

KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

DECISION TO BE TAKEN BY:

Brian Collins, Deputy Leader

DECISION NUMBER:

26/00012

Executive Decision – key**26/00012– Microsoft 365 Licences Enterprise Agreement and Azure
Consumption 2026 - 2029**

Decision:

The Deputy Leader to agree to:

1. enter into a new Microsoft licencing agreement for 3 years to meet KCC business and Infrastructure licensing requirements – including the Microsoft Azure Consumption; and
2. delegate authority to the Director of Technology, in consultation with the Deputy Leader to take all necessary actions, including but not limited to, undertaking negotiations, finalising terms, entering into any required contracts or legal agreements, and executing all necessary or desirable documentation required to implement this decision.

Reasons for decision:

KCC have heavily invested in Microsoft technology, to support the current working arrangements and to ensure that the Council is able to access the full security protections now available by Microsoft. With the current contract nearing its expiration, it is proposed to enter into a new three-year contract beginning on 1 July 2026. The new contract will licence KCC for the full use of the MS tool set over the next 3 years and offers enhanced security. As the Council strategy is Cloud First, the Azure platform enables us to move away from on-premise storage to the Cloud.

Financial implications:

Initial indication based on current usage is that the 3-year licencing costs (July 2026 – June 2029) will equate to approximately £12.3m and the Azure consumption will equate to approximately £3m. The contract costs will be accounted for within the Technology budgets through the third-party contract allocation.

Legal implications:

The licensing agreement is for a Standard 3-year contract term with no extension.

As this decision results in expenditure of over £1 million a Key Decision is required.

Equalities implications: An Equalities Impact Assessment (EqIA) has been undertaken and identified no direct equalities implications arising from this decision.

Data Protection implications: A Data Protection Implication Assessment (DPIA) screener has confirmed that there are no DPIA implications and that a further DPIA assessment is not required in respect of this decision.

Cabinet Committee recommendations and other consultation:

The proposed decision will be considered by the Policy and Resources Cabinet Committee on 11 March 2026.

Any alternatives considered and rejected:

Do nothing – dismissed, as a licensing agreement is necessary for the day to day running of the Council. Microsoft licencing is standard across the public sector and cannot be purchased directly, but only through a Licencing Solutions Partner.

Run a procurement to enter into a new Microsoft licencing agreement with a new provider – Microsoft licencing is standard pricing across the public sector. This would involve beginning a relationship with a new partner, whereby our current relationship is well established and trusted.

Enter into a new Microsoft licencing agreement with existing provider – Following a procurement exercise undertaken in 2020, the Council has established a strong working relationship with Bytes Software Services Ltd. This supplier also provides additional support in ensuring our licence and Azure estate is optimised and efficient - *this is the recommended option.*

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:

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Signed

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Date