Case study: First Further education provider joins Jisc shared data centre
saving 80% on data centre costs

What was the challenge?

The City of Liverpool College Group (liv-coll.ac.uk) is a top ten national Further education (FE) provider with over 22,000 students and comprises the College, First4Skills and Liverpool Business Services. It has launched a new venture for accelerated transformation of FE organisations, called SharEd (shared-ed.ac.uk). This is designed to help institutions reduce cost through outsourcing services including HR, facilities, finance, IT and management information systems, as well as delivering transformational consulting and professional services. SharEd will give organisations the tools they need to be able to focus on teaching and learning and also transform their operations at a faster pace using pre-packaged 'accelerators' based on best practice from the sector.

In serving other institutions the college needed a highly resilient infrastructure that could offer the ability to scale and still achieve reduced cost. Having evaluated in-house solutions and other industry providers, the college selected Jisc as the partner most closely meeting the brief.

How did we solve it?

The City of Liverpool College Group (liv-coll.ac.uk) chose Jisc’s shared data centre framework to support the new venture, becoming the first further education provider to do so. This is the UK’s only national shared data centre for education and research. It is offered through a framework agreement between Jisc (jisc.ac.uk) and specialist data centre provider Infinity SDC (http://infinitysdc.net/).

From 1 August 2015, the college has used the data centre to site their own equipment in a highly secure environment which is connected to the core of the Janet network offering high bandwidth, high speed access to their service.
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What were the benefits to teaching, learning and assessment?

Using the shared data centre allows the college to achieve financial efficiency and reserve resources onsite for teaching and learning. For example, moving equipment off-site means reduced operational costs and allows the college to make better use of campus space and resources for teaching and learning. The college recognised the benefits of siting the equipment in a dedicated facility run by an organisation that is a leader in its field, which in turn frees up staff time.

What were the benefits to business efficiency, and other savings?

The college estimate that they are saving £48,000 per annum by using the data centre. Having previously spent £60,000 on two racks in another data centre, the college are now spending the equivalent of £12,000 on their new Infinity data centre bills, excluding set up. As their needs grow, so will that saving.

Using the data centre is part of SharEd’s outsourcing model, which will offer projected cost savings to the business of 12-20% of the organisation’s annual budget. Outsourcing human resources, finance, IT, management information systems and so on will mean that the business saves around £3-£5m per annum.

Firstly, choosing the shared data centre allows the college to achieve significant cost savings by not having to set up and run a whole new facility themselves. The facility is large, efficient and state of the art with highly resilient and high capacity power and networking provision. By centrally procuring this specialised data centre for education and research, Jisc has saved the tenants the cost of conducting their own procurement activities. Moreover, significant cost savings will be achieved by the sector as customers’ requirements are aggregated leading to favourable pricing structures. Such savings are set to increase as more institutions take up residence there. Specifically, the college will enjoy economies of scale in reductions to the price of co-location space.

Furthermore, Infinity offers flexible power metering and usage and a mechanism for the college, and other tenants meeting the HMRC criteria, to pay a reduced VAT rate. This allows the college to directly control and reduce their power costs. It also means that they can enjoy a lower carbon footprint than if they used other solutions.

Secondly, the City of Liverpool College Group chose the data centre because it offers a highly resilient service in terms of power and cooling provision as well as network connectivity. The centre has several high capacity connections to the core of Janet, the UK’s education and research network, which means that like other tenants the college will enjoy low connectivity costs and a consistently high level of service.

The flexibility that the Jisc framework offers allows collaborative projects to be scaled appropriately and developed as required quickly and easily. This flexibility may not always be possible within a campus environment, so using the data centre will allow the college to scale up their requirements as SharEd develops.

The shared data centre is a natural home for collaborative consortia; it allows organisations to share equipment, networking, and data, without impact on their real estate, existing IT infrastructure or IT staff. As well as the City of Liverpool College, current occupiers include University College London (UCL) (ucl.ac.uk), Kings College...
London (kcl.ac.uk/index.aspx), The Sanger Institute (sanger.ac.uk), The Francis Crick Institute (crick.ac.uk), Imperial College London (imperial.ac.uk) and Higher Education Funding Council for England (HEFCE) (hefce.ac.uk). Queen Mary University of London (QMUL) (qmul.ac.uk) and Brunel University London (brunel.ac.uk) are among the organisations due to move in before the end of 2015.

How did Jisc add value to this work?

Jisc’s position and expertise means that we were able to negotiate this unique shared data centre with the most favourable set of conditions for UK education and research. Working closely with the anchor tenants, we set up a single supplier framework agreement for the detailed design, supply, installation, configuration, commissioning and maintenance of a co-location datacentre facility. We particularly worked on ways to remove the financial disincentives that academic organisations have traditionally faced when working with third party suppliers.

The data centre has been designed to be flexible to accommodate the needs of different sets of customers, whether collaborating on big data projects or supporting teaching and learning, data storage or running administrative systems. HEFCE funded the capital costs to £1m for the networking through the Universities Modernisation Fund.

As well as supporting through the data centre, Jisc is actively looking at other ways it can assist SharEd and other shared service schemes for the benefit of UK education and research.