


REPORT TO CABINET

9 December 2020

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| Subject: | Award Contract for Microsoft Enterprise Agreement – 2021 to 2024 |
| Presenting Cabinet Member: | Councillor Wasim Ali, Cabinet Member for Resources and Core Services |
| Director: | Director – Prevention and Protection |
| Contribution to Vision 2030: |  |
| Key Decision: | Yes |
| Cabinet Member Approval: | 18/11/2020 |
| Director Approval: | 17/11/2020 |
| Ward Councillor(s) Consulted: | Boroughwide |
| Scrutiny Consultation: | Scrutiny have not been consulted |
| Contact Officer(s): | Andy Saunders ICT Service Manager andy_saunders@sandwell.gov.uk James Turner ICT Service Architecture Manager james_turner@sandwell.gov.uk |

RECOMMENDATIONS FOR DECISION

That Cabinet:

1. Authorise the Director – Prevention and Protection, in consultation with Cabinet Member for Resources and Core Services to award a contract for providing a Microsoft Enterprise Agreement, for the period 1 April 2021 to 31 March 2024, following a compliant further Competition process under Lot 3 of the Crown Commercial Services Framework RM 6068 – Technology Products and Associated Services.
2. Authorise the Director Law and Governance – Monitoring Officer to execute any documentation necessary to enable the above.
3. That any necessary exemptions be made to the Procurement and Contract Procedure Rules to enable the course of action referred to in 1 above to proceed.

1 PURPOSE OF THE REPORT

- 1.1 Authority is sought to authorise the Director – Prevention and Protection, to approve and award the contract and accept a tender for supplying a Microsoft Enterprise Agreement (EA), once the evaluation process is complete following a compliant Further Competition process under Lot 3 of the Crown Commercial Services Framework RM 6068 – Technology Products and Associated Services.
- 1.2 This contract will extend the Council's access to key Microsoft products for a further three years, covering the period from 1 April 2021 until 31 March 2024. The products covered include:
 - Windows operating systems (both client and server)
 - Office 365 productivity software and services
 - Power BI data analysis tool
 - Remote Desktop Services (which are needed for Citrix)

- 1.3 The current contract (which ends on 31 March 2021) provides Microsoft products and services for 4809 licensed users, at a cost of £3,072,380 over three years. The value of the new contract is anticipated to be in the region of £3.5m (the increase reflects increasing use of Office 365 services and Windows Server-related products).

2 IMPLICATIONS FOR VISION 2030

- 2.1 Most Council service areas depend on the Microsoft products and services made available via the Enterprise Agreement.
- 2.2 Awarding this contract will allow use of these products and services to continue beyond 31 March 2021. This is necessary for the continuing delivery of most if not all Council services, as well as the "Vision 2030" ambitions.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 The Council's ICT strategy includes a preference for Microsoft software and services and these are used extensively across all areas of the Council. Most if not all Council services depend on the products and services acquired via the Enterprise Agreement, and it is important that they remain available for use.
- 3.2 The Enterprise Agreement is a three-year contract which provides ongoing, organisation-wide access to a broad range of Microsoft products and services. It offers lower-cost access to these products and services in exchange for a three-year commitment.

4 THE CURRENT POSITION

- 4.1 The Council's current Enterprise Agreement is due to end on 31 March 2021 and will need to be renewed if the Council is to continue using the Microsoft products and services that it covers.

- 4.2 Microsoft do not deal directly with corporate customers, so the Council would need to procure the Enterprise Agreement through a reseller. A procurement exercise will be conducted to appoint a reseller who will renew and manage a new EA on the Council's behalf, covering the period 1 April 2021 to 31 March 2024.
- 4.3 Invitation to Tender documents will be issued to all the suppliers under Lot 3 to run a Further Competition exercise under Framework RM 6068 -Technology Products and Associated Services. Authority is sought to delegate to the Director – Prevention and Protection, Section 151 Officer and Service Manager for ICT/Revenues and Benefits to approve and award the contract and accept a tender for the continued provision of Microsoft Enterprise Agreement, following a compliant procurement exercise.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 Consultation with stakeholders took place during October 2020.

6 ALTERNATIVE OPTIONS

- 6.1 A "do nothing" approach in which the Enterprise Agreement is not renewed is not feasible, as it would result in Microsoft product use rights that all Council service areas depend on terminating on 31 March 2021.
- 6.2 No viable alternatives to these Microsoft products exist which could be adopted within the timescale required.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 The anticipated total value of the contract is in the region of £3.5m, to be funded from existing service area revenue budgets and contribution from HRA. Payment would be split into three annual instalments of approximately equal size.

- 7.2 The corporate risk management strategy has been complied with to identify and assess the risks associated with the recommendations being sought. This had concluded that there are no significant risks that require reporting. Further measures will be put in place to ensure that the risks identified are mitigated to levels within the council's appetite for risk.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 The Council will enter into a contract for the supply of Microsoft product licenses and services under the terms of a Crown Commercial Framework Agreement with the winning supplier in compliance with the Public Contracts Regulations 2015 and the Council's Procurement and Contract Procedure Rules.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 There are no equality impact implications for this report.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 There are data protection implications for this report.

11 CRIME AND DISORDER AND RISK ASSESSMENT

- 11.1 There are no crime and disorder implications for this report.

12 SUSTAINABILITY OF PROPOSALS

- 12.1 Renewal of the Microsoft Enterprise Agreement would fix the unit price of the products and services within its scope for the following three years. This would protect the Council against any further price increases during this time period.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

- 13.1 There are no health and wellbeing implications for this report.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

14.1 There are no Council managed property or land implications for this report.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

15.1 Authority is sought to authorise the Director – Prevention and Protection, Acting Section 151 Officer and Service Manager for ICT/Revenues and Benefits, to:

- approve and award the contract and accept a tender for the provision of a renewed Microsoft Enterprise Agreement, following a compliant competitive tender exercise.
- execute any documents necessary to give effect to the above.

15.2 This will enable the contract to be awarded within the necessary timescale, so that the Council's use of Microsoft products and services can continue uninterrupted.

16 BACKGROUND PAPERS

16.1 Sandwell MBC ICT Strategy 2018-21.

<https://cmis.sandwell.gov.uk/cm5/Meetings/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/37074/Committee/6063/Default.aspx>

(Document 06a)

16.2 Crown Commercial Service Framework Agreement RM6068: Technology Products and Associated Services - Customer Guidance.

<https://assets.crowncommercial.gov.uk/wp-content/uploads/RM6068-Buyer-Guidance-V3.pdf>