 June 2024 – 31 May 2029

The estimated whole life cost is £544,000 +VAT

This approach represents best value for the Authority as meets the current and future infrastructure storage and computing power requirements of the Authority as well as provide this as a managed service at an equivalent price or less to other options.

BACKGROUND TO SUPPORT THE RECOMMENDATION

Technical Information

As part of the local government merger, each former Authority had differing server storage and data hardware many of which are approaching the end of their lifespan and require replacement. As part of the consolidation and rationalisation of IT infrastructure following LGR a new solution that covers all the hardware requirements across the Authority for server and data storage and disaster recovery has been procured.

As part of that process, a shortlist of solutions was evaluated, with a preferred solution recommend to the solutions review board, which was approved.

The current virtualization software and support required to run this infrastructure, in order to provide IT services across the estate, also expires over the course of 2024.

The replacement solution requires these specific licences and features to operate with the hardware design.

Procurement Information

In line with global trends the existing licence model has been replaced by a new subscription-based model which is unavoidable and inherently more expensive.

The vendors have withdrawn the existing perpetual licence model following takeover in favour of subscription licences and perpetual licences are no longer available for the lifetime of the new equipment.

Financial Information

With current usage it is anticipated that there will be budget shortfall of up to £250,000. Technology Services will be looking to resolve this shortfall in year through internal budget realignment and consolidation. We are also working in partnership with other local government organisations regional and nationally to reduce the cost pressure of subscription licence models in future years.

LEGAL AND GOVERNANCE COMPLIANCE

As per the Council's Procurement and Contract Procedure Rules, Rule 11 states;

11.1 Tenders for Contracts which exceed the WTO GPA Procurement Threshold shall be invited and awarded in accordance with the PCRs and as prescribed in Rule 11 and 12.

As per Rule 16.3:

A Director does not need to invite Above Threshold Tenders in accordance with Rule 11 and 12, in the following circumstances:

- A) purchases via Framework Agreements which have been established either by the Council or by other public sector bodies or consortia (including, but not limited to PSBO's) and where such Framework Agreements are lawfully accessible to the Council. Contracts awarded from such Framework Agreements shall be awarded in accordance with the provisions of that Framework Agreement.

The contract will be awarded via CCS Framework RM698 Technology Services 1. This is a compliant route to market and complies with the Public Contract Regulations 2015.

OJEU Notices: [Services - 514766-2020 - TED Tenders Electronic Daily \(europa.eu\)](#)

RECOMMENDATION

It is recommended that the Authority proceed with an award via CCS Framework RM6098 Technology Products and Associated Services 3, in order to procure subscription-based virtualisation licences

The proposed contract duration is:

- Initial term: 01 June 2024 – May 2029

The estimated whole life cost is estimated £544,000 +VAT

This approach represents best value for the Authority as meets the current and likely future requirements of the Authority as well as providing a platform for the standardisation of key applications used by services across the new authority.