

# Procurement of a Microsoft Licencing Solutions Partner

**REPORT TO;** Madeline Hoskins Assistant Director, Technology and Change

**DECISION DATE:** 17<sup>th</sup> March 2025

**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 procure a Microsoft Licence Solution Provider (LSP) via further completion on CCS framework RM6098 Technology Products and Associated Services 2 and award a for a term of 36 months with an optional extension of 6 further months. The appointed LSP will the assist the Authority through its Enterprise Agreement renewal in June.

The proposed contract duration is:

- Initial term: 1 July 2025 – 30th June 2028 with an optional period of 1<sup>st</sup> July 2028 to 31<sup>st</sup> December 2028

The estimated whole life cost is £12,000,000 based upon current requirements, but will have additional flexibility to accommodate increased costs for future technologies such as generative AI etc.

This approach represents best value for the Authority as it will be pricing will be based upon the Strategic Partnership Arrangement (SPA 24) recently agreed by Crown Commercial Services.

## BACKGROUND TO SUPPORT THE RECOMMENDATION

The Authority currently purchase 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 to the public sector 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 and the aim is to award via procurement a contract in line with date of that agreement.

## LEGAL AND GOVERNANCE COMPLIANCE

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

*11.2 Where the estimated value of the Contract exceeds the WTO GPA Threshold, Above Threshold Tenders shall be invited and awarded in accordance with the PCRs and as prescribed in Rule 11 and 12.*

As per Rule 17.4:

*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 further competition of the CCS Framework. This is a compliant route to market and complies with the Public Contract Regulations 2015 (as amended) as the relevant legislation that the Framework was awarded under.

OJEU Notices: <https://www.find-tender.service.gov.uk/Notice/007574-2025>

## RECOMMENDATION

It is recommended that the Authority proceed with a further competition procurement exercise via the CCS Framework, in order to procure a Microsoft Licencing Solutions Partner.

The proposed contract duration is:

- Initial term: 1 July 2025 – 30th June 2028 with an optional period of 1<sup>st</sup> July 2028 to 31<sup>st</sup> December 2028

The estimated whole life cost is £12,000,000 based on current requirements, but build in additional flexibility to accommodate increased costs for future technologies such as generative AI etc.

This approach represents best value for the Authority as it will be based upon the discounts already negotiated by Crown Commercial Services on behalf of the public sector.