

Record of operational decision

Decision title:	Approval to appoint a Large Account Reseller (LAR) and to confirm the renewal of Microsoft Products/Enterprise Agreement for 2022-2025.
Date of decision:	13 June 2022
Decision maker:	Director of Resources and Assurance
Authority for delegated decision:	Herefordshire Council's Constitution Scheme of Delegation, Part 3: Section 7 – Officer Functions: 3.7.5 Operational decisions. Chief Executive Scheme of Delegation to Officers point 75 ICT Commissioning and Strategy to Assistant Director Corporate Support.
Ward:	Countywide
Consultation:	N/A
Decision made:	<p>To award a contract to Phoenix Software Ltd to provide the Large Account Reseller [LAR] service in order to support the management of Microsoft Products/Enterprise Agreement.</p> <p>To proceed with renew of the Microsoft Enterprise Agreement, at a cost of £134,196.20 per annum over a 3-year period. Charges for individual products are fixed for the entire agreement period, allowing accurate budgeting and forecasting. Annual totals may vary should the quantities of products in use change; providing both assurance and flexibility.</p>
Reasons for decision:	<p>In order to operate, manage and purchase Microsoft products and services Herefordshire Council must identify and nominate a Large Account Reseller [LAR], for an initial period of 3 years from the anticipated contract start date of 1st June 2022. The reseller will act as the Microsoft subject matter expert providing advice and guidance on Microsoft products.</p> <p>The nominated reseller will arrange the renewal of the three year Enterprise Agreement, which is the contractual arrangement to provide Licences and Software Assurance for many Microsoft Products in use at Herefordshire Council. The Enterprise Agreement covers the licencing required for: Computer operating systems (Windows 10) for all desktops and laptops Server operating systems (Windows Server) and management tools (System Center). Appropriate licencing is a compliance requirement and is not optional.</p> <p>A procurement process was undertaken through KCS Framework Software Products & Associated Services 2 (Y20011) Lot 1 via Herefordshire Councils e-tendering portal, Supplying the Southwest (also known as ProContract). Four compliant bids were received by the tender close date and were evaluated in accordance with the rules as stipulated within the tender document. This evaluation consisted of an assessment of Quality and Price.</p> <p>Phoenix Software Ltd provided the most economically advantageous tender and are therefore recommended for award.</p>

Highlight any associated risks/finance/legal/equality considerations:	<p>Failure to appoint a Large Account Reseller and renew the Enterprise Agreement would lead to the Council not being legally compliant with Microsoft terms and conditions. Such a breach of Microsoft licence compliance would be across the organisations entire IT User and Server environment. This would expose the Council to a comprehensive compliance audit, subsequent fines and associated costs, together with a requirement to remediate the lack of compliance through the purchase of the correct licencing.</p>
Details of any alternative options considered and rejected:	<p>Do Nothing – Without suitable licencing arrangements, the Council would not be legally compliant with Microsoft terms and conditions.</p> <p>Cease Use of Microsoft Products – Continued use of the software supported by this agreement is key to the delivery of many aspects of council operations.</p> <p>Migration from Enterprise Agreement Licencing [EA] to Select Plus Agreement [SPA] or Microsoft Products and Services Agreement [MPSA] – The licences that Herefordshire Council requires can be managed through several contracting arrangements and each was considered for suitability. Maintaining the EA was the preferred route, notably as Herefordshire Council qualifies for access to the Digital Transformation Arrangement [DTA] discounts and licencing negotiated by the Crown Commercial Service.</p>
Details of any declarations of interest made:	<p>None</p>

Signed

Andrew Lovegrove
 Director of Resources and Assurance

Date: 17 June 2022