

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

Reference Number:	3288
Author:	Anne Clarke
Department:	Strategy and Resources
Contact:	Paul J. Burrows (Job Title: IT Change, Projects & Strategy Manager, Email: paul.burrows@nottinghamcity.gov.uk, Phone: 01158763153)
Subject:	Approval to Pay in Advance for Microsoft Licenses due 2019/2020
Key Decision (decision valued at more than £1million):	Yes
Total Value:	£1,239,912.77 (Type: Capital)
Decision Being Taken:	Authority to make payment in advance in financial year 2018/19 to Civica UK Ltd under the contract concluded with them to provide Microsoft licences of the above sum for the 2019/20 licences.
Reasons for the Decision(s)	<p>The Commissioning and Procurement Sub-Committee on 11 September 2018 authorised the procurement of Microsoft licences for the years 2019/20 to 2021/2022 (see attached report). A contract has been procured for the provision of the licenses in accordance with the Committee's decision. Though the licenses run from July to July, by purchasing now a saving of over £1 million can be achieved. Payment for the 2019/20 licence is now payable. If payment is not made by 26 October 2018 the savings will be lost.</p> <p>The Contract is with Civica UK Ltd (to whom the money is payable) because Microsoft sells the licences we need through resellers. Civica is one of those.</p> <p>The licences have already been granted by Microsoft.</p> <p>There is some discussion as to whether this payment constitutes a payment in advance given that the licence has been granted. However to ensure compliance authority to pay the money in advance is sought.</p>
Briefing notes documents:	18 09 11 Purchase of Microsoft licences.pdf

<b>Other Options Considered:</b>	To do nothing is not an option, as we would not be able to secure these competitive prices if we do not commit and pay for these in advance
<b>Background Papers:</b>	None.
<b>Published Works:</b>	Report to Commissioning and Procurement Sub-Committee 11 September 2018
<b>Affected Wards:</b>	Citywide
<b>Colleague / Councillor Interests:</b>	None.
<b>Dispensation from Financial Regulations:</b>	Yes
<b>Consultations:</b>	Those not consulted are not directly affected by the decision.
<b>Crime and Disorder Implications:</b>	There are no crime and disorder implications
<b>Equality:</b>	EIA not required. Reasons: Purchase of software not directly used by colleagues and citizens
<b>Any implications affecting IT:</b>	Yes
<b>Decision Type:</b>	Leader's Key Decision
<b>Subject to Call In:</b>	Yes
<b>Call In Expiry date:</b>	23/10/2018
<b>Advice Sought:</b>	Legal, Finance, Procurement, IT

**Legal Advice:** This report raises no significant legal issues.  
Advice provided by Andrew James (Team Leader Contracts and Commercial) on 12/10/2018.

**Finance Advice:** This decision seeks approval to pay £1.240m in advance for Microsoft licenses due in 2019/20.  
Formal approval has already been granted for the contract and associated expenditure and this has been included for reference.  
As Microsoft are planning a significant price increase from 01 Oct 2018, by paying in advance, the City Council are able to lock in and benefit from a reduced rate for a period of 3 years, due to save the Council c£1m over the 3 year period.  
In accordance with financial regulations the Chief Finance Officer's approval is required to make an advance payment.  
Advice provided by Hayley Mason (Strategic Finance Business Partner) on 10/10/2018.

**Procurement Advice:** As the report author has stated, the contract for MS Licences has already been awarded to Civica UK Ltd and Procurement was involved in the award of this contract. The report author now seeks authority to pay the money in advance given that the licence has been granted. If this request is granted, there will be no procurement concerns and procurement supports this proposal.  
Advice provided by Mabs Karim (Procurement Officer) on 12/10/2018.

**IT Advice:** The IT Service supports the proposal made in this delegated decision.  
Advance purchasing of Microsoft software licences, which are required for business operation, will secure a lower price. Over the life of the contract this will result in a significant cost avoidance for the Council.  
Advice provided by Paul J. Burrows (IT Change, Projects & Strategy Manager) on 03/10/2018.

**Signatures:**

Jon Collins (Leader of the Council)
SIGNED and Dated: 16/10/2018
Candida Brudenell (Corporate Director for Strategy and Resources)
SIGNED and Dated: 16/10/2018
Laura Pattman (Strategic Director of Finance) - Dispensation from Financial Regulations
SIGNED and Dated: 15/10/2018
Chief Finance Officer's Comments: