

PROCUREMENT STAGE 1 – APPROVAL TO PROCEED TO TENDER

This form must be completed for all procurements above the tender threshold (£75,000 - Services and Supplies and £500,000 - Works)

If contract value is over Cabinet approval threshold (£750,000) this form shall be appended to the Cabinet report. This form will be “open” for publication.

1.	INTRODUCTION	
1.1	Contract Title	Microsoft Licences Subscription
1.2	Reference	PS/2018/309
1.3	Directorate	Finance & IT
1.4	Contract Cost	£1.2 Million maximum over 3 years plus 3 year extension
1.5	Description	Microsoft Licences (operating system and Microsoft Office, Skype, Server, Exchange, etc) plus support
1.6	Contract Term	3 years plus potential for 1 x 3 year extension
1.7	Political Sensitivity	N/A

2.	BUSINESS CASE	
2.1	Business Case	<p>Microsoft Licences are fundamental to the running of the Council. Purchasing of a subscription service through an authorised re-seller will enable us to access the latest version of software for upgrades as these happen during the contract term.</p> <p>The service will be procured using the Kent County Supplies Software Framework and ensure provision of additional support (pre and post sales) at no extra charge but also allow for consultant days for support on specific projects where additional expertise is required.</p>
2.2	Key Deliverables	The 3 + 3 year term ties into the Microsoft pricing model and will support a high level of performance for the contract but still enable Thurrock to exit after the initial period if a competitive price is not offered for the extension term.
2.3	Commercial Pressures	This is a stable market with no specific market pressure
2.4	Contractor Employment Status ¹	N/A
2.5	Award Criteria	45:55 price quality envisaged
2.6	Social Value	This is fundamentally a resale of Microsoft products but we will look to see if there is any potential SV gain

¹ Use online self-assessment tool: <https://www.gov.uk/guidance/check-employment-status-for-tax>

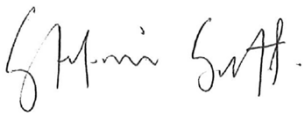
2.7	Previous Contract	PS/2017/400 ending 31st March 2019
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3.		FINANCIAL CONSIDERATIONS					
3.1	Previous Contract Cost	1.1 Million					
3.2	Scope Changes	Is there any increase / decrease in scope that could impact costs?	No				
3.3	Annual Cost	Year	19/20 £000's	20/21 £000's	21/22 £000's	Later £000's	Total £000's
		Total Spend	£375	£375	£375	£1,125	£2,250
3.4	Funding Breakdown Identified	Revenue Budget	£375	£375	£375	£375	£2,250
		Capital Budget	£enter	£enter	£enter	£enter	£enter
		Other (Please State)	£enter	£enter	£enter	£enter	£enter
		Other (Please State)	£enter	£enter	£enter	£enter	£enter
		Total Funding	£375	£375	£375	£1,125	£2,350
3.5	Budget Code(s)	Click here to enter text.					
3.6	Unsupported borrowing	N/A					
3.7	Other Financial Implications	The market is already very competitive so significant savings are unlikely					

4.		PROCUREMENT ROUTE
4.1	Procurement Route	Mini-Competition under Framework
4.2	Procurement Route Rationale	This is a fairly simple procurement and all major providers exist on the KCS Framework. Use of this will save time.
4.3	Does the contract require a waiver?	No
4.4	Single Source justification	N/A - not a single source
4.5	Waiver Rationale	N/A

5.		PROCUREMENT TIMETABLE	
5.1	Procurement Timetable	Publish Contract Notice	23 January 2019
		Selection Questionnaire Return	N/A
		Invitation to Tender Issue	23 January 2019
		Invitation to Tender Return	13 February 2019
		Notification of Result	22-28 February 2019
		Standstill Period	N/A
		Expected Award Date	25 March 2019
		Contract Commencement	01 April 2019

6. RISKS, CONSULTATION AND MANAGEMENT						
6.1	Tender Process Risks	Risk Level			Negative Impact	Mitigation
	Lack of Interest	E - Very Low Likelihood	II - Significant Impact	EII - Low Risk	An extension would be required	Current supplier is on the framework and therefore likely to bid
	Enter Risk	Select Likelihood	Select Impact	Select Risk Level	Enter Negative Impact or N/A	Enter Mitigation or N/A
	Enter Risk	Select Likelihood	Select Impact	Select Risk Level	Enter Negative Impact or N/A	Enter Mitigation or N/A
6.2	Contract Performance Risks	Risk Level			Negative Impact	Mitigation
	Poor quality pre or post sales support	D - Low Likelihood	III - Marginal Impact	DIII- Low Risk	N/A	Contract management and optional extension should drive performance
	Enter Risk	Select Likelihood	Select Impact	Select Risk Level	Enter Negative Impact or N/A	Enter Mitigation or N/A
	Enter Risk	Select Likelihood	Select Impact	Select Risk Level	Enter Negative Impact or N/A	Enter Mitigation or N/A
6.3	Contingency	N/A.				
6.4	Consultation	Internal consultation on IT support and software is ongoing				
6.5	Project and Contract Management	The Contract will be procured and managed within the ICT department				
6.6	Procurement Implications	Spend on Microsoft Licences is low risk but high value and therefore utilising the KCS framework for a mini- competition will ensure Thurrock is in the best position to secure any potential savings, although these are likely to be small. The opportunity for a three year extension however may generate sufficient leverage to increase competition and ensure that value is maintained for the longer term.				

7. LEGAL, FINANCE AND PROCUREMENT APPROVAL		
7.1	Procurement	I confirm that I have been consulted and agree with the information contained in this report in so far as it relates to Procurement implications
		Name Stefanie Seff
		Signed (or obtain email confirmation) 
		Date 29/11/2018
7.2	Legal	I confirm that I have been consulted and agree with the information contained in this report in so far as it relates to Legal implications
		Name Freda Benjamin-Laing
		Signed (or obtain email confirmation)
		Date 03/01/2019

7.3	Finance	I confirm that I have been consulted and agree with the information contained in this report in so far as it relates to Financial implications	
		Name	Sean Clark
		Signed <i>(or obtain email confirmation)</i>	
		Date	03/01/2019

8.	APPROVAL TO PROCEED		
8.1	Approval Level	Over £750,000 - Cabinet	
8.2	Responsible Officer	I confirm that this procurement will be carried out in accordance with Rule 5 of the Council's Contract Procedure Rules (Chapter 9, Part 2 of the Constitution) and in particular the following duties have been met:	
		<ul style="list-style-type: none"> • Compliance will occur with all regulatory or statutory provisions and the Council's decision making requirements • The Contract will be included on the Council's Contract Register • Value for Money will be achieved • Advice has or will be sought from the Director of Finance and Corporate governance as to an appropriate security bond or guarantee • Document Retention Policy has and will be complied with • Financial Evaluation will be made of all the proposed tenders including the recommended bidder • Advice has been and will be sought and followed from Procurement, Legal and Finance as necessary 	
		Name	Joe Gregory
		Signed	
	Date	03/01/2019	
8.3	Assistant Director	In accordance with the Contract Procedure Rules, I confirm the accuracy of the information contained within this form and authorise this request to Proceed to Tender including, where relevant, the permitting of a Waiver from the Contract Procedure Rules in accordance with Rule 13.	
		Name	Murray James
		Signed <i>(or obtain email confirmation)</i>	
		Date	03/01/2019
8.4	Corporate Director	In accordance with the Contract Procedure Rules, I confirm the accuracy of the information contained within this form and authorise this request to Proceed to Tender including, where relevant, the permitting of a Waiver from the Contract Procedure Rules in accordance with Rule 13.	
		I confirm that the Portfolio Holder has been consulted as required	
		Name	Sean Clark
		Signed <i>(or obtain email confirmation)</i>	
	Date	03/01/2019	

8.5	Director of Finance and IT (If waiver required)	In accordance with the Contract Procedure Rules, I confirm the accuracy of the information contained within this form and authorise this request to Proceed to Tender including, where relevant, the permitting of a Waiver from the Contract Procedure Rules in accordance with Rule 13.	
		Name	
		Signed <i>(or obtain email confirmation)</i>	
		Date	
8.6	Cabinet	Minute Number	Enter approval minute reference
		Date	16/01/2019
<i>Now send complete form to Procurement Services signed and scanned</i>			