

Committee Manager : Erica Keegan (Ext 37547)

15 June 2018

SPECIAL CABINET

A meeting of the Cabinet will be held in the Council Chamber at Bognor Regis Town Hall, Clarence Road, Bognor Regis on **Friday 22 June 2018 at 3.30 pm** and you are requested to attend. **(Please note change in start time and venue).**

Members : Councillors Mrs Brown (Chairman), Wensley (Vice-Chairman), Bence, Charles, Clayden, Haymes, and Wotherspoon.

A G E N D A

1. APOLOGIES FOR ABSENCE
2. DECLARATIONS OF INTEREST

Members and Officers are reminded to make any declarations of pecuniary, personal and/or prejudicial interests that they may have in relation to items on this agenda and are reminded that they should re-declare their interest before consideration of the item or as soon as the interest becomes apparent.

Members and officers should make their declaration by stating :

- a) the item they have the interest in
- b) whether it is a pecuniary, personal and/or prejudicial
- c) the nature of the interest
- d) if it is a pecuniary or prejudicial interest, whether they will be exercising their right to speak under Question time

3. QUESTION TIME
 - a) Questions from the public (for a period of up to 15 minutes).
 - b) Questions from Members with prejudicial interests (for a period of up to 15 minutes).

4. URGENT BUSINESS - PROCUREMENT OF THREE YEARS MICROSOFT LICENCE AGREEMENT VIA THE KENT COUNTY COUNCIL FRAMEWORK AGREEMENT

The Cabinet is requested to consider this urgent matter which is the award of the contract for the Council's licences with Microsoft. The contract is being awarded through a framework led by Kent County Council's Commercial Services. The reason for the urgency is that the Contract needs to be awarded by the end of June 2018.

Whilst negotiations have been ongoing since January to review and enter into a new Contract, the issue has been that there have been a number of changes to Microsoft products which have impacted on the ability to identify the full Contract costs, making an award up until now difficult to achieve. As the Council cannot risk not entering into this Contract by the end of the month, this is why this matter is being presented to the Cabinet as urgent.

As this is being dealt with as an urgent matter, the usual arrangements requiring the agenda to be published with five clear days' notice and the call-in arrangements will not apply [See Part 3 – Responsibility for Functions, Rule 2.3 and Part 5 – Cabinet Meeting Procedure Rules, Rule 3.2 of the Constitution].

5 MINUTES

To approve as a correct record the Minutes of the meeting held on 21 May 2018 (previously circulated).

6 BUDGET VARIATION REPORT

To consider any reports from the Head of Corporate Support.

Note : *Indicates report is attached for all Members of the Council only and the press (excluding exempt items). Copies of reports can be obtained on request from the Committee Manager).

Note : Members are reminded that if they have any detailed questions would they please inform the Chairman and/or relevant Director in advance of the meeting.

AGENDA ITEM NO. 4**ARUN DISTRICT COUNCIL****REPORT TO AND DECISION OF A SPECIAL CABINET MEETING
ON 22 JUNE 2018****PART A : REPORT**

**SUBJECT: PROCUREMENT OF THREE YEARS MICROSOFT LICENCE AGREEMENT
VIA THE KENT COUNTY COUNCIL FRAMEWORK AGREEMENT**

REPORT AUTHOR: Paul Symes - ICT & Service Improvement Manager

DATE: 15 June 2018

EXTN: 37585

PORTFOLIO AREA: Corporate Support

EXECUTIVE SUMMARY:

The Council uses Microsoft products to provide services to the desktop and also for its back-office databases/servers. The products are licenced on a three year agreement and the current agreement expires at the end of June 2018.

We wish to let the contract as a direct award with one supplier through the Kent County Council Framework Agreement.

This report is being presented as an urgent item because the contract needs to be awarded by the end of June 2018. As such, the usual arrangements requiring the agenda to be published with 'five clear days' notice and the call-in arrangements will not apply [See Part 3 – Responsibility for Functions, Rule 2.3 and Part 5 – Cabinet Meeting Procedure Rules, Rule 3.2 of the Constitution].

Whilst negotiations have been ongoing since January to review and enter into a new contract, the issue has been that there have been a number of changes to Microsoft products which have impacted on the ability to identify the full contract costs, making an award up till now difficult to achieve. A further issue has been that the contract values have now exceeded the EU Threshold which has meant that a Cabinet decision is required. This has not been anticipated.

RECOMMENDATIONS:

Cabinet approves the purchase of a three year Microsoft Licence Agreement via the Kent County Council Framework Agreement.

1. BACKGROUND:

The Council uses Microsoft products to provide services to the desktop and also for its back-office databases/servers.

The products are licenced on a three year agreement and the current agreement with Microsoft expires at the end of June 2018.

Since taking out the original agreement Microsoft have change their licensing model and product sets, work to reconcile these and gain prices based on our detailed needs has taken much longer than anticipated due to the complexity of the licensing changes.

Based on existing licence costs we had anticipated that the desktop licence and database/server licences costs lots would remain below the EU Threshold limits however the new prices have risen above that threshold.

It is not possible to buy licences directly from Microsoft and we wish to let the contract as a direct award with one supplier through the Kent County Council (Commercial Services) Framework Agreement. The supplier (Trustmarque) is able to supply the required services and can provide us with the continuity of service we need.

2. PROPOSAL(S):

Purchase of a three year Microsoft Licence Agreement via the Kent County Council Framework Agreement.

3. OPTIONS:

- i. Procure a three year Microsoft Licence agreement via the Kent County Council Framework Agreement.
- ii. Not procure a new Microsoft Licence Agreement and stop using Microsoft products.

4. CONSULTATION:

| Has consultation been undertaken with: | YES | NO |
|---|--|-----------|
| Relevant Town/Parish Council | | |
| Relevant District Ward Councillors | | |
| Other groups/persons (please specify) | ICT Finance Legal Procurement | |
| 5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below) | YES | NO |
| Financial | | No |
| Legal | | No |
| Human Rights/Equality Impact Assessment | | No |

| | | |
|---|--|----|
| Community Safety including Section 17 of Crime & Disorder Act | | No |
| Sustainability | | No |
| Asset Management/Property/Land | | No |
| Technology | | No |
| Other (please explain) | | |

6. IMPLICATIONS:

Usage of Microsoft products is conditional on having a licence agreement in place; if we do not renew the licences by June 2018 then we will not be able to provide desktop computer services or systems.

7. REASON FOR THE DECISION:

Enter into a new Microsoft Licence Agreement so that we can continue to provide IT services using Microsoft products.

8. BACKGROUND PAPERS:

None