

## Annex 1 – Procurement Process

Summary of Procurement process in respect of the contract for Microsoft Enterprise Subscription Agreements.

1. The existing contract for the provision of Microsoft Enterprise Subscription Agreements will expire on 30 June 2019. A mini-competition process compliant with the Public Contracts Regulations 2015 and Procurement Standing Orders has been carried out following the approval of the Sourcing Plan by the Sourcing Governance Board (SGB).
2. The SGB considered the following options:
  - a. **Option 1 – Run a mini-competition under the KCS Software Products and Associated Services framework for new Microsoft Enterprise Subscription Agreements**  
 This framework has been chosen because there is a dedicated Microsoft Lot and includes our incumbent reseller and the resellers that currently deliver other contracts for the Council. All of the resellers on the dedicated Microsoft lot have a high level of Microsoft accreditations and partnership status, which provides assurance that the resellers will receive the best pricing from Microsoft and provide a high level of experience. The framework also includes the ability to carry out a direct award to our incumbent reseller, but benchmarking and supplier engagement activities indicated that savings could be achieved by carrying out a further competition. Option 1 was the preferred option.
  - b. **Option 2 – Run a mini-competition under the an alternative framework framework for new Microsoft Enterprise Subscription Agreements**  
 The use of either the Crown Commercial Service (CCS) or Health Trust Europe (HTE) frameworks were considered, but these were rejected because they did not have a dedicated Microsoft lot and the HTE framework didn't include our incumbent reseller.
  - c. **Option 3 – Run a full EU compliant tender**  
 This option would not deliver any additional benefits to the frameworks that were considered, but would require additional time and resource commitment. The time requirements of this approach would mean the Council would not meet the Microsoft commitment deadline of 31 March 2019.
3. In order to implement Option 1, a mini competition on the framework was published. Participation in the mini-competition procedure is accessible to all companies on the Microsoft Lot of the KCS Software Products and Associated Services framework.
4. The tender stage commenced on 11 January 2019. By the closing date of 12:00 Midday on 31 January 2019 responses from seven (7) tenderers had been submitted.
5. The tenders were evaluated using a two stage evaluation. Stage 1 was the quality evaluation, with a minimum threshold of 70% required to progress to stage 2. Stage 2 was the price evaluation, with the lowest priced proposal identified as the preferred bidder.

6. In accordance with best practice each response to Quality/Technical questions were assessed by three (3) evaluators independently. The evaluators then met to discuss and moderate their scores in the presence of an experienced moderator.
7. Six (6) tenderers achieved the minimum 70% threshold for the Stage 1 evaluation.
8. The Evaluating Panel recommends that tenderer who submitted the lowest Stage 2 bid is appointed to the Microsoft Enterprise Subscription Agreements contract.
9. The award of the contract (Gateway 3 of the Strategic Sourcing Plan) was approved by the Sourcing Governance Board on 12 February 2019.
10. All tenderers were informed of the preliminary outcome of the procurement process and that the formal tender results are subject to Cabinet approval to award contract(s)/frameworks.