

CABINET

5th April 2017

ICT Infrastructure Resource

Relevant Portfolio Holder	Cllr G Denaro
Portfolio Holder Consulted	Yes
Relevant Head of Service	Deb Poole, Head of Transformation & OD
Wards Affected	N/A
Ward Councillor Consulted	N/A
Non-Key Decision	

1. SUMMARY OF PROPOSAL

- 1.1 At full council on 23rd November 2016 members agreed that a procurement exercise to find a potential supplier to undertake the main ICT infrastructure function would be undertaken. It was further agreed that the results of this exercise would be presented to Cabinet.
- 1.2 The results of the procurement exercise were reported to Council on 28th February and it was agreed a further report clarifying the process be presented to Council in April.
- 1.3 Members particularly asked to be provided with the original specification document so as to enable them to properly and effectively assess the results of the tender exercise in line with the Councils overall requirements in this area. Members are advised that the original specification document is at appendix 2 to this report
- 1.4 Members are advised that since the last meeting it has been necessary to undertake a further procurement exercise as the previous quotations had expired and that on this occasion only one tender has been received.
- 1.5 Certain information contained in this report is confidential and for that reason the main body of the report and Appendix 2 will be made public but Appendix 1 which includes exempt information will remain confidential.

2. RECOMMENDATIONS

Cabinet is requested to **RECOMMEND**:

- 2.1 That authority be delegated to the Head of Transformation and Organisational Development to proceed with the procurement of a contract to deliver the ICT infrastructure functions with the preferred supplier as set out in Appendix 1 option 2.

3. KEY ISSUES

Financial Implications

- 3.1 The current cost to Bromsgrove District Council (BDC) for providing the service is £34,093 per year. This includes the salary and on-costs for the two posts effected.
- 3.2 Details of the second procurement exercise and the associated costs are outlined in Appendix 1
- 3.3 Whilst we included in the specification that Bromsgrove District Council would charge £225 per month, per person, to any supplier delivering the outsource contract and wishing to retain members of staff on our premises to cover the costs of providing office space, desks, electricity, phones etc., this is not required and therefore does not need to be considered in the financial implications.

Legal Implications

- 3.4 Subject to Member approval to proceed, the next stage would be to enter into a legal contract with the preferred the supplier to deliver the ICT Infrastructure functions based on an initial 12 month contract with the option to extend for a further 12 months.
- 3.5 Key to ensuring the Authority could not be left with a contract it finds does not deliver to the standards required; the procurement advert stated we will require the ability to terminate the contract with 90 days' notice (following the initial 90 days of the contract commencement date) for any reason.
- 3.6 As previously reported, if the outsourcing to an external provider proceeds this will constitute a relevant transfer for the purposes of the TUPE (Transfer of Undertakings, Protection of Employment) Regulations. The rules provide that where in house services are transferred to external providers existing members of staff TUPE across to the new contractor. This will affect one member of staff. Any issues in this regard will be managed as part of the process in accordance with usual HR procedures.
- 3.7 The information set out in the main body of this report and in Appendix 2 is non-exempt and is available publically. The information set out in Appendix 1 includes details that are commercially sensitive. Accordingly the information is exempt under Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended).

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- 3.8 Section 4.2.3 of the constitution states 'If only one quotation is received you must to seek some more quotations or obtain an exemption from the Rules in accordance with section 9 (Form of Waiver)'. Whilst a previous procurement exercise for this service had returned two quotations, on this occasion only 1 was received and therefore a Form of Waiver will need to be signed.

Service / Operational Implications

- 3.9 This proposal presents a solution to correct a particular ongoing issue in the service due to the problem of recruiting staff with the types of skills required within the ICT Infrastructure service. The overall organisational approach remains that of sharing internal resource where ever possible.
- 3.10 The ICT Infrastructure Officer and ICT Infrastructure & Network Officer posts play a key role in maintaining day to day delivery of the ICT service to the Authority. Their main function is to ensure that the servers and storage which enable the business applications to work, are operating successfully. This includes the servers for Emails, Finance, Payroll, Revs & Bens, Elections etc.
- 3.11 In addition the team have been involved in several 'power off' situations at both Parkside and Redditch Town Hall and are key to closing down services correctly and returning them to a working state. Further power off situations may occur at both sites and currently only 1 person is available with the correct skillset to cover this task.
- 3.12 Senior managers are aware that the current lack of resource is having a detrimental effect on the remaining personnel and that this issue needs to be resolved as soon as possible to maintain staff morale and avoid absence.
- 3.13 As mentioned above, resource is currently being purchased on an ad-hoc basis whilst we try to maintain a service with only 1 of the 2 posts filled. The resource comes from several different companies and trying to maintain continuity of service is becoming increasingly difficult.

Customer / Equalities and Diversity Implications

- 3.14 There are no customer / equalities and diversity implications.

4. RISK MANAGEMENT

- 4.1 There is a risk that the external provider will not deliver the service to the level provided by the current internal team. This risk will be

addressed by ensuring, as far as possible, that there are appropriate contractual obligations imposed on the external provider.

- 4.2 The impact of outsourcing could inadvertently increase pressure in the short term, on existing members of ICT whilst the new service is procured and then implemented. The result of increased pressure could lead to additional sick leave but this has been mitigated by securing additional temporary resource from external companies.
- 4.3 To be balanced against the risks outlined above, is the risk that if no action to pursue outsourcing is taken then the Council is likely to continue to encounter recruitment problems which over a period of time may undermine the ability for the service to be provided.

5. APPENDICES

Appendix 1 – Not included: Exempt item

Appendix 2 – Advertised Specification

1. Introduction

2. Bromsgrove District Council (The Authority) would like to invite suppliers to bid to supply a Technical ICT Infrastructure service equivalent to two full-time experienced technical employees. The service provided will need to at least equal the current in-house provision equivalent to the two posts (74hrs per week in total). In addition, out of hours work will be required on an occasional basis to ensure that the Council services are available during the core hours of Monday to Friday 8:30am to 5:00pm. The opportunity contained within this advert is to supply the service resource only, no hardware or software is included as these assets will remain within the ownership of the Authority and also Redditch Borough Council with whom Bromsgrove District Council provide a shared service agreement to deliver the whole ICT service. For clarification, this bid opportunity does not include any other part of the ICT service – only the ICT Infrastructure roles detailed in the following information.

3. Suppliers are requested to respond to all points from 1 to 97 in their bid response by writing below each corresponding section, with one of the following :-

U= Understand. The point is just for information and there is no additional information provided that needs to be scored by the Authority.

NC=None Compliant. The specification has requested something that cannot be delivered by the supplier. Further details can be provided if necessary.

PC= Partially Compliant. The specification has requested something that can be delivered in part by the supplier. Further details must be provided as to what can and cannot be delivered.

FC= Fully Compliant. The specification has requested something that can be delivered completely by the supplier. Further details should be provided where possible, in how this will be delivered.

4. Background Information.

5. Bromsgrove District Council is the host authority for the ICT Service delivered to both Bromsgrove District Council and Redditch Borough Council. The shared service agreement has been running successfully for a number of years and is currently delivered by 28 posts covering many different aspects of ICT including Application Development, GIS, Web Development & Support, ICT Helpdesk, Network Support, Project Delivery, Business Application Support, Information Management and ICT Infrastructure Support. Whilst retention of staff and recruitment into any available posts are generally at normal levels, it has proven more difficult over the past few years to maintain the ICT Infrastructure resource level at the two posts contained within the ICT staff structure. Currently one of these posts is vacant and one which is filled by a member of in-house staff that would form part of a TUPE agreement should this exercise prove to be a cost efficient way and stable way to deliver the ICT Infrastructure service.

6. Current Infrastructure

7. There are two main sites where the equipment covered by this contract will reside (please see Appendix A for addresses). The first is at Bromsgrove and is known as 'Parkside', and the other larger site, is at Redditch Town Hall. Both sites provide the disaster recovery site for the other, using VEEAM. There is a 1Gb Wide Area Network link connecting the two sites which is excluded from this contract.

8. 16 Physical Servers excluding ESX Hosts

9. Number of virtual servers

- Bromsgrove (Parkside)
 - 5 ESX Hosts
 - 52 Virtual Machines

- Redditch (Town Hall)
 - 7 ESX Hosts
 - 139 Virtual Machines

10. VMware version numbers

- VMware Vcenter Server 5.5.0, 1891313

Host Info:

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Bromsgrove (Parkside)

- Production_G5
 - a. ○ PKESX03 ESXI 5.1.0, 3872664
 - b. ○ PKESX04 ESXI 5.1.0, 1483097
 - c. ○ PKESX05 ESXI 5.1.0, 3872664
- Production_G9
 - a. ○ PKESX01 ESXI 5.5.0, 2403361
 - b. ○ PKESX02 ESXI 5.5.0, 2403361

Redditch (Town Hall)

- Production_EVC
 - a. ○ RBCESX01 ESXI 5.5.0, 2718055
 - b. ○ RBCESX02 ESXI 5.5.0, 2718055
 - c. ○ RBCESX05 ESXI 5.5.0, 2718055
 - d. ○ RBCESX06 ESXI 5.5.0, 2718055
 - e. ○ RBCESX3 ESXI 5.5.0, 2718055
 - f. ○ RBCESX4 ESXI 5.5.0, 2718055
- DMZ
 - a. ○ RBCESX-DMZ ESXI 5.5.0, 2718055

11. Please note – A project is currently scheduled to upgrade VMWare on all servers to version 6.0 and this will be complete during the time of the advert.

12. Storage Area Network and software versions

- VNX5200 Unified
 - File Version 8.1
 - Block Version 05.33
 - 169TB Usable Storage
- VNX5300 Unified
 - File Version 7.1
 - Block Version 05.32
 - 155TB Usable Storage

13. Veeam versions

- Server SVVEEAMMGMT VEEAM Backup and Replication 9.0.0.902
- Server SVVEEAMONE Veeam One 9.0.0.2062

14. Full details of Microsoft Exchange environment

- Exchange 2010 SP3, all virtual machines
 - 2 Sites (Bromsgrove Parkside and Redditch Town Hall), each site has
 - 2 Mailbox servers
 - 2 Hub transport & Client Access servers

- Mailbox servers replicate data using DAG functionality

15. The LAN, WAN and Wireless networks are not included within this bid opportunity as they are provided by a separate part of the ICT Team.

16. General Service Requirements

17. The requirements of the service are to maintain and support the Infrastructure as described above and in the detail below. As part of your bid response, please detail how you will deliver the service and include all costs for doing so. Costs must be a total for delivering the service and include any overtime, 3rd party costs, expenses, travel etc.

18. If your delivery mechanism requires staff to be located onsite on a day to day basis, then a set fee of £225 per person per month will be charged by the authority to the winning bid supplier, to cover facilities such as office space, a desk, power and provision of a telephone with any call costs being added as they become known. Suppliers will need to agree that any staff located on site can only be used to deliver this service only to the Authority.

19. Term of contract

20. The Authority is seeking to award the contract for an initial period of 12 months with a provision to extend for a further 12 months. Should the service be required beyond that point, it is envisaged an EU tender may be required (subject to Brexit) due to the overall value of the contract.

21. The Authority will require the ability to terminate the contract with 90 days' notice (following the initial 90 days of the contract commencement date) for any reason. Any request for termination will be provided in writing (via email). The supplier will have the ability to terminate the contract with the same 90 day notice period following the initial 90 days of the contract.

22. Please note – the Authority may choose not to enter into an agreement with any potential supplier for this opportunity.

23. The Authority require the ability to terminate the contract on 90 days' notice (following the initial 90 days of the contract commencement date) without discussion or disclosure of reason. Any request for termination will be provided in writing (via email).

24. The Authority respects the right of the supplier to have the ability to terminate the contract on 180 days' notice (following the initial 90 days of the contract commencement date) without discussion or disclosure of reason. Any request for termination will be provided in writing (via email).

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25. Marking Criteria

26. Responses to this advert will be marked on the following basis :-

- 40% price
- 60% quality

27. Detailed Requirements

28. It is a requirement of the contract to have named individuals who will deliver the services of this contract at a technical level. Accepting that these may change, due to normal levels of staff employment rotation, please list the relevant qualifications of the technical staff who will be involved for directly delivering this contract.

29. Suppliers must have experienced engineers in the following technologies,

30. EMC
31. Veeam
32. Linux
33. HP-UX
34. VMWare
35. Microsoft

36. It would be desirable for the technical team responsible for servicing this contract to have specific accreditations that cover

- Project Management - Prince2 Practitioner
- EMC – Implementation engineer and technical architect
- VMWare – Data Centre Certified Professional

37. It would be desirable for all supporting, technical (direct or indirect) staff to have been cleared to Baseline Personal Security Standard (BPSS) standard and provide supporting evidence.

38. It would be desirable for the supplier to have achieved Cyber Essentials and provide supporting evidence

39. The supplier should confirm that they will be utilising fully employed in-house resources to service this contract (as opposed to a third party for an element).

40. Service Definitions

- Severity 1 – Critical System unavailable to multiple users causing impact to authority functions during normal working hours
- Severity 2 – Critical System performance or reliability impacting user experience for multiple users
- Severity 3 – Non-Critical System unavailable to multiple users causing impact to authority functions during normal working hours
- Severity 4 – Non-Critical System performance or reliability impacting user experience for multiple users
- Severity 5 - Project Work or low priority requests

41. SLAs

- Severity 1 – aim to restore service within 90 minutes
- Severity 2 - aim to restore service within 180 minutes
- Severity 3 - aim to restore service within 1 normal working day
- Severity 4 - aim to restore service within 2 normal working days
- Severity 5 - aim to complete requested tasks within timescale agreed with Authority

42. The supplier must have the ability to provide onsite resource within 1 hour for severity 1 and 2 incidents, Monday to Friday 8:30am to 5:00pm.

43. The supplier must have the ability to provide onsite resource within 2 hours for severity 3 and 4 incidents, Monday to Friday 8:30am to 5:00pm.

44. The supplier must have the ability to provide onsite resource within 1 hour for severity 1 incidents that occasionally occur outside normal office hours (Mon – Fri 8:30am-5:00pm). Whilst it is difficult to quantify ‘occasional’ – for the purposes of this contract please cost 1 day per month to allow for any work of this nature.

45. The supplier must have the ability to provide onsite resource for occasional planned out of office hours (Mon–Fri 8:30am-5:00pm) work. This is classes as Severity 5 in the table above and would cover work items planned in advance to cover items such as server room power downs and restarts, software upgrades, hardware upgrades and configuration changes that would impact normal service delivery. Whilst it is difficult to quantify ‘occasional’ – for the purposes of this contract please cost 1 day per month to allow for any work of this nature although it may not be used for several months and then planned work lasting two to three days could be required.

46. Scope of the Service to be provided

47. The ICT Infrastructure service requires the following :-

48. Management of Active Directory & Groups Policies

- Monitoring using existing toolsets
- Fault Identification & Remediation
- Minor & Major Upgrades
- 2nd & 3rd Line Adds, Moves & Changes as required via standard change control procedure

49. Management of Windows Server Estate

- Monitoring using existing toolsets
- Fault Identification & Remediation
- Minor & Major Upgrades
- Adds, Moves & Changes as required via standard change control procedure
- Currently 25% of the estate is patched on a weekly basis on a 4 week rotating schedule.

50. Management of Client Estate
 - Ensure all physical PC's and laptops are patched on a weekly basis with the latest vendor provided patches using tools provided by the Authority. This will include Microsoft Patches, Virus Definition Updates and other security patches.
51. Management of Virtual Server Environment based on VMware Hypervisor
 - Monitoring using existing toolsets
 - Fault Identification & Remediation
 - Minor & Major Upgrades
 - Adds, Moves & Changes as required via standard change control procedure
52. Management of Email Infrastructure
 - Exchange Server Infrastructure located at BDC & RBC Sites
 - Monitoring using existing toolsets
 - Fault Identification & Remediation
 - Minor & Major Upgrades
 - Adds, Moves & Changes as required via standard change control procedure
53. Management of Network Email Filtering Devices
 - Monitoring using existing toolsets
 - Liaise with 3rd Parties to enable Fault Identification & Remediation
 - Minor & Major Upgrades
54. Management of Storage Area Networks
 - Monitoring using existing toolsets
 - Fault Identification & Remediation
 - Minor & Major Upgrades
 - Adds, Moves & Changes as required via standard change control procedure
55. Management of EMC & HP Storage Arrays
 - Monitoring using existing toolsets
 - Fault Identification & Remediation
 - Minor & Major Upgrades
 - Adds, Moves & Changes as required via standard change control procedure
56. Management of Server Room Environment
 - Monitoring using existing toolsets
 - Adds, Moves & Changes as required via standard change control procedure
57. Management of DMZ Infrastructure
 - Includes server software, server hardware and storage specifically relating to the provision of services in the DMZ Infrastructure
 - Monitoring using existing toolsets
 - Fault Identification & Remediation
 - Minor & Major Upgrades
 - Adds, Moves & Changes as required via standard change control procedure
58. SQL Database Support, Maintenance & Report Writing
59. 3rd Party Call Management & Handling – for any items that require your company to discuss support with another company we have a contract with.
60. RBC & BDC Server Room Daily Checks

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- The Supplier will perform remote daily checks of specified systems according to the authorities requirements
61. Included in the 12 month contract, at no extra costs to the authority, up to 2 extraordinary incidents to cover specific planned out of hours works such as:
 - Temporary SLA uplifts for business critical operations e.g. elections
 62. Project Management of IT Work Packages.
 - Work with members of the BDC RBC team to deliver projects using recognised project management methodologies to agreed standards.
 63. Liaising with internal front line resource
 64. Service Review Meetings
 - To be performed fortnightly on-site at the authority and will last 1 hour
 65. Working within existing change control procedures
 66. Comply with authority Internal processes and standards
 67. Where appropriate, appraise and determine the impact of new or proposed legislation and guidelines
 68. Work with the authorities ICT Helpdesk Desk to revise and update internal process documentation
 69. Assist in the diagnosis and resolution of problems relating to the ICT Infrastructure
 70. Ensure releases, upgrades, fixes & patches available from software suppliers are installed in line with agreed implementation plans
 71. Ensure that documentation relating to corporate systems and software is kept current and available for use by other authority members
 72. Work with all parties, internal and external, to ensure effective communication
 73. The service cover is 8:30am to 17:00 Monday to Friday. Provision of out of hours support will be provided as requested within this document.
 74. On site resource as required (no permanent on-site presence required, ad-hoc as necessary but must be within 1 hour travelling time for Severity 1 fault resolution.)
 75. The scope definition is intended to specify the roles and responsibilities relevant to the current infrastructure. This service contract must encompass the current infrastructure and include additions and changes to services and applications and their supported infrastructure made through normal organic growth at no extra cost, but exclude additions that arise from growth through further partnership agreements that may form with other local Authorities.

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76. Out of Scope

- 77. Server Backup Environment Management
- 78. Networking
 - Provision, monitoring, configuration and management of
 - LAN
 - WAN
 - Wireless
- 79. Business Application Support. For applications not specifically defined as in-scope for this contract, any application installation, monitoring, configuration and management is out of scope.
- 80. Provision and Management of
 - Tablets
 - Laptops
 - Mobiles Phones
 - Web Services
 - Web Site Management
 - Web Content
- 81. Provision of service desk function to provide 1st line support to the authorities customer base
- 82. Information Management
- 83. IP Telephony Support
- 84. VDI Environment Support
- 85. Active Directory - User Add/Moves/Changes
- 86. Client builds
- 87. CCTV Management
- 88. The supplier shall not be responsible for providing any hardware, software or licenses. These are to be provided by the authority. This is a service only contract.
- 89. Disaster Recovery Testing

90. Appendix A

91. Site Addresses

Bromsgrove District Council

Bromsgrove District Council
Parkside
Market Street
Bromsgrove
Worcestershire
B61 8DA

BROMSGROVE DISTRICT COUNCIL

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Redditch Borough Council

Redditch Borough Council
Town Hall
Walter Stranz Square
Redditch
Worcestershire
B98 8AH

92. Appendix B

93. Costing Profile

94. Please note that due to the decision process for permission to proceed, a report detailing these costs will be presented to Councillors during April 2017. Costs should therefore be fixed until the end of April 2017 to enable that process to be completed.

95. The Authority will require the ability to terminate the contract with 90 days' notice (following the initial 90 days of the contract commencement date) for any reason. Any request for termination will be provided in writing (via email). The supplier will have the ability to terminate the contract with the same 90 day notice period following the initial 90 days of the contract.

96. Year 1 and 2 Total Costs

Year 1 – Please enter below the total cost for delivering the service as per your response to this advert	Year 2 – Please enter below the total cost for delivering the service as per your response to this advert	Please enter below any comments required regarding the costs.
£	£	

97. The council requires invoices to be requested for payment quarterly – please state if this is acceptable and in addition, if an alternative payment profile could offer a reduction in cost, then please detail this.

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6. **BACKGROUND PAPERS**
None

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