

Report Title:	<b>Renewal of Microsoft Licencing Agreement – award of new contract</b>
Contains Confidential or Exempt Information?	Yes - Part II appendix only – <b>Not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.</b>
Member reporting:	Councillor Rayner, Lead Member for HR, Legal, IT, Resident and Leisure Services and Performance Management
Meeting and Date:	Cabinet - 27 February 2020
Responsible Officer(s):	Duncan Sharkey, Managing Director Nikki Craig, Head of HR, Corporate Projects and IT
Wards affected:	None

www.rbwm.gov.uk



## REPORT SUMMARY

1. The Council's current three contract for Microsoft Licences expires 31 March 2020. This report is to request Cabinet delegate authority to award a new three-year contract once the procurement exercise has concluded in March 2020.
2. Changes for licence requirement leveraged by the Modern Workplace project have been taken into consideration for the procurement exercise.

## 1. DETAILS OF RECOMMENDATION(S)

**RECOMMENDATION:** That Cabinet notes the report and:

- i) **Delegate authority to the Director of Resources in consultation with the Lead Member for HR, Legal, IT, Resident and Leisure Services and Performance Management to award a contract for three years providing it is within the base budget.**

## 2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

### Options

**Table 1: Options arising from this report**

<b>Option</b>	<b>Comments</b>
Notes the proposed procurement exercise for Microsoft Licence renewal, and delegates the award of the final contract as set out in the report recommendation.  <b>This is the recommended option</b>	This will enable a new contract to be awarded in a timely manner that will coordinate with conclusion of phase 1 of the modern workplace implementation.
Not approve the report and to cease the contract.	Licences would expire on 31 March 2020, users would not be able to

Option	Comments
	access all systems as they are licenced per user.

- 2.1 The Royal Borough's IT service have enhanced the desktop management systems provided to Royal Borough staff, partners, schools, elected members and third-party suppliers. The service has leveraged the functionality from many of the market leading Microsoft technologies to achieve this. This has been possible due to previous commitment to a Microsoft Enterprise Agreement (EA) and the additional value-add benefits this provides. The renewal of the agreement provides the Royal Borough a reliable and functional platform to develop and enhance business systems for both the council and our partners.
- 2.2 One major benefit of the agreement was the adoption of a single and up to date version of Microsoft Office across all networked devices, Office 365, which provides many features including document workflow, version control, encryption of emails, and collaboration with internal and external partners in particular with the use Skype for Business and Teams.
- 2.3 A further advantage is that Office 365 can also be accessed via office.com from any web browser enabling the council to work off the council network which complements business continuity plans.
- 2.4 The roll out of the Modern Workplace Project will see staff take advantage of many more applications that the Office 365 subscription offers, as an example the use of Skype and Teams will be increased as staff will have mobile audio devices which will in turn impact on the telephony strategy as the need for the types of current telephony used will reduce.
- 2.5 Further products and benefits include:
- Microsoft SharePoint currently being used for the corporate intranet and is to be reviewed and developed this year for improvements. It is also being used to rationalise the document management systems within the business where appropriate and it can meet needs.
  - Developing the use of Cloud technologies and maximising the functionality available to reduce costs where possible and enhance Business Continuity and Disaster Recovery
  - Microsoft professional services days (PSD) and training vouchers to develop in house skills for IT staff and business users alike. These can also be used to provide sessions to all staff to educate them on all the tools available and ensure the value of this investment is being realised

### 3. KEY IMPLICATIONS

#### **Contract Term, Termination and Variation**

- 3.1 The minimum contract term available for this renewal with any Microsoft Partner is a three-year period with the ability to flex the licences at the end of the annual periods i.e. March 2021, March 2022 and March 2023. This would allow us to increase or decrease licences based upon the requirements of the business and following the successful roll out of the Phase 2 Modern

Workplace project although agreement is required by the Microsoft Licensing Desk at this time.

**Table 2: Key Implications**

<b>Outcome</b>	<b>Unmet</b>	<b>Met</b>	<b>Exceeded</b>	<b>Significantly Exceeded</b>	<b>Date of delivery</b>
Microsoft Licencing agreement renewed by 31 March 2020.	1 April 2020	31 March 2020			31 March 2020

#### **4. FINANCIAL DETAILS / VALUE FOR MONEY**

- 4.1 The current cost of the Microsoft Enterprise Agreement (EA) is covered within revenue base budget.
- 4.2 Indicative quotes have been gained from the current provider to give an idea of the potential renewal costs, although exact costs won't be known until the procurement is concluded. Table 5 in appendix A is the comparison of a potential like for like renewal costs, mirroring current volumes and license types of the Royal Borough compared to license types that can be leveraged as part of the investment in the Windows 10 laptops/Modern Workplace Project. Note that the licences cover all Royal Borough employees, employees of Achieving for Children and Optalis as well as other partner organisations.

#### **5. LEGAL IMPLICATIONS**

- 5.1 A new contract will be required, and the process to enable this has been started. Assistance to complete this procurement process and contract is being provided by the corporate procurement team.

#### **6. RISK MANAGEMENT**

**Table 3: Impact of risk and mitigation**

<b>Risks</b>	<b>Uncontrolled risk</b>	<b>Controls</b>	<b>Controlled risk</b>
New agreement is not in place in the timescale required.	High	Work with legal and procurement timescales required are adhered to.	Low

#### **7. POTENTIAL IMPACTS**

- 7.1 Equalities - none
- 7.2 Climate change/sustainability – none.
- 7.3 Data Protection/GDPR - There are no aspects of GDPR in this contract.

## 8. CONSULTATION

8.1 Consultation is not required.

## 9. TIMETABLE FOR IMPLEMENTATION

9.1 Implementation date if not called in: Immediate; the implementation stages are set out in table 4.

**Table 4: Implementation timetable**

Date	Details
February 2020	Drawing up of procurement documents.
February 2020	Undertake procurement exercise
End of March 2020	Notification to provider, and award of contract.

## 10. APPENDICES

10.1 This report has one Part II appendix – Microsoft Licencing detail - **Not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972**

## 11. BACKGROUND DOCUMENTS

11.1 This are no background documents for this report.

## 12. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Date returned
Cllr Rayner	Lead Member for HR, Legal, ICT, Resident and Leisure Services and Performance Management	30/01/2020	30/01/2020
Duncan Sharkey	Managing Director	30/01/2020	31/01/2020
Russell O'Keefe	Executive Director	30/01/2020	
Terry Neaves	Section 151 Officer	30/01/2020	
Ruth Watkins	Deputy Section 151 Officer	30/01/2020	30/01/2020
Elaine Browne	Head of Law	30/01/2020	30/01/2020
Louisa Dean	Communications	30/01/2020	
Kevin McDaniel	Director of Children's Services	30/01/2020	30/01/2020
Hilary Hall	Director Adults, Commissioning and Health	30/01/2020	31/01/2020
Karen Shepherd	Head of Governance	30/01/2020	30/01/2020

## REPORT HISTORY

Decision type:	Urgency item?	To Follow item?
Key decision	No	No
Report Author: Nikki Craig, Head of HR, Corporate Projects and IT		