

MINUTES OF URGENT DECISIONS MEETING HELD ON THURSDAY, 15 JUNE 2023, 12:45PM - 13:00PM.

PRESENT: Councillor Dana Carlin, Cabinet Member for Finance and Local Investment

In attendance: Jane West, Head of Financial Admin Glenn Mason, Head of Technology, Wasim Butt, Infrastructure Manager and Nazyer Choudhury, Principal Committee Co-Ordinator.

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MICROSOFT ENTERPRISE AGREEMENT - CONTRACT VARIATION AND EXTENSION - FOR THE PROVISION OF MICROSOFT LICENCE SUBSCRIPTIONS, TO INCLUDE E5

This report sought Cabinet Member approval, under Contract Standing Order (CSO) 10.02.1b) to:

extend the Council's Microsoft (MS) Enterprise Agreement (EA) with MS Licensing Solution Partner, Bytes Software Services Ltd for the provision of MS licence subscriptions, by one additional year, taking the expiry date to 30th April 2026; and

to vary the EA to include the transition of the services to MS 365 E5 (E5), originally provided for within the specification of the EA, such amendments amounting to a revised maximum contract value of up to £6,750,000.00.

The report concerned the transition to E5, and the technology opportunities presented by such a move, including without limitation the required security improvements, and E5 Ramp discounts offered by MS (via Bytes) to the Council.

This was a time limited bespoke offer from Microsoft which required a decision by the 16th June 2023 in order for the Council to take advantage of an offer which expired on 30th June 2023. The steps required to formalise this offer meant that it was not practicable to comply with the 28-day notice requirement in Part Four, Section D, Rule 13 of the constitution or the 5-day notice period required for key decisions.

A delay to the decision would result in the Council not being able to enrol to Microsoft E5 this year, which would significantly harm the Council's Security response and posture, and fail to respond to the Council's Audit findings and recommendations in how to manage, transact and protect the Council's IT assets and residents' data.

Contracting under Digital Technology agreement (DTA) 21 provided the Council advantageous financial terms; DTA24 will realign with Microsoft pricing and reflect RPI (DTA 21 pricing is based on 2021 Public sector agreement).

Councillor Carlin sought reassurance that although E5 would offer enhanced security, the Council did currently have adequate security in place.

The title of the report originally spelt licence as 'license' and this would be changed to 'licence'.

The Cabinet Member for Finance and Local Investment RESOLVED to

1. Approve, under Contract Standing Order 10.02.1b), an extension to the Council's Microsoft Agreement with Bytes Software Services Ltd for a further 1 year to 30th April 2026 and a variation of the maximum contract value from £4,500,000.00 to up to a maximum of £6,750,000.00. Such amendment was considered to be in compliance with the Public Contracts Regulations 2015 (PCR 2015), in particular Regulation 72(1)(a) and/or Regulation 72(1)(e) of PCR 2015.

2. Note that the recommendation in section 3.1 supported the Council's adoption of E5, stipulated within the original award document (see appendices 1) which was noted in section 2.2 of the recommendations, and which was provided for within the originally awarded contract specification: A further report would be brought to Cabinet with a business case and funding for the approval of additional functionality licenses MS 365 E5 referred to in Paragraphs 5.13. to 5.15. of the original award report as approved by Cabinet.

Reasons for decision

An opportunity had been presented by MS for the Council to transition its existing MS Enterprise Agreement to an E5 offer. This covered all MS products, in particular, MS 365 (e.g. Word, Excel, Outlook, Teams and OneDrive).

This was a unique and bespoke offer that reflects Haringey's and MS's ongoing relationship and an understanding of the Council's strategic technical roadmap. It should be noted that this requirement was already provided for within the specification of the originally awarded contract and did not extend the scope of the original contract, but utilises an option with the contract for the transition to E5 and took advantage of a reduction in the rates afforded to such transition.

Due to the unique nature of the offer, there were some extremely tight timelines in exercising the option to transition under the contract. Failure to meet the timelines will mean that the Council would need to wait until the next renewal date which will result in higher costs being incurred (approximately 15% to 20%), but more importantly, a prolonged period of lower security software.

The security products within E5 were fundamental to ensuring that the Council adequately protect its infrastructure. This provides additional security controls and capability around user accounts, email content, file data, OneDrive and SharePoint.

By adopting the E5 ramp offer, the Council is able to improve its security baseline in a holistic manner. While there are several 3rd party products that provide similar security features, these can be expensive and do not provide any of the transformational and data analysis benefits.

Alternative options considered

Take no action – The Council’s current E3 contract expires in April 2025. The Council could continue to operate the existing contract and accept the risks in not responding to the Council’s security threats. If the Council were to take up this option, it would not be able to benefit from the enhancements that support the organisation’s transformation agenda.

Implement a third party security product – MS’s E5 product offering is one of the clear market leaders, as determined by Gartner, a provider of research and consulting services for businesses in the IT sector, working with organisations to develop technology strategies, plans and budgets, as well as select the right technologies for their operations. E5 had been adopted by a number of London Boroughs. As previously noted, 3rd party security products, while providing best of breed functionality, do not enable any other transformation features. Adopting a third party solution would then raise the total cloud product spend.

4. EXCLUSION OF THE PRESS AND PUBLIC

Item 5 was subject to a motion to exclude the press and public be from the meeting as it contained exempt information as defined in Section 100a of the Local Government Act 1972 (as amended by Section 12A of the Local Government Act 1985); paras 3 and 5, namely information relating to the financial or business affairs of any particular person (including the authority holding that information) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

5. EXEMPT - MICROSOFT ENTERPRISE AGREEMENT - CONTRACT VARIATION AND EXTENSION - FOR THE PROVISION OF MICROSOFT LICENCE SUBSCRIPTIONS, TO INCLUDE E5

The Cabinet Member considered the exempt information.

CABINET MEMBER: Councillor Dana Carlin

Signed by Chair

Date15 June 2023.....

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