Agenda Item 29

Cabinet
October 2011
SAN/CP

East Devon District Council

Selection of SAN vendor

Exempt Information

Para 3 Schedule 12A information relating to the finance or business affairs of any particular person (including the authority holding that information).

Summary

Contract standing orders require a full tender exercise for procurement of more than £100,000. The required ICT infrastructure replacement to be installed will cost around £110,000. This report recommends a process of gaining written quotations from a small number of vendors who have proved capable of delivering cost effective ICT infrastructure solutions with local authorities in Devon and South Somerset rather than a full tendering exercise.

The Storage Area Network (SAN) replacement, new data recovery and back-up systems, and the design and set up of our disaster recovery (DR) site are closely intertwined. The integrated solution is relatively complex and each vendor's offering requires considerable investigation.

Several vendors have good knowledge and experience of our infrastructure through either having worked with us for several years or been deeply involved in convergence of IT infrastructure during discussions on sharing. We have involved them in an iterative design process for this complex infrastructure and wish to take advantage of this to reduce timescales and keep our resource needs to a minimum.

Recommendation

That Contract Standing Orders be waived to allow the use of three quotations rather than full tendering for the selection of the SAN vendor and IT solution.

a) **Reasons for Recommendation**

We will use expertise and knowledge of trusted vendors to reduce timescales, reduce resources needs and produce a good solution.

b) **Alternative Options**

To refuse to waive standing orders and to carry out a full tender exercise. This will increase the timescales by several months and tie up resources for this time.

c) Risk Considerations

Risks of not gaining best value for the council are mitigated by:
- Gaining an independent expert view of the three final quotations
- Negotiations with each vendor as the final designs solution are honed

d) Policy and Budgetary Considerations

The budget for the SAN replacement and DR site exists in the capital budget.
The DR site upgrade need is identified as a key risk.

e) Date for Review of Decision

N/A

---

1 IT infrastructure issues the council is now facing

1.1   Maintenance… The current storage area network (SAN) was installed in 2005 and has been running 24hours a day for over 6 years. The product is no longer manufactured by the supplier and the annual maintenance costs, currently £16,000, are expected to increase over the next few years as the availability of spare parts becomes limited.

1.2   Capacity… The current SAN has very limited capacity and will not be sufficient to accommodate the growth of data that needs to be stored beyond the very short term. With the current growth pattern in data storage the SAN will run out of space in a matter of months. Plans to increase the use of scanning for paper documents will require more disk capacity than the SAN is able to provide. Most of the data is linked to our databases and not suitable for moving in outsourced storage, or "the cloud" as it is now known.

1.3   Backups… As the amount of data increases, the amount of time taken to backup the data increases. Because we rely on tapes for backups, which are slow, we are running out of time to backup the data. The daily backups, done overnight, take 10 hours to complete and the full weekly backups take nearly 48 hours to complete. Without changing our approach we will soon run out of time to do the backups outside of business hours. The impact will be that backups start running during business hours, which will slow down the IT systems, or we will have to reduce the frequency of the backups and this will increase the likelihood of data loss.

1.4   Disaster Recovery… The council's ability to recovery IT systems in response to a disaster is weak, and this has been highlighted in several recent audit reports. The current process relies on recovery of data from tape which is slow and prone to errors. We are also paying £12,000 per year for an equipment offload contract to supply equipment to us in the event of a disaster.

1.5   Compatibility… Several IT projects, including plans to improve data backups and Disaster Recovery, are dependent on upgrading our virtual server infrastructure. The new virtual server infrastructure is not compatible with the current SAN.

2 The solution

2.1   The acquisition of a new clustered SAN facility which will use a data link between the Knowle and the Business Centre at Honiton to replicate data from one site to the other. The clustered SAN will comprise of a separate disk storage unit at each site copying data from the Knowle to Honiton via the new Devon Wide Area Network. Additional server infrastructure will be installed at the Honiton site which will become operational in the event of a disaster recovery situation.

2.2   Maintenance. The new SAN will be a model in current production which will have 3 years of maintenance included in the acquisition costs. This will remove the increasing maintenance costs of the existing SAN.

2.3   Capacity. The new SAN will have sufficient capacity to accommodate our growing needs for storage. The SAN will go live with 33% spare capacity on the installed disks and spare shelf space capacity to accommodate 100% more disk capacity as and when required.

2.4   Backups. The data copied from the Knowle to Honiton will act as the backup copy. This will remove the need to backup data onto tape each night. This will mean that we can extend the availability of our systems closer to 24x7 and without the risk of nightly backups affecting performance.

2.5   Disaster Recovery. As a copy of data will be available at Honiton a full DR capability will be available. In the event we need to invoke a DR plan the systems at Honiton will become the live operation, having access to data that is, at most 8 hours out of date from the live copy. We will not need to pay the annual £12,000 for equipment offload contract.

2.6   Compatibility. The new SAN will be compatible with the current virtualisation technology. This means that current and future IT projects are less likely to be obstructed by unsupported technology.

3 Procurement method

The overall solution involves "gluing together" a number of discrete complex hardware components using software and there are many ways of achieving the desired result.

We have been is discussion with a number of vendors over the past 6 months to understand what is possible (and not possible) within our budget. The vendors were those who already supplied us, other Devon authorities or South Somerset.

The design process was iterative and involved frequent changes and comparisons between each vendor's offering until a solution began to emerge that was a reasonable compromise between affordability and functionality.

Rather than restart the process with a full tendering exercise it is proposed to take final quotations from the three remaining vendors and select the best. The aim is to have the storage solution in place by end December with the DR completed by April 2012.

Legal Implications

If members agree that standing orders be waived so that the procurement exercise is limited to the three suppliers discussed in the report it is recommended that selection criteria for the successful tenderer are agreed in advance in the normal way so that the process is transparent and auditable. It is also suggested that the tenders received are benchmarked against other market data available –for example government procurement frameworks [if available] so that value for money from this limited tendering exercise can be independently established, if at all possible. It is not clear from the report whether there are financial or legal implications from exiting any existing contracts; if there are these should be assessed before any decision is taken on the new contract.

Financial Implications

There is currently £100k approved by the Project Board, in the Capital programme for funding this project.

Consultation on Reports to the Executive

ICT Programme Board August 2012
FY 2011/12 budget process.

Chris Powell	Cabinet
Corporate ICT Manager	Oct 2011