

SHADOW EXECUTIVE

28 OCTOBER 2008

SUBJECT	Award of Tender for ICT Server Infrastructure <i>(This report seeks authority to award a tender for the provision of server hardware in support of the creation of the new ICT infrastructure for Central Bedfordshire Council)</i>
REPORT OF	Director of Corporate Resources <i>Contact Officer: Robert Wood (Tel: 01462 611609)</i>

IMPLICATIONS

SUSTAINABILITY	N/A
FINANCIAL	Will be drawn down from the approved ICT Transition budget, but does exceed delegated financial approval limit of the Interim Chief Executive.
LEGAL	N/A
PERSONNEL/EQUAL OPPORTUNITIES	N/A
COMMUNITY DEV/SAFETY	N/A
TRADES UNION	N/A
HUMAN RIGHTS	N/A
KEY ISSUE	Yes
BUDGET/POLICY FRAMEWORK	No

OTHER DOCUMENTS RELEVANT TO REPORT

Appendix A – Tender evaluation spreadsheet
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RECOMMENDATION(S):

1. that the Shadow Executive consider this report and the tender evaluation scoring which is attached as Appendix A.
2. that the Shadow Executive approves the award of the tender to procure the servers to Supplier 2 at a whole life (5 year) cost of £752,643.

<i>Reason for Recommendation:</i>	<i>The procurement of new servers necessary to implement the ICT infrastructure for Central Bedfordshire Council is in line with the approved ICT Programme PID which states: 'Whilst ensuring that stability in operations remains throughout and risk is suitably contained, the concept behind ICT for CB will be to create a new fit for purpose infrastructure'</i>
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Background

1. This is one of two related tenders (Further Competitions) that have been run using the Office of Government Commerce (OGC) Catalist Invitation to Quote (ITQ) system, the other one being for procurement of a Storage Area Network (SAN). All ITQs are run under umbrella OGC framework agreements. The whole process is completely web based and managed by the OGC. Any supplier queries are answered via the OGC website. This ensures that the Council gets best value for money from tender responders who all have to abide by the same OGC framework agreement. As the ITQ is strictly managed and controlled by the OGC it also makes the whole process transparent and compliant.
2. In creating the new ICT infrastructure for Central Bedfordshire we have to put in place a set of systems and processes that reflect the needs of an enterprise scale organisation in the 21st century. In doing so we have sized it to allow Central Bedfordshire to host all of the applications it needs to support the operational services delivery requirements. The combination of blade server and virtualisation technology we will be deploying allows us to not only reduce our physical space requirements, which is a key accommodation consideration, but also our power and cooling costs and ultimately our carbon foot print. Business continuity is a key requirement of any organisation and we are designing this in from day one as part of the ICT infrastructure.
3. On receipt of the tender responses a period of due diligence on our part was carried out to resolve any queries. Equally important, each solution, although broadly similar because of the dictates of the requirement, will contain or omit certain items, costs and functionality which we needed to tease out to make sure we are comparing like with like. Seventeen suppliers were invited to quote via the OGC Catalist ITQ system. Nine suppliers responded to the tender with one being eliminated, as it wasn't a valid submission. Of the remaining eight, all of them proposed Intel processor based solutions. Of these only two specified the latest model of processor, with the others specifying a processor model that is shortly to be discontinued. This was obviously done for the sole reason of driving down their pricing. Indeed one supplier listed the new model of processor in their proposal but when the component list (which we specified as a condition) was examined they had priced up the discontinued model.

4. Each solution was marked in two parts.

The first part, which accounts for 70% of the total score, is whole life cost. In this particular instance this cost is for the total acquisition costs, including any installation, configuration and training plus five years maintenance. Although this raises the total up front price of the procurement it does allow us to leverage economies of scale with suppliers to ultimately reduce the five-year cost. Each solution that is within 50% of the lowest price is awarded a basic price score of 30%, plus a further relative price score of 40% based on it's price. This is a fixed calculation that ensures a base empirical score is attributed prior to the final scoring of the fitness for purpose.

The second part involves two senior ICT officers carrying out the fitness for purpose part of the scoring independently. These scores are averaged and added to the whole life cost scores for each solution. The solution with the highest score is the winner. Based on this evaluation Supplier 2 is the winner of the tender. Appendix A, attached, lists all of the scoring.

<i>Background Papers:</i>	Approved ICT Programme PID CBC ICT transition overview for OPB
<i>Location of Papers:</i>	LGR EDRMS database
<i>File Reference:</i>	EDRMS document No. 265 and 2530 respectively