

Decision Note – Microsoft Renewal


STAFFORDSHIRE COMMISSIONER

Police | Fire and Rescue | Crime

REQUEST FOR DECISION BY THE STAFFORDSHIRE COMMISSIONER

	Policing:	Crime:	Fire & Rescue:
This decision relates to:	X		

APPROVAL (for completion by Staffordshire Commissioner only)

Rationale for approval

Ensure the force takes a strategic approach to transformation and Digital, Data and Technology (DDaT) and has sufficient capacity and capability to deliver change programmes and monitor their benefits

STAFFORDSHIRE COMMISSIONER

Signature

Date

20/12/2024

Date decision required by:

If an urgent approval is required, please state reasons:

For completion by Staffordshire Commissioner's Office only:-

Decision Number:

SCP/D/ 202425/15

Date Received: 20th December 2024

	Yes	No
Has the required decision been considered under the guidance of the Staffordshire Commissioner's Decision-Making Policy?	X	
Has the required decision been deemed to be a Key Decision as defined within the Staffordshire Commissioner's Decision-Making Policy?	X	
Who is empowered to make the required decision? Staffordshire Commissioner		

Title	Microsoft Renewal
Summary: To award the contract for Microsoft Licensing, Consultancy and Professional Services to the winning bidder following a competitive tender process. The detail below gives the commercial approach to drive the best value for money option. This does give a cost pressure, [REDACTED] Microsoft licencing is a key on going requirement for the force – therefore the decision to award to the winning bidder for a new 3 year agreement for Microsoft Licencing is sought.	
Recommendation: Approve	
Chief Executive I hereby approve the recommendation for consideration.	

Signature

Date

20/12/2024



REPORT AND ADVICE TO THE STAFFORDSHIRE COMMISSIONER

1. Introduction and background

Staffordshire Police use Microsoft products to deliver network operating systems (Server 2020, 2024 etc), desktop operating systems (Windows 10), databases (SQL Server), collaboration software (Teams) and productivity software (Excel and Word).

These operating systems and associated software are all licensed through a single licensing model via our current Licensed Solution Partner (LSP).

Staffordshire Police wish to appoint an approved Microsoft (LSP) for the renewal of our Microsoft Enterprise Agreement using the SPA24 MoU, on-going consultancy and support of all Microsoft technologies and associated services.

We would like to partner with a company that can offer us support and advice on how to derive maximum benefit from all the services provided by Microsoft. The Authority is interested in how we maximise the use of existing discounts afforded whilst continuing to develop our use of Microsoft tools and licensing.

2. Issues for consideration

The aim of this decision form is to approve the award of a new contract to secure a Microsoft LSP in order to provide added value in addition to the annual licence renewal. The approval is also required for the revenue spend of circa [REDACTED] per annum which represents a pressure of approximately [REDACTED] in 2025/26 based on current prices vs the 2024/25 base budget plus MTFS inflation.

Total value of the award would be [REDACTED] plus annual inflationary adjustment

3. What other options have been considered?

The day to day working of the force is dependent on the use of Microsoft products, DDaT and Commercial are working closely together to ensure we get best value for money and make best use of our licensing.

Currently there is no viable 'enterprise standard' alternatives to the Microsoft range of operating systems and associated software that are NEP compliant.

4. Consultation and Engagement undertaken

Our current contract with [REDACTED] Due to the contract value, strategic importance and in order to test value the recommended approach was to go out to tender for the contract renewal which was supported.

A mini competition was held via the NHS SBS Framework with 3 bids were received which included our incumbent supplier.

On evaluation and moderation of the 3 supplier bids it was found that the winning tender submission achieving the highest overall score when evaluated against the criteria of 50% quality, 40% price and 10% social value.

Commercial Comments

In order to test value a mini competition was held via the NHS SBS Framework with 3 bids received from including our incumbent.

The evaluation of the submissions was against 5 Quality and 1 Social Value questions structured to drive added value within the contract. These focused on the support, expertise and services that the supplier could offer in the delivery of our Microsoft environment over and above the provision of the licences and tooling.

The procurement was backed off to the SPA24 Microsoft MoU released by CCS on the 1st November which drives value on behalf of all public sector organisations. The price was evaluated on 3 key areas:

- Basket of goods – Supplier to provide costs based on our current licencing model
- Percentage Mark up – Supplier to state the maximum margin they would apply against any and all Microsoft products as per the SPA24 pricing for all 3 years.
- Consultation and Professional services charges – these charges are optional.

By splitting the price into these sections, we have been able to encourage competition and drive value through all elements of the contract. This pricing model allows for the expansion and development of our Microsoft suite during the contract whilst ensuring prices are capped.

Post contract award the winning supplier will work with our IT department to conduct a licencing audit to review how we currently licence and present alternatives/opportunities as to where we can make any savings. Once the new licencing model is agreed the order will be placed with Microsoft prior to the expiry of our current agreement.

The tender scores can be seen below:

	Supplier A % Scores	Supplier B % Scores	Supplier C % Scores
TOTAL	[REDACTED]	[REDACTED]	[REDACTED]
Rank	1	2	3

It is worth noting that the costs are approximate and based on our current licencing estate. Whilst it is hoped that the post award licence review will create further savings, this is not guaranteed. The costs are also approximate until we confirm the contract award and 'lock down' the price of licences.

Additionally, further cost pressures may be seen throughout the life of the contract in relation to the below:

- RPI applied to the MoU annually
- Expansion of our Microsoft estate
- Natural growth due to Azure usage and or increased headcount within the organisation.

Finance Comments

The below table, which is included as an appendix to this paper, shows the annual pressures from this tender award over the next three years; Azure overages have been included at [REDACTED] per annum and inflation is in line with MTFS planning assumption. There is a risk that RPI or overages may be higher.

The pressures shown below are indicative at this stage as further work will be required post award on a licencing review which may result in costs being lower.

As context, in 2024/25, there is a forecast overspend of [REDACTED] on this budget line, so if there were no change in costs, there would still be a pressure that would require funding.

		RPI Inflation assumed as MTFS assumption: 2% per annum There is a risk that RPI increases per year could be higher								
Description	Revenue/ Capital	Cost of Proposal £			Existing Budget £			MTFS Impact £		
		2025/26	2026/27	2027/28	2025/26	2026/27	2027/28	2024/25	2025/26	2026/27
3637 Microsoft Enterprise Agreement SPA24 MoU renewal	Revenue	[REDACTED]								
Azure overages (additional - estimated)	Revenue	[REDACTED]								
Total		[REDACTED]								

Report Implications

5. Monitoring Officer comments:

A robust procurement process has been followed.

Signature _____ Date 20/12/2024



6. Section 151 Officer comments:

It is of note that a full procurement exercise has delivered savings for the Force in this renewal, alongside work to reduce duplicate licenses. The further tightening of criteria for a license being granted in future will be considered as part of the Forces savings programme given the individual cost of a license

This will result in a budget pressure to be included in the MTFS, however allowances have already been made for inflation which can be netted off the pressures shown above

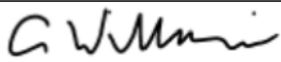
Signature



Date 20/12/2024

	Yes	No
Has legal advice (outside of that provided by the Monitoring Officer) been sought on the content of this report?		x
7. Legal Comments:		
8. Risks - please give the details of any operational or strategic risks that are affected by this decision (add risk reference number and title below) _____		
9. Equality Comments – please attach the completed EIA Completed		
10. Background/supporting paper		
Please answer the following questions	Yes	No
11. Public access to information?	x	
12. Does this decision involve the processing of personal data? (If yes please attach a completed Data Impact Assessment)	x	
13. Is the publication of this form to be deferred? (If yes approx. how long?) yes until end of March 2025 after contract award.	x	
14. Does this form contain commercial or operationally sensitive information which is to be redacted? (If yes, please provide details with the submission of this note) Please redact out all costs referred to in the paper as commercially confidential.	x	

15. ORIGINATING OFFICER DECLARATION:

Author	Geoff Wilkins
Signed	
Date	20 th December 2024



Equality Impact Assessment

The purpose of this EIA is to ensure you consider any equality issues as part of your decision making when developing / reviewing your policy / procedure.

Please complete the sections below and send to the Staffordshire Commissioner's Office to be quality assured. New / revised policies cannot be published on the policy database until the EIA has passed the quality assurance process.

Title of policy/procedure:	Renewal of Microsoft License
Department:	DDaT
Date:	19 December 2024

1. Identify the aims and purpose of the policy

Staffordshire Police wish to appoint an approved Microsoft (LSP) for the renewal of our Microsoft Enterprise Agreement using the SPA24 MoU, on-going consultancy and support of all Microsoft technologies and associated services.

2. Identify the individuals and organisations who are likely to have an interest in, or be affected by the policy.

All Police Officers and Staff

3. Data

Summarise the findings of any monitoring data / information which you have considered regarding the impact of this policy on people from all or any of the protected groups. This could include national or local data.

3.1 Age

Not Applicable
3.2 Disability Not Applicable
3.3 Race Not Applicable
3.4 Religion or Belief Not Applicable
3.5 Sex Not Applicable
3.6 Sexual Orientation Not Applicable
3.7 Transgender Not Applicable

4. Research Summarise the findings of any research you have considered regarding this policy for all or any of the protected groups. This could include information you have obtained from other sources e.g. Home Office.
4.1 Age Not Applicable
4.2 Disability Not Applicable
4.3 Race Not Applicable
4.4 Religion or Belief

Not Applicable

4.5 Sex

Not Applicable

4.6 Sexual Orientation

Not Applicable

4.7 Transgender

Not Applicable

5. Consultation

Summarise the opinions of any consultation for all or any of the protected groups. Who was consulted and how e.g. survey, discussion, forum. If there was no consultation please justify why.

5.1 Age

Not Applicable

5.2 Disability

Not Applicable

5.3 Race

Not Applicable

5.4 Religion or Belief

Not Applicable

5.5 Sex

Not Applicable

5.6 Sexual Orientation

Not Applicable

5.7 Transgender

Not Applicable

6. Conclusions

Taking into account the results of the monitoring, research and consultation, set out how the policy impacts or could impact on people from the following protected groups? (Include positive and/or negative impacts)

6.1 Age

Not Applicable

6.2 Disability

Not Applicable

6.3 Race

Not Applicable

6.4 Religion or Belief

Not Applicable

6.5 Sex

Not Applicable

6.6 Sexual Orientation

Not Applicable

6.7 Transgender

Not Applicable

7. Decisions

If the policy will have a negative impact on members of one or more of the protected groups, explain how the policy will change or why it is to continue in the same way.

If no changes are proposed, the policy needs to be objectively justified.

There will be no impact on any of the protected groups by the purchase of these goods and services. The use of the services is controlled by Data Protection Regulations.

8. Monitoring arrangements

If the policy is new what consideration has been given to piloting the policy?

If monitoring is not already in place what arrangements have been made to monitor the effects of the policy on equality and diversity?

There will be no impact on any of the protected groups by the purchase of these goods and services. The use of the services is controlled by Data Protection Regulations.

This equality impact assessment will be published on the SC website.

EIA Form Dated
01/08/2018