

# Agenda Item IMD25

## INDIVIDUAL EXECUTIVE MEMBER DECISION

REFERENCE IMD: IMD 2023/25

<b>TITLE</b>	Procurement of Microsoft Enterprise Licensing
<b>DECISION TO BE MADE BY</b>	Executive Member for Climate Emergency and Resident Services - Sarah Kerr
<b>DATE, MEETING ROOM and TIME</b>	13 December 2023 10:30 – Shute End, FF8
<b>WARD</b>	(All Wards);
<b>DIRECTOR / KEY OFFICER</b>	Chief Operating Officer – Sally Watkins

### **PURPOSE OF REPORT (Inc Strategic Outcomes)**

The purpose of this report is to agree the procurement of the Councils Microsoft enterprise agreement licensing.

The proposed procurement is to contract with Phoenix Software for a 3 year term.

### **RECOMMENDATION**

That the Executive Member for Climate Emergency and Resident Services agrees to the procurement business case, set out within the exempt documentation, to direct award a 3 year contract to Phoenix Software for the Councils Microsoft Enterprise Agreement Licensing via the KCS (Kent Commercial Services) Procurement Services framework.

### **SUMMARY OF REPORT**

**Microsoft Enterprise Agreement (EA)** provides the licensing to the Microsoft toolset including M365 Suite (Office, Teams Telephony), Windows Operating System, Server Security and Compliance products.

This toolset underpins the operation of the Councils IT estate and provides Officers and Councilors with the core productivity tools to work.

Microsoft sell their licensing via resellers, with Local Government prices set by a Memorandum of Understanding (MOU) between the Governments Crown Commercial Services (CCS) and Microsoft. This MOU is referred to as the Digital Transformation Arrangement 2021 (DTA21).

This procurement will mean the Councils next 3 years of pricing will be fixed at DTA21 prices before DTA24 comes into effect. It is anticipated this will protect the Council from unit license increases until April 2027.

## Background

The Council current Microsoft EA ends on 31<sup>st</sup> March 2024. It is imperative that the Council renews its EA before this date to ensure continuity of service.

The next Microsoft EA will run through to 31 March 2026. At the yearly Anniversary the Council has the flexibility to review its licensing levels and license types. Therefore, ensuring that the Council remains licensed at the appropriate level to support its operations and strategic direction.

Selecting Phoenix Software as the Councils chosen Microsoft reseller via the KCS framework via direct award is a compliant procurement route. The recommendation has been agreed internally by the Councils Strategic Procurement Board in Nov 2023. The KCS framework is provided by Commercial Services Group Ltd, a commercial subsidiary of Kent County Council and uses Crown Commercial Services Digital Transformation Arrangement 2021 (DTA21) pricing.

## Business Case (including Analysis of Issues)

This detail is contained in the following documents which need to be reviewed as part 2 documentation as they contain information that is sensitive from a commercial and security point of view.

1. **Enc. 1 for Procurement of Microsoft Enterprise Licensing - PROCUREMENT STRATEGY/OPTIONS ANALYSIS:** Business Case – approved by Strategic Procurement Board on the Nov 2023

## FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

***The Council faces unprecedented financial pressures as a result of; the longer term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and are focused on the vulnerable and on their highest priorities.***

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	720k	Yes this procurement is fully budgeted, and does not present an additional financial burden. Costs are included in the Councils MTFP.	Mixture of Revenue and Capital Funded
Next Financial Year (Year 2)	720k	Yes this procurement is fully budgeted, and does not present an additional financial burden. Costs are included in the Councils MTFP.	Mixture of Revenue and Capital Funded

Following Financial Year (Year 3)	720k	Yes this procurement is fully budgeted, and does not present an additional financial burden. Costs are included in the Councils MTFP.	Mixture of Revenue and Capital Funded
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<b>Other financial information relevant to the Recommendation/Decision</b>
N/A

<b>Cross-Council Implications</b> (how does this decision impact on other Council services, including property and priorities?)
The Microsoft technology toolset is ingrained in the operational activity of the Council. The technologies is relied on by all service areas, without the functionality it would not be possible to function.

<b>Public Sector Equality Duty</b>
Where new technology is implemented equality assessment are completed as part of project delivery.

<b>SUMMARY OF CONSULTATION RESPONSES</b>	
<b>Director – Resources and Assets</b>	
<b>Monitoring Officer</b>	
<b>Leader of the Council</b>	

<b>For Highways use only</b>	
<i>If your item is not about a highways matter you do not need to complete the Town and Parish Council information or the Local Ward Member information</i>	
<b>Town and Parish Councils</b>	
<b>Local Ward Members</b>	

<b>Reasons for considering the report in Part 2</b>
Procurement Business Case to be considered as a part 2 document as this contains sensitive information from a commercial and security perspective.

<b>List of Background Papers</b>
1. <b>Enc. 1 for Procurement of Microsoft Enterprise Licensing - PROCUREMENT STRATEGY/OPTIONS ANALYSIS:</b> Business Case – approved by Strategic Procurement Board on the Nov 2023

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