

MUNICIPAL YEAR 2018/2019 REPORT NO.

ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

OPERATIONAL DECISION OF:
Director of Customer
Experience & Change

Agenda – Part: 1	KD Num: 4540
Subject: SunGard Data Centre – Hosting and Decommissioning Services	
Wards: n/a	

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1. RECOMMENDATIONS

To seek approval to award the renewal contract for Data Centre services provided by SunGard for the period until they are decommissioned on 31st July 2019. Contract value is £435,246.87.

2. BACKGROUND

Since the Council insourced the ICT service in June 2016, it has used SunGard to provide an external data centre at an annual contracted cost of around £1.4m per year. The ICT Infrastructure Programme will create a hybrid infrastructure including on site Data Centre and use of Cloud storage which will remove the requirement for an external data centre by the end of July.

The contract is to cover the period from 1st February to 31st July including any costs of decommissioning on a decreasing basis as items are removed from the data centre, which is why the costs are not pro-rated based on an annual cost. This is already commencing with the move of systems such as Skype for Business, LAGAN, Northgate Housing and SAP from the data centre which reduces storage costs.

1. COMMENTS OF THE DIRECTOR OF FINANCE AND OTHER DEPARTMENTS

4.1 Financial Implications

This is part of the annual running costs of the ICT service and charged to FG0230 at a cost of £1.4m per annum. The ICT Infrastructure DAR demonstrates that this will be saved on annual basis from 2020/21 onwards.

The contract cost of £435,246.87 is a pro-rated amount to the end of July, including costs of decommissioning and still contributes to a saving in 2019/20 as referenced in the Infrastructure DAR.

4.2 Legal Implications

Section 111 of the Local Government Act 1972 permits local authorities to do anything which is calculated to facilitate or is conducive or incidental to the discharge of their functions.

Furthermore, the Council has a general power of competence under Section 1(1) of the Localism Act 2011 to do anything that individuals may do, provided that it is not prohibited by legislation and subject to public law principles.

The Council will need to ensure that any contracts which are entered into pursuant to the IT rationalisation programme are procured in accordance with the Public Contracts Regulations 2015 (where applicable) and the Council's Contract Procedure Rules.

The contracts will need to be in a form approved by the Director of Law and Governance.

This will be a Key Decision as it involves expenditure of more than £250,000 and therefore the Key Decision governance process will need to be followed (see CPR 1.22.4).

The Council needs to be mindful that the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) may apply to any future service provision change, and legal advice should be sought on this at the appropriate time.

4.3 Property Implications

The data centre build will not impact the ability of 3rd party occupants to host services in the Civic Centre server room.

4.4 Procurement Implications

As the existing provider, SunGard are the only supplier that can undertake this work, and they have offered the service through G-Cloud 10. EY have worked with Procurement to attempt to reduce the costs in consultation with SunGard.

This approach was approved at the P&C Board on 12th March 2019.

4.5 HR Implications

None

4.6 ICT Implications

This is to maintain the existing service until the end of July 2019. The Infrastructure DAR covers ICT implications of changing the service.

5. ALTERNATIVE OPTIONS CONSIDERED

The following options have been considered:

5.1 Do nothing

We will have no service provision without renewing the SunGard contract. This can be discounted.

5.2 Tender for a new data centre contract with alternative supplier

This is not feasible, since the existing supplier will be ceasing to supply as part of this including any decommissioning, therefore we do not wish to move to another supplier, just to decommission.

6. REASONS FOR RECOMMENDATIONS

Proceeding with this proposal will provide business continuity and support until the Data Centre is decommissioned. Costs are within the existing ICT Budget, but the decommissioning work is essential for the Infrastructure Programme to take place.

7. KEY RISKS

The risks of not proceeding with the recommendations in this report are as follows:

- **Timescales/Costs:** We do not complete decommissioning in line with Infrastructure Programme **Mitigation:** Timescale allows for a contingency and also Infrastructure programme includes contingency for additional spend.
- **Resilience:** SunGard are already providing the service without contract, so failure to sign means no service provision **Mitigation:** EY have made contact regarding intent to sign contract to maintain service.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Good homes in well-connected neighbourhoods

- Applications hosted in the data centre support delivery of all ICT services which in turn support all the council priorities

8.2 Sustain strong and healthy communities

- Applications hosted in the data centre support delivery of all ICT services which in turn support all the council priorities

8.3 Build our local economy to create a thriving place

- Applications hosted in the data centre support delivery of all ICT services which in turn support all the council priorities

9 EQUALITIES IMPACT IMPLICATIONS

N/A

10. PERFORMANCE MANAGEMENT IMPLICATIONS

Key Performance Indicators in line with existing service provision, supporting the current ICT KPI's. There are no new implications as this a continuation of service.

11. HEALTH AND SAFETY IMPLICATIONS

N/A.

12. HUMAN RESOURCES IMPLICATIONS

N/A.

13. PUBLIC HEALTH IMPLICATIONS

N/A

Background Papers

N/A.