

## CABINET

12 March 2024

### CONTRACT FOR MICROSOFT SOFTWARE LICENCES

#### Report of the Portfolio Holder for Governance and Resources

Strategic Aim	Provide Good Public Services	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr A Johnson, Deputy Leader and Portfolio Holder for Governance and Resources	
Contact Officer(s):	Kirsty Nutton, Strategic Director for Resources  Jason Haynes, ICT Services Manager	01572 758159 <a href="mailto:knutton@rutland.gov.uk">knutton@rutland.gov.uk</a>  01572 758360 <a href="mailto:JHaynes@rutland.gov.uk">JHaynes@rutland.gov.uk</a>
Ward Councillors	N/A	

## 1 SUMMARY AND RECOMMENDATIONS

### 1.1 Summary

- 1.1.1 The Council is reliant on Microsoft licences for the operational running of the Council.
- 1.1.2 Microsoft licences are renewed yearly based on specific requirements at the renewal date and overall costs are negotiated by Crown Commercial Services.

### 1.2 Recommendations

#### That Cabinet

1. Delegates authority to the Strategic Director for Resources, in consultation with the Portfolio Holder with responsibility for I.T, to negotiate and award the contract for Microsoft Software Licences.

### 1.3 Reasons for Recommendations

- 1.3.1 As the exact details of the supplier that the Council will engage with and the exact number of licences that are required is currently unknown, it is recommended that the award is delegated to the Strategic Director for Resources. This will enable the contract to be awarded without delay on completion of negotiations and with the most recent licence requirements. This will be for a three year period starting May

2024 and cover all licences purchased via a reseller of Microsoft Licences.

## **2 REPORT**

### **2.1 Introductory Paragraph**

- 2.1.1 The Council uses a range of Microsoft Licences including end user licences for device operating system, access to Microsoft software such as Teams, Outlook, Word and Excel as well as server licences for operating systems and applications such as databases.
- 2.1.2 Microsoft licences are let in periods of 3 years and a new contract is due in May 2024. Public Sector Licence costs are agreed centrally with Central Government and are made available to the Council via resellers under frameworks.
- 2.1.3 Annual costs are covered within the IT budget. Whilst an inflation-based increase has been included in the budget for 2024/25, the actual prices of the licences have not yet been published under the framework.
- 2.1.4 The value of the contract over three years will be approximately £300,000 and therefore a Cabinet decision will be required for the award of contract, which is the reason for the request for the decision to award to be delegated to the Strategic Director of Resources.
- 2.1.5 The range and scope of licences is complex and there are some significant challenges in securing the correct licences and the correct number of licences. This is usually determined close to the renewal date so that accurate numbers of licences can be secured, so for instance the exact number of staff that require a Teams licence.
- 2.1.6 There are established relationships with suppliers that the Council can procure Microsoft Licences from. These licences will be accessed via a Crown Commercial Services Framework when published.
- 2.1.7 With the costs of licences set centrally the opportunity to ensure best value for the Council is to seek a supplier to work with us on the renewal process and to ensure that the Council chooses the correct licences and those most appropriate for the user and their role.
- 2.1.8 Contract quantities are adjusted each anniversary and ad hoc licences can be purchased during the year.

### **2.2 Options Considered**

- 2.2.1 The Council is reliant, for the normal running of Council business, on Microsoft software. In terms of options there is little choice for alternatives to using Microsoft Licences.
- 2.2.2 The use of Microsoft technologies can also be an enabler for delivering efficiencies for staff and improving Council services. By maximising the use of IT software such as Microsoft there are opportunities to reduce costs across the Council.

## **2.3 Consultation**

2.3.1 The Council is not required to consult on this matter.

## **3 IMPLICATIONS OF THE RECOMMENDATION**

### **3.1 FINANCIAL IMPLICATIONS**

*This section has been approved by Kirsty Nutton, Strategic Director for Resources.*

3.1.1 The current costs of the Microsoft Licences is part of the centralised IT budget. Inflation will be applied during the budget setting process and any extra funding required when the final contract is established will be met from within the IT budget for 2024/25 and then adjusted as part of budget setting for future years.

### **3.2 LEGAL IMPLICATIONS**

*This section has been approved by Sarah Khawaja Head of Legal & Democratic Services.*

3.2.1 The Legal implications are set out within the report.

### **3.3 Risk Management Implications**

3.3.1 The main risk associated with the award of the contract is where there is a significant change to either the way licences are structured or the costs per licence. This could create a financial risk within the IT revenue budget. This would be mitigated by reviewing the IT budget.

### **3.4 DATA PROTECTION IMPLICATIONS**

3.4.1 A Data Protection Impact Assessments (DPIA) has not been completed because there are no identified risks or issues to the rights and freedoms of individuals.

### **3.5 EQUALITY IMPLICATIONS**

3.5.1 An Equality Impact Assessment (EqIA) has not been completed as there are no service, policy or organisational changes being proposed

### **3.6 COMMUNITY SAFETY IMPLICATIONS**

3.6.1 There are no community safety implications arising from this report.

### **3.7 HEALTH AND WELLBEING IMPLICATIONS**

3.7.1 There are no health and wellbeing implications arising from this report.

### **3.8 ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS**

3.8.1 On 11 January 2021 Rutland County Council acknowledged that it was in a climate emergency. The Council understands that it needs to take urgent action to address it.

3.8.2 The effective use of Microsoft licences can enable remote working, allow staff to operate from different sites and therefore reduce the impact of travel and the

associated carbon footprint.

### **3.9 PROCUREMENT IMPLICATIONS**

3.9.1 The use of the Crown Commercial Services Framework ensures that the procurement of the licenses is compliant with the Public Contract Regulations 2015, and with the Council's own Contract Procedure Rules.

3.9.2 There are no other procurement implications.

### **3.10 HR IMPLICATIONS**

3.10.1 There are no HR implications.

## **4 BACKGROUND PAPERS**

4.1 There are no background papers.

## **5 APPENDICES**

5.1 There are no appendices to this report.

**An Accessible Version of this Report is available upon request – Contact 01572 722577.**