

Microsoft Enterprise Agreement – Risks and Outcomes

Risk Title	<b>Failure to renew the Council’s Enterprise Agreement and Software Assurance</b>
Description	<p>The Council’s Microsoft Software estate is currently procured through an “Enterprise Agreement” – which entitles the Council to a pre-set discount level on all Microsoft products. These rates were negotiated by the Crown Commercial Services and represent the best value for money achievable. As part of this agreement, the Council also subscribes to Software Assurance – a benefits program designed to increase usability and develop the use of Microsoft applications within an organisation.</p> <p>The Council’s current agreement is due to expire in May 2023. At the termination of this contract either:</p> <p>a) a new Enterprise Agreement will be entered into</p> <p>b) the Council will not renew the enterprise agreement and will cease to use Microsoft products and services.</p> <p>Should Cabinet or EMT decide not to renew the Councils Enterprise Agreement and Software Assurance contract, there will be considerable consequences.</p>
Consequences	<ul style="list-style-type: none"> <li>• Significant disruption to corporate operations and communications, including the inability to use laptops, desktops, Microsoft 365 services (Outlook, Teams, SharePoint etc) and all applications, systems and services delivered by our data centres.</li> <li>• Immediate capital investment to procure required Microsoft Licences due to loss of Software Assurance benefits (well in excess of £100,000).</li> <li>• Possible legal action from Microsoft if sufficient licensing cannot be proven.</li> <li>• Certainty of Audit by Microsoft and members of the Federation Against Software Theft – no prior notice is required and if sufficient licensing cannot be proven, any and all unlicensed computers can legally be removed from the Council’s premises.</li> <li>• Ongoing financial commitment required to facilitate introduction of new systems and licencing.</li> <li>• Loss of Software Assurance benefits such as training, home use programme, technical support, roaming rights, software updates and roaming use rights.</li> <li>• Direct impact on all service areas.</li> <li>• High threat to PSN and infrastructure due to unpatched and unsupported operating systems.</li> </ul>
Impact Before	High
Likelihood	Medium
Control Measures	<ul style="list-style-type: none"> <li>• Timely report to EMT and Cabinet seeking approval to enter into a new agreement, outlining estimated costs and full consequences of options.</li> <li>• A procurement exercise to ensure best value.</li> <li>• Continuous software auditing and modelling to ensure immediate liabilities are known should agreement not be reached.</li> <li>• Outline to EMT and Cabinet the importance of reaching an agreement and the consequences of not renewing in the longer term.</li> </ul>
Final Impact	Low

Risk Title	<b>Limitations on the Council’s virtual server infrastructure and additional expense caused by lapsed software assurance</b>
Description	<p>The Council’s Microsoft Software Assurance agreement has many benefits which include:</p> <ul style="list-style-type: none"> <li>• Access to software updates;</li> <li>• Roaming use rights (to support home working and DR);</li> <li>• Unlimited “server use” rights for particular applications;</li> <li>• Software Mobility;</li> <li>• Free Microsoft Technical Consultancy for new products; and</li> <li>• End of Year True Up and True Down.</li> </ul> <p>Should Cabinet or EMT decide not to renew the Councils Software Assurance contract, there will be considerable consequences.</p>
Consequences	<ul style="list-style-type: none"> <li>• Significant disruption to corporate operations and communications, including the inability to use laptops, desktops, Microsoft 365 services (Outlook, Teams, SharePoint etc) and all applications, systems and services delivered by our data centres.</li> <li>• Immediate capital investment to procure required Microsoft Licences due to loss of Software Assurance benefits (well in excess of £100,000).</li> <li>• Possible legal action from Microsoft if sufficient licensing cannot be proven.</li> <li>• Certainty of Audit by Microsoft and members of the Federation Against Software Theft – no prior notice is required and if sufficient licensing cannot be proven, any and all unlicensed computers can legally be removed from the Council’s premises.</li> <li>• Ongoing financial commitment required to facilitate introduction of new systems and licencing.</li> <li>• Loss of Software Assurance benefits such as training, home use programme, technical support, roaming rights, software updates and roaming use rights.</li> <li>• Direct impact on all service areas.</li> <li>• High threat to PSN and infrastructure due to unpatched and unsupported operating systems.</li> <li>• Inability to train staff on how to use Microsoft Products.</li> <li>• Inability to sufficiently train technical ICT staff on specialist applications.</li> <li>• Inability to develop our Microsoft investment.</li> <li>• Possible threat to PSN.</li> </ul>
Impact Before	High
Likelihood	High
Control Measures	<ul style="list-style-type: none"> <li>• Timely report to EMT and Cabinet seeking approval to enter into a new agreement, outlining estimated costs and full consequences of options.</li> <li>• A procurement exercise to ensure best value.</li> <li>• Continuous software auditing and modelling to ensure immediate liabilities are known should agreement not be reached.</li> <li>• Outline to EMT and Cabinet the importance of reaching an agreement and the consequences of not renewing in the longer term.</li> </ul>
Final Impact	Low

Risk Title	<b>Inability to utilise new technology and applications, undermining the Council's Digital Strategy</b>
Description	<p>The Council's Microsoft Software estate is currently procured through an "Enterprise Agreement" – which entitles the Council to a pre-set discount level on all Microsoft products.</p> <p>The proposed renewal of the Enterprise Agreement utilises a RAMP which allows organisations to obtain high-level, feature-rich Microsoft product sets at a reduced rate. This is as Microsoft understand that the full feature-set will not be used from day one.</p> <p>Previously, the barrier to the success of some projects has been the requirement to procure additional features and functionality.</p> <p>Should Cabinet or EMT decide to renew the Councils Enterprise Agreement, there will be consequences.</p>
Consequences	<ul style="list-style-type: none"> <li>• Failure to make use of the available feature and toolset.</li> <li>• Greater financial implications will be felt if the Council is required to introduce technology that requires a newer version of software than we are currently licensed for.</li> <li>• Project timescales and costings will be increased.</li> <li>• ICT's ability to rapidly deploy new technology and software will be reduced.</li> <li>• The Council will not be able to take advantage of the latest software versions.</li> <li>• The Council may not be licensed appropriately for existing software once Software Assurance benefits are removed (i.e. limits on SQL Server usage are introduced).</li> </ul>
Impact Before	Medium
Likelihood	Medium
Control Measures	<ul style="list-style-type: none"> <li>• Timely report to EMT and Cabinet seeking approval to enter into a new agreement, outlining estimated costs and full consequences of options.</li> <li>• A procurement exercise to ensure best value.</li> <li>• Continuous software auditing and modelling to ensure immediate liabilities are known should agreement not be reached.</li> <li>• Utilising the highest feature-rich Microsoft licence which will allow for future scope and corporate requirements. Whilst making use of the RAMP to offset the initial investment to this licence type.</li> <li>• A continuous review of available features and products, working alongside our Microsoft partner to ensure maximisation of the available feature and product-set.</li> <li>• Outline to EMT and Cabinet the importance of reaching an agreement and the consequences of not renewing in the longer term.</li> </ul>
Final Impact	Low