

## Microsoft Server Cloud Enrolment

Date: 23<sup>rd</sup> August 2022

Report of: Head of Operational Services

Report to: Director of Resources

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

### Brief summary

- The current 3-year Microsoft Server Cloud Enrolment licensing agreement is due to end on the 30<sup>th</sup> September 2022. A new 3-year agreement must be put in place to allow continued use of the products. These include Microsoft Windows Server, SQL server, SharePoint Server and Azure cloud services which are the platforms that underpin multiple key Council systems
- The new licensing agreement needs to cater for the Council's ongoing move to Cloud services as per the Council's ambitions.
- The agreement will include Azure Overage accrued during the next 3 years.

### Recommendations

- a) To award a call-off order against the Council's Software Framework for the renewal of the above Microsoft Enterprise Agreement
- b) The licence cost for one year is £391,858 plus an estimated Azure overage of approximately £150,000 per year

### What is this report about?

- 1 The existing Microsoft Agreement is due to end on the 30<sup>th</sup> September 2022 and needs replacing with a new agreement.

### What impact will this proposal have?

- 2 The proposal will mean that access to Microsoft licensing is maintained. If the licensing is not renewed the Council will be non-compliant and in particular all Azure hosted services will be at risk of termination

Consideration has been given to equality, diversity, cohesion and integration issues. The licenses contained within this agreement have relevance to these issues other than the fact they have no negative impact on them

### How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing       Inclusive Growth       Zero Carbon

- 3 The licenses are required to allow the continued use of Microsoft Windows Server, SQL server, SharePoint Server and Azure cloud services which are the platforms that underpin multiple key Council systems. Without renewing these licences applications and services running on these technologies would be removed causing disruption to the council.

### What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted?       Yes       No

### What are the resource implications?

- 4 The resource impact will be limited to the Software Licensing team and Management to implement the decision, and the spend is planned for and containable within the existing budget

### What are the key risks and how are they being managed?

- 5 If the licences are not renewed in the timeline, the Council will be non-compliant against Microsoft Terms and Conditions and key Council systems will be at risk of shutdown. This is being mitigated by ensuring the renewal is completed in time. The risk of not completing the proposal in time is medium.

### What are the legal implications?

- 6 This decision is a Key Decision.
- 7 The Council has a framework agreement in place with Bytes Software Services Ltd and this legally compliant framework will be used for the purchase of the licenses.
- 8 The Terms and Conditions for the provision of the licences have been reviewed by Procurement and Commercial Services and their comments have been noted
- 9 This decision is being made under General Exception provisions due to the time sensitive nature of the decision. The Chief Digital and Information Officer had agreed that this decision could be added to the listed of forthcoming Key Decisions in May however due to an administrative error it was not added. If the decision were to be made in accordance with standard Key Decision rules, this could mean that the licences will expire and key council systems will stop working.
- 10 In addition, in accordance with section 5.1.3 of the Executive and Decision-Making Procedure Rules it is recommended that the decision maker declares that this decision as being exempt from Call In, as if the decision was delayed by this process this could mean that licences expire and key council systems will stop working.

## **Options, timescales and measuring success**

### **What other options were considered?**

- 11 An 'as-is' renewal, based on all perpetual licensing was considered but the chosen mix of perpetual and subscription allows more flexibility around cancelling licenses when not needed in order to save money

### **How will success be measured?**

- 12 Licenses will be renewed, the Council will maintain its position of compliance and key council systems will remain operational

### **What is the timetable and who will be responsible for implementation?**

- 13 The new licences need to be purchased and in place prior to the 30<sup>th</sup> September 2022.

## **Appendices**

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## **Background papers**