Three Rivers District Council

Committee Report

11 September 2023

THREE RIVERS DISTRICT COUNCIL

8.   PROCUREMENT EXEMPTION – MICROSOFT LICENCES

1.   Summary

1.1   To advise Members that an exemption to the Procurement process was approved by the Shared Director of Finance under the Exceptional Circumstances exemption as permitted by the Council's Constitution.

2.   Details

2.1   An exemption may be considered by the Chief Executive or a Director in exceptional circumstances. This applies in the case of the Livestreaming/Hybrid meetings.

2.2   Once approved, a report to the Policy and Resources Committee must detail the actions taken. This report is for information only to comply with the requirements of the Constitution.

2.3   The council procures Microsoft licences on a three-year basis through a third-party vendor. To procure Microsoft licences, Three Rivers have to procure through a third-party vendor there is no direct procurement available from Microsoft.

2.4   The current supplier, Phoenix, has provided a quote for renewal of the council's Enterprise Microsoft agreement for a period of three years. Phoenix as our current provider is a tier 1 re-seller who have provided quote at a cost price with a further discount.

2.5   Phoenix are Microsoft 365 (M365) experts who Three Rivers have utilised in setting up and securing the M365 tenancy. This includes migration to Exchange Online, Teams, and Intune Mobile Device Management (MDM.) Moving away from Phoenix would incur further costs as new vendors would need to perform audits and workshops of the configuration and security of the tenancy as there would be a lack of knowledge.

2.6   The renewal quote has been compared with another tier 1 vendor's quote. Phoenix are a Microsoft Powerhouse supplier and a Solutions Partner, meaning they can offer additional professional services for future Microsoft projects which the council may wish to take forward. Additional value-added services include licensing workshops, sessions on Microsoft 365 features, support with accessibility, software baseline assessment and training. Also, fast track to potentially secure funding from Microsoft to implement new features.

2.7   This approach has been agreed with the Procurement Manager.

2.8   Microsoft has made the council aware that they require 60-90 days to process the order. The current contract expires on 30 September 2023.

3.   Options and Reasons for Recommendations

3.1   The Constitution requires that a report is taken to Policy and Resources Committee for noting on the action taken in the event that an exemption to the procurement process is approved by the Chief Executive or a Director.

4.   Policy/Budget Reference and Implications

4.1   The recommendations in this report are within the Council's agreed budgets.

5.   Financial Implications

5.1   There is revenue budget allocated for software licences.

REVENUE IMPLICATION	Current Year 2023/24 £	2024/25 £	2025/26 £
Revenue			
Expenditure	78,983.22	78,483.22	78,483.22

6.   Legal, Staffing, Equal Opportunities, Environmental, Community Safety, Public Health, Customer Services Centre, Communications & Website Implications

6.1   None specific

7.   Risk and Health & Safety Implications

7.1   The Council has agreed its risk management strategy which can be found on the website at http://www.threerivers.gov.uk.

7.2   The subject of this report is covered by the ICT service plan. Any risks resulting from this report will be included in the risk register and, if necessary, managed within this/these plan(s).

Nature of Risk	Consequence	Suggested Control Measures	Response *(tolerate, treat terminate, transfer)*	Risk Rating *(combination of likelihood and impact)*
Not renewing Microsoft Licences with sufficient time	Loss of Microsoft services to the council	Discussions with 3rd party vendor and quotes obtained, direct award given	Treat	4

8.   Recommendation

8.1   That Policy and Resources Committee note the action taken.

Report prepared by: Caroline Harris, Business Relationship Manager

Data Quality

Data sources: Vendor quotes

1	Poor	
2	Sufficient	X
3	High	

APPENDICES / ATTACHMENTS
None