

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

3207

Author:

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Department:

Strategy and Resources

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Subject:

One Year Autocad Subscription Licence

Total Value:

£33000 (Type: Revenue)

Decision Being Taken:

- 1. To approve to go out to tender for the procurement of a one year Autocad maintenance licences (retrospective)**
- 2. To approve the spend associated with the contract.**
- 3. To delegate authority to the Head of IT to award the contract to the successful tenderer.**

Reasons for the Decision(s)

Autocad is a design tool software which is used by the design teams and engineers. We renew this on an annual basis as this gives us the flexibility to review our requirements.

Autocad, have announced that their annual maintenance costs will increase by approx. 20% per annum for the next 4 years . They have introduced a subscription licence which will be at a more competitive rate with the opportunity to fix our prices for three years with an increase in year 4 of approx. 10%. We will though be committed to retain these licences over the four years and as the business changes our requirements for licences may also change.

The subscription module does not allow sharing of the licences which we are presently able to under a maintenance renewal and so we would have to purchase additional licences.

Demand for AutoCAD licences has increased over the year so even staying on the maintenance module for a further 12 months will require the purchase of some additional licences this year.

After discussion with the business we would like to seek a minimum of 3 quotations in accordance with Contract Procurement rules to renew the maintenance agreement for a further 12 months, to provide time to go out to market to see what other solutions are available and to review the number of licences required going forward. The increased cost of this renewal will be met from the business users budgets.

Other Options Considered:

1. To move to a subscription module. This is rejected as we would need to purchase additional licences as we are not able to share licences. The 4 year proposal is also rejected as it does not give us the opportunity to reduce our licences over this term.
2. To not renew the maintenance licence. This is rejected as the perpetual license will only be valid for the last release activated and does not allow us to down grade the licenses or move to later releases.

Background Papers:

None

Published Works:

None

Affected Wards:

Citywide

Colleague / Councillor Interests:

None

Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	There are no crime and disorder implications.
Equality:	EIA not required. Reasons: The requested decision is to continue software support for a system already installed and operational.
Any implications affecting IT:	Yes
Decision Type:	Officer
Executive Decision?	Yes
Scheme of Delegation Reference Number or Other Source of Delegation:	7
Subject to Call In:	No The call-in procedure does not apply to the decision because the value of the decision is below the call in threshold.
Advice Sought:	Legal, Finance, Procurement, IT
Legal Advice:	This procurement does not give rise to significant legal concerns. Advice provided by Brian Lewis Stewart (Solicitor) on 28/06/2018.

Finance Advice:

This decision seeks to renew the Autocad maintenance licences for 1 year effective from 8th July 2018 spanning 2018/18 and 2019/20.

The cost of this has increased since July 2017 from £21k to an expected value of £33k due to Autocad increasing their price by approximately 20%, aligned with increased utilisation of this software from our staff members which now requires additional licences to be procured.

The cheaper alternative option of entering into a subscription licence for 4 years has been rejected by services as it is inflexible at a time when future requirements are unknown, and as licences cannot be shared between users on this alternative contract. The business will be considering what alternative solutions are available during the next 12 months to help ensure a suitable long term solution is identified.

ICT have previously funded this expenditure from their revenue budget, but due to the cost increase there is not adequate budget to fund the full amount of the renewal. ICT will fund £25k of the cost from their revenue budget with the additional amount to be met from a pre-agreed recharge to services utilising this software based upon a fair allocation methodology. The increase in costs was not anticipated nor factored into the budget setting for 2018/19, and is not included in the MTFP.

Value for money will be ensured by obtaining a minimum of 3 quotations.
 Advice provided by Ceri Walters (Finance Business Partner) on 03/07/2018.

Procurement Advice:

Provided that any spend arising out of this project is spent in accordance with Public Contract Regulations and Contract Procedure Rules there are no significant issues with the recommendations set out in this report. Advice provided by Mabs Karim (Procurement Officer) on 27/06/2018.

IT Advice:

The IT Service supports the proposals made in this delegated decision.
 The proposals will provide business users of CAD software to make an informed assessment of the functionality they require from a product and the volume of licensing required. This will enable an informed decision to be made as to whether to continue with the current supplier of the software or to move to another provider.

Advice provided by Paul J. Burrows (IT Change, Projects & Strategy Manager) on 27/06/2018.

Signatures:

Candida Brudenell (Director of Strategy and Resources)
 SIGNED and Dated: 05/07/2018