

This report seeks approval to delegate authority to the IT Head of Service to enter into contracts for the purchase of additional Microsoft software licenses and services. Total value of this decision is £550k. This request is for additional expenditure on top of a previously approved expenditure in 2001 for an estimated £4.5m over 3 years (2022-23 to 2024-25), for the council's Microsoft software licenses and services. Funding will be provided in full from the IT Investment Fund (ITIF).

The breakdown of the estimated cost for 2024-25 and associated shortfall is detailed in the attached table. The revised total cost is £5.05m.

	2022/23	2023/24	<i>Estimate</i>	
	2022/23	2023/24	2024/25	Total
	£	£	£	£
EA	1,226,636	1,343,841	1,279,782	3,850,259
SCE	156,177	134,009	195,674	485,860
Unified Support	98,363	124,362	123,915	346,640
Sundry purchases (ITEF)	13,616	40,677	40,000	94,293
Azure overage & marketplace	-	118,746	120,000	238,746
Libraries			5,631	5,631
Contingency			28,572	28,572
Total	1,494,792	1,761,634	1,793,574	5,050,000
less Original Estimate				4,500,000
Difference				550,000

The profiling of the above costs have been considered in the ITIF forward plan where applicable which aligns with the current MTFP. The ITIF currently has a balance of £5.5m against which capital spend of £2.3m and revenue spend (including Microsoft software licenses and services) of £2.5m have been projected in 2024-25. As most of the profiled costs are based on estimates, regular review of the ITIF is required to ensure there is no financial pressure or risk of overspend.

The IT service should make every attempt to ensure value for money principles are followed to reduce financial risk, considering the constrained financial environment NCC is operating in.

Alfred Ansong, Strategic Finance Business Partner, 29/05/2024