

Procurement of a Microsoft Licencing Solutions Partner

REPORT TO; Robert Ling Assistant Director, Technology and Change

DECISION DATE: 15th July 2022

SUPPORTING ANNEX; This report includes a supporting Annex which contains exempt information as described in paragraphs 1, 3 and 5 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended).

PROPOSED RECOMMENDATION

It is recommended that the Authority proceed with a direct award via CCS Framework RM6194 Back Office Software, in order to procure a Microsoft Licencing Solutions Partner.

The proposed contract duration is:

- Initial term: 1 January 2023 – 31 December 2024

The estimated whole life cost is £5,600,000; inclusive of a 1% fee for the Licencing Solutions Partner.

This approach represents best value for the Authority as it will align the end dates of the Licencing Solutions Partner Contract and the Microsoft Enterprise Agreement, and it will help to ensure a seamless transition through local government reform as the varying licence arrangements are migrated onto the same tenant.

BACKGROUND TO SUPPORT THE RECOMMENDATION

The Authority currently purchases a wide range of Microsoft licences that underpin and support all services and functions of the Authority. Microsoft have an Enterprise Agreement with the Authority for the licences, however, to ensure compliance with the Public Contract Regulations, Microsoft do not directly contract with public bodies.

Microsoft licences are sold by Microsoft Licencing Solution Partners, a shortlist of pre-approved re-sellers who must apply and meet certain eligibility criteria to become an approved Partner.

Enterprise Agreements are three years in duration (aligning with the Digital Transformation Arrangement signed with the Government every three years), and procurement contracts (with the Licencing Partner) are then co-termed.

In December 2021 the Authority accepted a ramp offer from Microsoft to extend its Enterprise Agreement at a discounted price for a further period of two years. This meant that the Enterprise Agreement and Licencing Solution Partner Contract were no longer coterminous.

To avoid any of the complexities involved with changing Licencing Solution Provider part way through a locked price Enterprise Agreement and part way through local government reform in North Yorkshire, the priority is to put in place a compliant contract with the existing supplier to once again align our procurement contract to co-terminate with the Enterprise Agreement.

LEGAL AND GOVERNANCE COMPLIANCE

As per the Council's Procurement and Contract Procedure Rules, Rule 11 states;

11.1 Tenders for Contracts which exceed the WTO GPA Procurement Threshold shall be invited and awarded in accordance with the PCRs and as prescribed in Rule 11 and 12.

As per Rule 16.3:

A Director does not need to invite Above Threshold Tenders in accordance with Rule 11 and 12, in the following circumstances:

- A) purchases via Framework Agreements which have been established either by the Council or by other public sector bodies or consortia (including, but not limited to PSBO's) and where such Framework Agreements are lawfully accessible to the Council. Contracts awarded from such Framework Agreements shall be awarded in accordance with the provisions of that Framework Agreement.

The contract will be awarded via CCS Framework RM6194 Back Office Software. This is a compliant route to market and complies with the Public Contract Regulations 2015.

OJEU Notices: [Supplies - 395390-2021 - TED Tenders Electronic Daily \(europa.eu\)](#)

RECOMMENDATION

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