

For Publication

For General Release

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| REPORT TO: | CABNET 24 JANUARY 2022 |
| SUBJECT: | Microsoft Enterprise Subscription Procurement Strategy |
| LEAD OFFICER: | Elaine Jackson Assistant Chief Executive Neil Williams Chief Digital Officer & Director of Resident Access |
| CABINET MEMBER: | Cllr Young Cabinet Member for Resources and Financial Governance |
| WARDS: | ALL |
| COUNCIL PRIORITIES The strategy supports the Croydon Renewal plan by ensuring the continued provision of corporate software licenses which are critical for every aspect of the council's work. The Microsoft Enterprise Subscription includes software licenses for core Microsoft products all council staff rely upon for their jobs, such as Office 365 and MS Teams. As well as being business critical for the functioning of the council, this software supports remote and flexible working and enables the council to implement modern ways of working to support efficiency savings. | |
| FINANCIAL IMPACT Contract expenditure estimated at £5.5m total for the proposed 3 year contract term. The contract will be funded from existing revenue budget held within the Digital and Resident Access division in the Assistant Chief Executive directorate, as set out in section 6 of this report. There are no capital implications. | |
| FORWARD PLAN KEY DECISION REFERENCE NO.: Not a key decision | |

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

- 1.1 Cabinet is recommended by the Contracts and Commissioning Board to approve the procurement strategy detailed in this report for the procurement of Microsoft Enterprise Subscription which will lead to a 3 year contract with an estimated value of £5.5m

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2. EXECUTIVE SUMMARY

- 2.1 This procurement strategy is proposed to reprocure Microsoft software licensing. The Council currently licences Microsoft software under an Enterprise Agreement with a specialist software reseller (Insight Direct UK). The contract was let in 2019 (CCB ref: CCB1495/19-20, Decision ref 2119FR).

Commissioning outcomes required

- 2.2 There is a strategy to continue using Microsoft software products, therefore a new Enterprise Subscription is needed, as our current agreement expires in June 2022. These applications and services are critical to deliver key services across the organisation for Croydon residents. The cloud based software has been vital in supporting Council activities during the disruption caused by the pandemic and will further enable efficiencies and improved ways of working which are key to support the council's financial strategy.
- 2.3 Failure to have entered into a new agreement before the current agreement ends will result in the Council being unable to access Office 365 which includes Outlook email and Teams, Word, and Excel, files in OneDrive and other online Azure hosted back-office systems, such as Microsoft InTune, SQL server which is a database used by many of our IT systems, and Enterprise Mobility Suite.
- 2.4 The proposed duration of the subscription based licence enterprise agreement is for 3 years which is the maximum allowable under Microsoft licence terms. This timeframe will enable the Council to continue to fully utilise the benefits of a subscription model, and review products over time. Should usage numbers decrease there is flexibility annually to reduce licence numbers and costs. The flexibility also provides for an increase in licences due to staff recruitment over the 3 year term.
- 2.5 The 3 year term is fixed by Microsoft and there are no options to extend. The expected start date for the new enterprise subscription is 1 July 2022.
- 2.6 Note that the Council has enjoyed subscription prices which were achieved from the 2019 contract. Since 2019 Microsoft Licence charges have increased. When we go out to tender, we will be charged the latest Microsoft pricing which is higher than our current contract pricing.
- 2.7 The contract will be managed by the Croydon Digital Services Contracts Management team to ensure on-going compliance and value for money.

Further analysis

- 2.8 The following issues have been considered:

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| Question | Response |
|--|---|
| Can we extend current arrangement or enter into a new term which is not fixed for 3 years eg 1 + 1 or a 1 + 1 + 1? | Unfortunately, no because the framework does not allow it. The current 3 year agreement expires in June 2022, and so the only way to extend would be to enter into a brand new 3 year agreement. This would be based on new Microsoft pricing, with the understanding that this would only be with our current provider for year 1 and then we would need to hold a tender for year 2 and 3. |
| How will CDS manage demand for licence types and volumes to reduce costs? | <p>CDS will continue to manage demand through completing quarterly reviews on licence numbers and reviewing the licence type required when a new starter form is received.</p> <p>Leaver reports are also actioned monthly, and licences are harvested to be reassigned accordingly.</p> <p>It is important to note that CDS reduced the licence requirements to accommodate latest staff changes, saving LBC approx. £80K due.</p> <p>* Further info below</p> |
| Can we consider moving away from O365 | <p>Yes, this is a feasible option, however, our recommendation is that this is assessed in a full business case, looking at:</p> <ul style="list-style-type: none"> • Feasibility financial impact; • Risk; • Potential for innovation; and • An overall level of success. <p>However, due to the short timeframe, we do feel there is insufficient time to complete this by May 2022.</p> <p>** Further info below</p> |

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The Council manages various licence types for LBC staff. We currently utilise lower cost basic functionality Exchange Online only licences, 'standard' E3 licences and some higher cost feature rich E5 licences where appropriate. The majority of our LBC staff are assigned E3 licences.

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CDS Service Operations review all E3 & E5 licensing quarterly to ensure any licenses not being used are recovered. Work is also underway to establish if the software asset management solution we use (called SNOW) can automatically do this for us as part of its functionality, but for now, we are managing to recover licenses manually, reducing additional expenditure.

Where we struggle is with some shared network accounts, where they require an E3 license due to the volume of emails received and need to be stored for a certain period of time. (A standard shared network account only allows for 50GB storage which cannot be increased, so relies on the owners of the mailbox to keep it clean and tidy). Also, get forecast info from HR on new starters.

In terms of E3 vs low cost Exchange Online only licences, the main difference is that Exchange online will provide the users with access to Outlook online email only with no other applications such as Excel or Word. This might be feasible for some users but for the majority they would need an E3 license.

There are other variants of O365 licences, such as F3 (online only) licences, that are available, however, they come with certain limitations listed below. Significant analysis will need to be done, to be able to consider if business needs could be met from these lower cost licences.

Limitations of lower cost online only licences:

- Only 2GB mailbox, currently 50GB;
- Only 2GB One Drive, currently 1TB.
- Power Automate resources are further limited, so will need to buy more to support current needs (This is part of the Office365 Service that's used to manage and automate workflows between Apps and services (such as automatically move files around, run tasks based on emails received, etc)).
- Individual user needs and usage would need tracking and managing at the micro level where there is a hybrid of online licences and standard E3 licences.

There will always be a need for some LBC staff to have a mix of Exchange Online, E3 or E5 licences, - with approvals based on individual user justification to have just an exchange mailbox, and F3, E3 or E5 version of O365.

Q: At what point does resource costs to manage these outweigh any potential savings.

The Microsoft licences are managed by CDS staff where monthly leaver reports are checked and licences are harvested and reassigned accordingly. Starter requests are checked with line managers for requirements, and the lower cost basic E1 Exchange Online licences are assigned where relevant. Other Microsoft licences such as Visio and Project are only approved once a valid business case has been provided and approved by our Service Delivery Managers.

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If the Council considers switching to an alternative product i.e. non Microsoft, the following points would need to be taken into consideration:

- There are compatibility challenges with older documents, which may not surface until the time of need.
- Assessment of all line of business Applications will need to be done against alternative Office products, as some applications may require Microsoft Office.
- Citrix will need multiple Desktops images to cater for MS Office and other Office products.
- User training and impact of cost of training and user error during the upskilling period, shouldn't be underestimated.
- Different storage solutions (E.g.: One Drive vs Google Docs) data migration and management challenges.
- Different Authentication model between Google Cloud and Azure Cloud Directories, which will impact the strategy for Single Sign-On, and involve significant and costly re-design.
- Littlefish and Capita support costs may likely increase.
- The time spent to migrate to Azure would be reset if this exercise would need to be completed again to a non-Microsoft cloud environment.
- The new telephony system is currently tailored and integrated to our Microsoft set up, which would then need to be integrated again to our new product.

Migrating away from Microsoft would be a very significant change project for the Council that could take 3-5 years and cost millions of pounds. There would be considerable user impact (including a major training exercise in desktop products, for example, to replace Excel) as well as massive technology change. It is likely that we would need to have a hybrid estate of Microsoft and non-Microsoft for many years and incur duplicate costs. There would be additional costs from suppliers of support services, for example, Littlefish, as well application providers.

It is important to note that Google licences are also not free, and although there are other licences such as Redhat licences which are free, the support element would not be free.

3 DETAIL

3.1 Proposed Procurement Route

- 3.3.1 The recommendation is to run a further competition using Crown Commercial Services framework RM6068 Technology Products & Associated Services Lot 3: Software and Associated Services (Expires: 09/12/2023)

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- 3.3.2 The framework offers public sector buyers a compliant route to market for technology product needs (hardware and software) and all associated services.
- 3.3.3 Access to large value add resellers, there are 29 suppliers containing many of the main Microsoft accredited software resellers for Microsoft products. Microsoft sell through resellers for enterprise licencing agreements.
- 3.3.4 Access to government pricing via CCS memorandum of understanding (MOU) – we will get the benefit of discounts compared to running an independent procurement against pricing not subject to the MOU.
- 3.3.5 The framework is a Public Contract Regulations compliant route to market.
- 3.3.6 The Council can buy under this agreement by running one of the following further competitions:
- Option 1: run a further competition (inclusive of price and quality weightings)
Option 2: run a simplified further competition (price only weightings)
- 3.3.7 Option 1 is recommended in order to allow for social value to be included and the option to join the council Premier Supplier Programme.

Note other procurement options considered are set out in Section 13.

Interdependencies

- 3.3.8 No interdependencies have been identified.

Compliance with TCRs & PCR

- 3.3.9 A waiver has been requested from the Chair of CCB for a departure from the ratio set out in the tenders and contracts regulations. The proposed approach for bidder evaluation is Cost x Quality and the weighting criteria will be measured at 30% Quality and 70% Cost (this is allowable under the framework). As this is a departure from the Council standard of 60% Quality and 40% cost approval was sought from the Chair of CCB as part of recommending this strategy by means of a waiver to regulation 22.4 of the tenders and contracts regulations.

Any quality issues or VFM

- 3.3.10 The agreement financial value is comprised mostly of the cost of the software licences. This is essentially commodity procurement. The resellers can add a limited amount of additional “value add” to the agreement in the form of offers of additional training days, briefings and workshops or discounts for other products or services. All resellers offer agreement administration and regular product briefings as this is part of their requirements for them to receive Microsoft accreditation. Therefore, there is little to choose between the suppliers for this type of agreement in respect of the Quality criteria.

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3.3.11 The main differentiator is with the margin resellers are able to offer against the “buy price” from Microsoft and how well they can meet Social Value requirements which will form 25% of the Quality criteria.

Social Value

3.3.12 Social value will form 25% of the quality evaluation criteria.

London Living Wage

3.3.13 Bidders will be required to commit to the London Living Wage for London based staff they employ and the Living Wage for non-London based staff as part of the tender requirements. It should be noted that the companies in this market usually all pay higher than the Living Wage.

PSP

3.3.14 Bidders will be invited to join the Premier Supplier Scheme which will form 2% of Quality evaluation criteria.

Statutory Requirements

3.3.15 The use of Microsoft licences is not in itself a statutory requirement however the Microsoft software and services used by the Council support every council Member, every officer, team, department, division and directorate across the entire Council responsible for and engaged in the delivery of statutory services.

3.2 Contract Terms and Conditions

There are framework and call off terms – legal support will be engaged to prepare the contract and ensure Croydon specific requirements required by the Tenders and Contract regulations are met.

3.3 Evaluation

3.3.1 Tender Evaluation

The tender process will be conducted to ensure that tenders are evaluated fairly to ascertain the most economically advantageous tender. The opportunity shall be advertised via the London Tenders Portal and will be managed by the Resources Category Manager and CDS Contracts team.

A further competition will be run under the CCS framework RM6068. The bidders will be evaluated with cost and quality ratios set at 70% cost and 30% quality. This ratio is allowed under the framework.

The tenders will be returned electronically via the e-tendering portal. An evaluation panel (Category Manager, CDS Contracts Manager, CDS Finance Manager and Technical Architecture Manager) will assess each submission and will be evaluated in accordance with the Tenders and Contracts Regulations and Corporate Evaluation Guidance to ensure probity, value for money and that the most economically advantageous contractor is chosen.

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Award criteria questions in the Service Specification are designed to assess potential Providers' ability to meet the needs of The Council and, unless marked Pass/Fail, will be marked on the council standard zero to five (0-5) scale.

Criteria will be scored Mandatory (Pass / Fail), highly Desirable and Desirable. Bidders must pass all Mandatory (Pass / Fail sections). Highly Desirable and Desirable (used in the Service Specification only) items will be evaluated using a scoring system from 0 to 5. Should two or more Bidders achieve the same score; scores in Highly Desirable categories will carry greater weight than those in Desirable categories.

| Score | Rating | Details |
|-------|--------------------------|--|
| 0 | Inadequate | Applies when a Bidder has clearly not understood the Council's requirement, or to instances where no response is offered. |
| 1 | Poor | Applies when the response indicates deficiencies or limitations that indicate that the proposal only partially meets the Council's requirements. |
| 2 | Adequate | Applies when the response indicates minor deficiencies or limitations that indicate that the proposal is inflexible, despite meeting the Council's minimum requirements, or only partially meets the Council's detailed requirements. |
| 3 | Compliant | Applies when the response is fully compliant and acceptable as meeting the Council's requirements. |
| 4 | Good | Applies when the response not only meets the Council's requirements, but offers additional benefits e.g. in terms of functionality, scalability or level of Bidder support. |
| 5 | Excellent - Adding Value | Applies when the response meets the Council's requirements and provides significant additional benefits e.g. in terms of functionality, Bidder support and a demonstrated ability to accommodate future developments with minimal effort and cost. |

Although not fully determined, quality sub criteria will include:

- Service Management & Account Administration and Enterprise Agreement Administration and Support (60%)
- Value add Services (13%)
- Social Value (25%)
- PSP (2%)

All bidders will be asked to join the Premier Supplier Programme; responses will be evaluated as part of the Quality scores.

All bidders will be required to commit to payment of the London Living Wage.

3.3.2 Financial evaluation

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The council will undertake a financial health check of the preferred bidder to be assured of their current stability.

3.4 Procurement Timeline

| Activity | Proposed Date |
|---------------------------------------|-------------------|
| Engagement with Corporate Procurement | September 2021 |
| Pre-tender activity | September 2021 |
| CCB RP2 | December 2021 |
| Strategy approved by Cabinet | January 2022 |
| Finalise Tender documentation | January 2022 |
| Issue tenders under framework | End January 2022 |
| Tender close | End February 2022 |
| Tender evaluation | March 2022 |
| CCB RP3 | April 2022 |
| Cabinet meeting | May 2022 |
| Standstill | May 2022 |
| Contract award | June 2022 |
| Contract commencement | July 2022 |

3.5 Risks

The key risks in connection with this procurement and their mitigations are outlined in the table below;

| Ref | RISK SCENARIO | | RISK RATING | | | RISK MITIGATION |
|-----|--|--|--------------|------------------|-------|---|
| | RISK | Impact | Impact {1-5} | Likelihood {1-5} | Total | Mitigation |
| 1 | Not meeting the procurement timescales before current agreement ends | <p>Non-compliant and out of support.</p> <p>Not able to use cloud services</p> <p>Failure to have entered into a new agreement before the current agreement ends will result in the Council being unable to access Office 365 which includes Outlook email and</p> | 5 | 4 | 20 | <p>This is a high risk and is very likely to occur given reduced staffing levels and competing priorities.</p> <p>The timetable for procurement needs to be adhered to and project actively managed</p> <p>A project group has been established and tasks and responsibilities are being finalised.</p> <p>Capacity is an issue</p> |

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|---|--|---|---|---|---|--|
| | | Teams, Word, and Excel, files in OneDrive and online Azure hosted back office systems. | | | | There will be regular reporting to the project sponsor |
| 2 | Challenge from potential other suppliers. | Halt to procurement process so unable to meet timescales as above | 2 | 2 | 4 | Risk is low as compliant procurement to take place Project will be managed in line with the Council's tenders & contract regulations. |
| 3 | Declining standard of service from incumbent supplier. | Poor performance from incumbent supplier once there is awareness that this service will be open to competition. | 2 | 2 | 4 | The current contract management arrangements will continue to monitor supplier performance to ensure that service levels are maintained. To date there has been no decline in performance from the incumbent supplier. |
| | No bids | Will lead to absence of license agreement & consequent risks | 5 | 1 | 5 | Unlikely as market has been approached and feedback suggests there is interest |
| | Only 1 bid received | May not achieve best value | 2 | 1 | 2 | Unlikely to occur. Apply MEAT criteria to lone bid to ensure value for money achieved |

Finance issues: None identified at this time. Finance to comment.

Legal issues: None identified to date; however, this may be subject to legal approval to the framework schedules and terms and conditions.

3.6 Performance Monitoring

The contract will be managed by the Croydon Digital Services Contracts Management team to ensure on-going compliance and value for money. A contract management plan will be implemented.

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- a) Overall contract management, service delivery, approvals and payments will be managed through the contract management team via the Commercial Contracts Manager.
- b) Managing the MS EA benefits such as roaming usage rights, training vouchers, E-learning, 24x7 problem resolution support.
- c) Regular review meetings between Croydon and the supplier.

4. CONSULTATION

- 4.1 Consultation will be undertaken with stakeholders from Finance, Legal, Croydon Digital Services, Equalities, Procurement, HR and information Management. Their feedback will be incorporated into the report.

5 PRE-DECISION SCRUTINY

- 5.1 As part of the new Scrutiny Work Programming process, the proposed decision set out in this report was reviewed by the Chair of the Scrutiny & Overview Committee, Councillor Fitzsimons, to consider whether it would be scheduled for scrutiny at a meeting of the Committee.
- 5.2 Having met with officers to discuss the report it was concluded that no further scrutiny was required at this stage, as the proposed decision outlined in the report was logical on both commercial and organisational grounds.
- 5.3 Using the Crown Commercial Services Framework would allow the Council to achieve value for money and it was recognised that an alternative solution to Microsoft could not be introduced without significant capital investment, which would outweigh any potential savings that could be realised. Given the position of Microsoft in the market, there was also reassurance that the continued use of this provider would support the Council's ongoing service improvement work streams.

6 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

6.1 Essential Spend Criteria

- 6.6.1 The proposed contract resulting from this strategy is considered to meet essential spend criteria as:

expenditure required to deliver the councils statutory services at a minimum possible level.

- 6.6.2 The use of Microsoft software and services facilitates and supports every statutory service across the Council.

- 6.6.3 The costs within this report are indicative, and more detailed costs will be available once the initial procurement exercise is underway. We expect that

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the costs will be fully funded from within the CDS budgets with any shortfalls being met from surplus revenue and expect no additional net revenue costs to the Council overall.

6.2 Revenue and Capital consequences of report recommendations

| | Current year 2021/22 | Medium Term Financial Strategy – 3 year forecast | | |
|--|-------------------------|---|--------------|--------------|
| | | 2022/23 | 2023/24 | 2024/25 |
| | £'000 | £'000 | £'000 | £'000 |
| Revenue Budget available | | | | |
| Expenditure – (C14141) <u>Microsoft Licenses</u> <i>(Increase in cost due to inflation)</i> | 1.025 | 1,100 | 1,100 | 1,100 |
| Expenditure – (C14127) <u>Microsoft Azure</u> | 672 | 700 | 735 | 772 |
| Income | - | - | - | - |
| Effect of decision from report | | | | |
| Expenditure | - | - | - | - |
| Income | - | - | - | - |
| Estimated Cost | <u>1,697</u> | <u>1,800</u> | <u>1,835</u> | <u>1,872</u> |
| Capital Budget available | | | | |
| Expenditure | N/A | N/A | N/A | N/A |
| Effect of decision from report | | | | |
| Expenditure | N/A | N/A | N/A | N/A |
| Estimated Cost | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> |

6.3 The effect of the decision

6.3.1 Microsoft license budget is £1.1m pa. There is a one off underspend on the budget this year due to the profiling of the budget.

6.3.2 Budget for the Azure costs will be funded from the budget assigned to the Sungard data centre contract.

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- 6.3.3 The resulting contract from this strategy will commit the Council to contract expenditure estimated at £5.5m total for the proposed 3 year contract term. The contract charges are split as £1.1m for Microsoft licences and £0.7m for Microsoft Azure spend per year. As shown in the above table.
- 6.3.4 We are expecting Azure spend to increase year on year at an estimate of 5% per year, which is included within the £5.5m total above, due to the potential for more data being added to the cloud.(Azure cloud services are paid in arrears and based on usage, the higher the usage of data, the higher the cost to the service.)
- 6.3.5 It is anticipated that cost increases from increased usage of Azure services will be funded from the budget for the expired SunGard data centre contract (C14076) which ended in May 2021.

6.4 Risks

A financial health check will be performed on the winning bidder. If the re-procurement is not completed in time to renew the licences, London Borough of Croydon run the risk of facing legal action or compliance audits from Microsoft, and the use of Azure cloud services may not be possible. As Azure cloud services is paid in arrears, the higher the usage of Azure and data within Azure, the higher the costs. This will be managed by constant and regular review of the costs and spend on Azure.

6.5 Options

No other options are considered viable as the Council requires Microsoft licensing to operate. The options have been listed below in Section 13.

6.6 Future savings/efficiencies

The subscription model allows the council (once a year) to reduce the number of licences being paid for annually if the number of users declines. The provision of a Microsoft Enterprise Subscription is vital to LBC as it enables to deliver key services across the Council for Croydon residents. The cloud based software has been vital in supporting Council activities during the disruption caused by the pandemic will further enable efficiencies and improved ways of working which are key to support the council's financial strategy.

Approved by Paul Cliftlands, Finance Manager on 06/12/2021

7. LEGAL CONSIDERATIONS

- 7.1 The Interim Director of Legal Services comments that the Council is under a general Duty of Best Value to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness (Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government & Public Involvement in Health Act 2007)

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- 7.2 The Cabinet is empowered to make the decision in accordance with the recommendations pursuant to the Tenders and Contracts Regulations, which form part of the Council's Constitution

Approved by: Kiri Bailey, Interim head of Commercial and Property Law on behalf of the Interim Director of Legal Services

8. HUMAN RESOURCES IMPACT

- 8.1 There is no immediate HR impact arising from this paper, if any should arise these will be managed under the Council's policies and procedures.

Approved by Gillian Bevan, Head of HR

9. EQUALITIES IMPACT

- 9.1 An initial equality analysis has been undertaken. There is no adverse impact on protected groups.

Approved by Denise McCausland, Equalities Manager on 09/11/2021

10. ENVIRONMENTAL IMPACT

- 10.1 The procurement of software licences does not have a negative environmental impact. The ability to facilitate remote and home working has a positive impact reducing vehicle usage by council officers, with consequent benefits associated with air quality and reduced vehicle congestion.

11. CRIME AND DISORDER REDUCTION IMPACT

- 11.1 There are no crime and disorder considerations arising from this report

12. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 12.1 The recommendation is to run a further competition using Crown Commercial Services framework RM6068 Technology Products & Associated Services Lot 3: Software and Associated Services (Expires: 09/12/2023)

- 12.2 The framework offers public sector buyers:

- A compliant route to market for technology product needs (hardware and software) and all associated services
- Access to large value add resellers, there are 29 suppliers containing many of the main Microsoft accredited software resellers for Microsoft

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products. Microsoft sell through resellers for enterprise licencing agreements.

- Access to government pricing via a CCS memorandum of understanding (MOU) – we will get the benefit of discounts compared to running an independent procurement against pricing not subject to the MOU.

13. OPTIONS CONSIDERED AND REJECTED

| Options | | | |
|---------|---------------------------|--|---|
| No. | Options | Pros | Cons |
| 1. | Do nothing | This is not an option there are no positive attributes. | Doing nothing will result in LBC using licenses which are unsupported and out of date. LBC run the risk of facing legal action or compliance audits from Microsoft. Use of Microsoft cloud services not possible. |
| 2. | In house | This is not an option there are no positive attributes. | The Council is not a Microsoft licensed reseller and cannot grant licenses which must come from Microsoft. All the 'do nothing' cons also apply |
| 3. | Direct Award to Microsoft | Microsoft set the base pricing irrespective of who we purchase from | Would require exception to tenders and contract regs Over PCR thresholds and very likely subject to challenge. There are resellers who provide for competition Value add reseller benefits not available with this model Microsoft have indicated an unwillingness to contract direct. |
| 4. | PCR open tender | Access to large resellers More potential for competition Additional support and training offers from resellers | Timeframe to complete would run very close to current contract end date. Higher internal costs to run PCR process as more complex than framework mini competition. |

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| 5. | Let contract end, cease use of Microsoft and migrate to free software | Could reduce some (but not all) licence costs. | Impossible to move away from Microsoft as most major back office systems hosted on Microsoft Azure and use supplier dictated underlying Microsoft databases. Would be a major and expensive migration requiring extensive data migration, other licences to be procured and staff re training. Free software does not have the functionality offered by the paid for products. |
|----|---|--|--|

14. DATA PROTECTION IMPLICATIONS

14.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

NO

14.2 HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

NO

The Chief Digital Officer & Director of Resident Access, Neil Williams comments that due to no sharing of personal data, the Information Management team have confirmed that there is no requirement for a DPIA to be completed.

Approved by: Jon Mellor on behalf of the Chief Digital Officer & Director of Resident Access.

CONTACT OFFICER: Fahid Ahmad, Commercial Contracts Manager (interim)

BACKGROUND PAPERS: Equalities Analysis