

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

4995

Author:

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Department:

Finance and Resources

Contact:

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Subject:

Schools Microsoft Licensing and associated support application spend

Total Value:

£700,000 (Type: Revenue)

Decision Being Taken:

- 1) To approve undertaking a compliant process for the procurement to renew the Microsoft Licensing required and associated supporting cloud services required by Schools who purchase Technical Support from NCC's Schools IT Service.
- 2) To delegate authority to the Head of IT to award and sign the contract to the preferred bidder.

Reasons for the Decision(s):

The total value of the decision is £700,000 over a 3-year period which includes Microsoft Licensing, backup solutions and internet filtering services.

This spend is initially transacted by Nottingham City Council but is charged to the schools and the funds repaid back to the council. NCC Schools IT Service supports a number of Schools which require access to Microsoft Licensing in order to be able to participate in any form of computing at a service user level. Microsoft provide a mechanism to secure pricing over a 3-year period providing best value. The current 3-year agreement is due to end and therefore this report seeks the approval to re-purchase these licenses using a compliant procurement route. In addition to these licenses, NCC also provides backups and security for the schools in the form of Cloud Services such as Internet Filtering and account (and data) backups related to their Microsoft environment.

The Microsoft purchasing model is based on actual license consumption and is subject to annual review during which licence volumes may be increased or decreased. Any changes to the license spend are recharged to the appropriate School(s).

The schools, under support by NCC IT, are committed under contract to cover all Microsoft licensing costs including the cost of procurement and administration of the licenses. The council also supports other services which form two-way dependencies on this contractual agreement.

There are no ongoing liabilities to NCC for any outstanding costs associated with this procurement activity and this is covered by the contractual terms between the two parties.

Other Options Considered:

1) Do nothing. This is not feasible as the Schools would not be able to function without the appropriate licenses in place and within a short period of time would lose access to all of their data held within Microsoft's data centres.

Background Papers:

Published Works:

Affected Wards:

Citywide

Colleague / Councillor Interests:

Consultations:

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

There are no Crime and Disorder Implications associated with this decision.

Equality:

EIA not required. Reasons: An EIA is not required for this decision as it simply seeks to continue the use of existing facilities and services.

Social Value Considerations:

There are no Social Value Considerations associated with this decision.

Any implications affecting IT:

Yes

Decision Type:

Portfolio Holder

Subject to Call In:	Yes
Call In Expiry date:	28/07/2023
Advice Sought:	Legal, Finance, Procurement, IT
Legal Advice:	Given the total estimated value of the scheme, the procurement of the Microsoft licences and associated services will need to comply with with public procurement rules and the Council's Contract Procedure Rules. Advice provided by Sarah O'Bradaigh (senior solicitor) on 14/04/2023.
Finance Advice:	<p>This decision seeks approval to delegate authority to the Head of IT Services for up to the value of £0.700m over a 3-year period, to re-procure and enter into a contract to purchase Microsoft software licences and associated services, for the use of Nottingham City Council's maintained schools.</p> <p>Microsoft licences are integral to the effective running of school's day to day operations, and as such the only viable option is to re-procure and benefit from securing a fixed price over the contract term. The compliant procurement process will support the achievement of value for money.</p> <p>The cost of the contract will be fully met from school contributions. In the event the Council incurs unfunded costs with regards to this contract, in the first instance these will need to be met from school contributions and thereafter from existing service budgets, although the probability of such a scenario is very low.</p> <p>Advice provided by Shabana Kausar (Director of Finance) on 13/07/2023.</p>
IT Advice:	<p>The IT Service supports the proposals made in this delegated decision.</p> <p>The proposal to provide Microsoft products to schools and their support is a continuance of the existing service model. Licence consumption is controlled by demand from customers and the means exists to increase or decrease the level of licences used based on actual consumption. The Microsoft products used are standard industry products and appropriate for use in schools' environments.</p> <p>Advice provided by Paul J. Burrows (IT Change, Projects & Strategy Manager) on 04/04/2023.</p>
Procurement Advice:	<p>Procurement Team will ensure a compliant route to market is followed. As an alternative option, we may look to utilise the existing MS Licences contract provided by CDW and carry out a variation to existing contract if legislation allows. Therefore, I have no procurement concerns.</p> <p>Advice provided by Louise Dobson (Business Support) on 18/04/2023.</p>
Signatures	<p>Pavlos Kotsonis (Portfolio Holder for Leisure and Culture)</p> <p>SIGNED and Dated: 21/07/2023</p> <p>Ross Brown (Corporate Director of Finance & Resources)</p> <p>SIGNED and Dated: 18/07/2023</p>