

Urgent Decision made by the Leader of the Council on 27 May 2021

Microsoft Licence Reprocurement

Portfolio Holder	Leader of the Council
Date of decision	27 May 2021
	Signed

Decision taken

Recommendation

That the Leader approves the reprocurement of the Microsoft Licences for a 3 year term with the existing Microsoft reseller (Pheonix), a total contract value of £5.4m, and authorises the Strategic Director for Resources to authorise the execution of the relevant agreements on terms acceptable to the Monitoring Officer.

Reasons for decisions

Reason behind report

The initial term of the Microsoft licences terminates at the end of May, these licences are critical to the operation of the organisation and cover Microsoft 365 (used by everyone within the organisation for Microsoft Windows on SurfacePro devices and Microsoft Office) and our supporting server infrastructure. The ongoing provision of these licences has been included within budget setting.

The reseller has advised that Microsoft are currently experiencing a backlog in processing licence renewals due to demand resulting from the release of a revised and advantageous pricing structure negotiated by Crown Commercial Services (known as DTA21) which provides public sector bodies with preferential rates for Microsoft licencing. The reprocurement of the licence agreement has been pending the release of DTA21 and our review of the commercial benefit this affords us which has resulted in the need for an urgent decision. Using DTA21 for our renewal has given an additional ~2.5% saving on our core MS licences, an overall discount of ~32% from list price.

Background information

Issues/Options/Timescales

1. The Council's current Microsoft licence agreement expires on 31/5/2021
2. The KCS Framework "Software Products & Associated Services 2 Y20011" is the refreshed version of the framework used to originally procure and is a compliant framework through which to direct award for this licence provision. It has been ascertained, due to the pricing contained within the DTA21 agreement, that no commercial advantage would be gained by the organisation by running an open competition and therefore recommend a direct award to Pheonix Software.
3. The scope of requirement is aligned to that previously undertaken and varies only in licence volume resulting from increased organisational use and is based on the actual number of licences used which is reviewed annually.
4. Approval is therefore required to reprocur our Microsoft licence agreement to take effect from 1/6/2021

Financial implications

The annual licence cost within this contract is £1.8m (subject to annual account balancing to reflect actual utilisation).

Environmental implications

None

Report Author	Stephen Lugg stephenlugg@warwickshire.gov.uk
Assistant Director	Craig Cusack
Lead Director	Strategic Director for Resources
Lead Member	Leader of the Council

Urgent matter?	Yes
Confidential or exempt?	No
Is the decision contrary to the budget and policy framework?	No

List of background papers

None

Members and officers consulted and informed

Portfolio Holder – Councillor I Seccombe

Corporate Board – Rob Powell

Enabling Services – Craig Cusack

Legal – Nichola Vine

Finance –

Equality –

Democratic Services – Helen Barnsley

Councillors – Cllr Jenns

Local Member(s): none