

## MICROSOFT LICENSING RENEWAL

<b>Head of Service:</b>	Andrew McGuire, Head of IT
<b>Report Author</b>	Andrew McGuire
<b>Wards affected:</b>	(All Wards);
<b>Urgent Decision?(yes/no)</b>	No
<b>If yes, reason urgent decision required:</b>	
<b>Appendices (attached):</b>	None

### Summary

The existing Microsoft Licensing Agreement is due for renewal at the end of March 2025 and a new agreement needs to be in place to ensure continuity of service.

### Recommendation (s)

#### The Committee is asked to:

- (1) Approve the sum of up to £385,000 to be spent on the Microsoft Licence renewal to cover March 2025-2028**

## 1 Reason for Recommendation

- 1.1 Microsoft products are at the core of our business model and provide us access to email and cloud-based services (including the full suite of MS Office tools).

## 2 Background

- 2.1 Like most public sector organisation in the UK we rely heavily on Microsoft products to run our core business activities and provide services to our residents.
- 2.2 In common with most Microsoft Agreements of this type, this is over a three-year term with a 'Channel Partner' acting as our agent to achieve the best value for money.
- 2.3 Whilst our license arrangements are changing as a result of the ICT strategy and the move to East Street the yearly £120k cost remains largely consistent.

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- 2.4 Allowing for inflationary increase it is estimated that a spend of £385k will be required over the three-year term, but we are seeking approval for slightly in excess of that as at this stage we have not completed the procurement process and this could change, and that would avoid return to committee.
- 2.5 The cost of the licences are built into the ICT budget so this is not “new” money required. However, for a purchase of this value, approval is required from committee for this purchase as set out in our contract standing orders (CSOs).
- 2.6 The costs themselves are based on being able to procure the licences at preferential rates open to public sector organisations.

### 3 Risk Assessment

Legal or other duties

#### 3.1 Equality Impact Assessment

- 3.1.1 Procurement of IT goods and services will follow the Council’s Contract Standing Orders.

#### 3.2 Crime & Disorder

- 3.2.1 None for the purposes of this report.

#### 3.3 Safeguarding

- 3.3.1 None for the purposes of this report.

#### 3.4 Dependencies

- 3.4.1 None for the purposes of this report.

#### 3.5 Other

- 3.5.1 None for the purposes of this report.

### 4 Financial Implications

- 4.1 The ICT budget captures this anticipated spend into the next three years but may require small adjustments that reflect the expected higher inflationary costs. The ICT budget for 2025/26 includes a £53,000 inflationary contingency which will be applied to individual software budgets as necessary, in consultation with the S151 Officer.
- 4.2 **Section 151 Officer’s comments:** Our Microsoft licences are required to run the key ICT services and will be within the MTFP and annual budgets.

### 5 Legal Implications

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5.1 **Legal Officer's comments:** None arising from the content of this report.

### 6 Policies, Plans & Partnerships

6.1 **Council's Key Priorities:** The following Key Priorities are engaged:

- Effective Council - Improve access to services through technology.
- Smart & Connected – Increase digital connectivity for all.

6.2 **Service Plans:** The matter is included within the current Service Delivery Plan, which is tied to the approved ICT Strategy and Roadmap.

#### 6.3 Climate & Environmental Impact of recommendations

- The continued use of Microsoft products is a core feature of the Hybrid way of working that is being established with the move to 70 East Street.
- Hybrid working has numerous environmental benefits such as reducing the need for travel to sites for meetings, and removal of older less efficient on-premise hardware.

#### 6.4 Safety Implications:

6.4.1 None for the purposes of this report.

#### 6.5 Partnerships:

6.5.1 None for the purposes of this report.

### 7 Background papers

7.1 The documents referred to in compiling this report are as follows:

#### Previous reports:

- Strategy and Resources Committee – 21 September 2023 – Agenda Item 4 (IT Strategy).