

TITLE OF REPORT: Google Workspace Licences CONTRACT APPROVAL Key Decision No. FCR S27	
Cabinet Procurement and Insourcing Committee 8 November 2021	CLASSIFICATION: Open with exempt appendix
WARD(S) AFFECTED N/A - this procurement relates to technology services used by Council staff	
CABINET MEMBER Mayor Glanville	
KEY DECISION Yes REASON Spending/or saving	
GROUP DIRECTOR Ian Williams, Group Director, Finance & Corporate Resources	

1. CABINET MEMBER'S INTRODUCTION

- 1.1. Hackney Council has been modernising our technology, ensuring that the Council benefits from the best capabilities available to deliver services that meet the needs of Hackney's residents and businesses.
- 1.2. The introduction of the Google Workspace productivity tools has helped our staff to continue to deliver high quality services despite the serious disruption to

their work caused by the Covid-19 pandemic and lockdowns, and the cyberattack of October 2020. It has also transformed the way teams from across the Council collaborate and innovate, helping to break down silos and hierarchies. This has directly led to improved decision making and ultimately delivering better services for residents and businesses during some of the most difficult years for the Council and our borough.

- 1.3. The cyberattack underlined the importance of the Council's strategic move to cloud technologies, and is sobering to reflect that without this the Council would have lost much of the ability to communicate and organise our services following the attack. During the early part of the pandemic we were also able to use Google Workspace tools like 'Meet' to maintain proper democratic structures and meetings, as well as internal workplace meetings.

2. GROUP DIRECTOR'S INTRODUCTION

- 2.1. The Council's decision to implement Google Workspace (at the time known as 'G Suite') was informed by extensive engagement with users across the Council. This detailed work gave a clear picture of users' needs as the basis for our technology modernisation.
- 2.2. Since that research work was completed, Google Workspace has been rolled out to all of the Council's users and extended to include Hackney Education. The tools now provide a shared, modern platform for communication and collaboration which has demonstrated its value during the considerable disruption to the Council's services caused by Covid-19 and the cyberattack.
- 2.3. This report sets out the work that has been carried out to reprocur these services through the Digital Marketplace.

3. RECOMMENDATION(S)

That Cabinet Procurement and Insourcing Committee is recommended:

- 3.1. To note the Digital Marketplace G-Cloud procurement process used for the procurement of Google Workspace licences.**
- 3.2. To progress the award of a contract to Supplier C to provide Google Workspace licences for a period of 2 years with a Council option to extend for two further one year periods (2+1+1).**

4. RELATED DECISIONS

- 4.1. This procurement relates to the Business Case that was approved at Hackney Procurement Board on 12 August 2021, endorsing the use of the Crown

Commercial Services G-Cloud Framework Agreement (Digital Marketplace) for the procurement strategy for Google Workspace licensing.

5. REASONS FOR DECISION/OPTIONS APPRAISAL

- 5.1. In 2017 the Council adopted a next generation productivity strategy based on the implementation of Google Workspace (formerly called G Suite) as its core productivity software platform. This followed extensive engagement with users across the Council and analysis of the financial modelling.
- 5.2. A 4-year contract was awarded to Ancoris Ltd, a Google Premier Partner, for the provision of Google Workspace licences and support services to the Council. The contract was procured via the Digital Marketplace and runs until 30 November 2021.
- 5.3. This report is to gain approval to award a new contract for Google Workspace licences for a period of 2 years from 1 December 2021 with a Council option to extend for two further one year periods (2+1+1).
- 5.4. The projected annual Google Workspace licence spend of £618,240 will be covered from within existing ICT Services' revenue budgets.

6. ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)

- 6.1. Google Workspace and Microsoft Office continue to be the leading productivity platforms used by large organisations on the market. As with the technology strategy in 2017, other platforms identified continue to be discounted when evaluated against our user needs, enterprise architecture principles and digital service standard principles.
- 6.2. As set out in the Business Case, the Council's adoption of Google Workspace to support new, modern ways of working - and the associated reduction in the use of Microsoft Office - has been extremely positive over the 4 years since we set our strategy.
- 6.3. The move to Google Chrome OS devices provides the Council with the flexibility to consider alternative directions in future, decoupling the devices that users use from the software they use (any web based software tools can operate equally effectively on Chrome OS devices), and also providing the Council with best-in-class device security (removing the security risks that are common with Windows devices).
- 6.4. Whilst a review of our technology strategy for productivity tools, similar to that undertaken over 2016-17, is an essential activity to take place periodically, now is not considered to be the right time to do this as:
 - there continue to be significant opportunities to develop the Council's ways of working to maximise the benefits of the introduction of Google Workspace

- the priority work across the organisation to support the response to the pandemic and cyber attack means that there is limited capacity for large scale change to widely used tools
- a review of our strategy should be aligned with our next device refresh, as a move back to Microsoft Office would currently require a move back to Microsoft Windows devices to access the full feature set of these products (Microsoft Office provides a limited set of features in Office Online, whereas Google Workspace provides a consistent set of features across the Chrome OS, Windows, macOS and Linux operating systems).

6.5. We currently plan to carry out our next technology strategy review in the 2023/24 financial year.

7. PROJECT PROGRESS

7.1. Developments since the Business Case approval.

None

7.2. Whole Life Costing/Budgets:

7.2.1. As outlined in the Business Case (section 7), total costs were modelled on a minimum licence count of 5,600 but with a planned contract award for a range of up to 6,500 licences to allow for potential growth as a result of organisational change, such as insourcing.

7.2.2. The following tables sets out the costs over the term of the 2+1+1 year contract term based on the minimum number of 5,600 licences and maximum number of 6,500.

Contract Term	5,600 licences	6,500 licences
2 years	£1,236,480	£1,435,200
3 years (2+1)	£1,854,720	£2,152,800
4 years (2+1+1)	£2,472,960	£2,870,400

7.2.3. The maximum contract value of this contract award will therefore be £2,870,400.

7.2.4. The currently projected annual spend, based on 5,600 licences, is £618,240 a year and will be covered from within existing ICT Services revenue budgets.

7.2.5. Opportunities to reduce licence numbers, and therefore costs, during the term of the contract are not possible. The initial number of licences ordered cannot

be reduced. As such the optional 1+1 year extensions will need to consider the latest licence number requirements before being executed.

7.3. **SAVINGS**

There are no cashable savings associated with this procurement project.

It is expected that the project will enable efficiency savings across the Council's services through productivity improvements.

8. **SUSTAINABILITY ISSUES**

8.1. **Procuring Green**

The PRIMAS assessment has identified the following environmental implications relating to this project:

The use of cloud based 'Software as a Service' technology reduces the power consumption of the Council's own server infrastructure.

Public Cloud services are more power efficient than locally hosted infrastructure and increasingly use renewable energy (see examples below relating to the technologies we have considered as part of this procurement):

- Microsoft: https://www.microsoft.com/about/csr/environment/renewable_energy/
- Google: <https://environment.google/projects/announcement-100/>

It isn't possible to set measurable environmental performance indicators as it is not practical to identify the reduction in power usage that is directly attributable to this project.

8.2. **Procuring for a Better Society**

No local economic issues were identified in the PRIMAS assessment relating to this project.

8.3. **Procuring Fair Delivery**

The PRIMAS assessment has identified the following equalities implications relating to this project:

- The introduction of next generation productivity technology supports greater adoption of flexible working practices, which can be of benefit where adjustments need to be made to working patterns for staff.
- This is a technical procurement and it is not envisaged that any adverse impact would arise from this procurement. Provision will still be made where accessibility adjustments are required to account for individual needs.

8.4. **Equality Impact Assessment and Equality Issues:**

No further equality issues were identified in the PRIMAS assessment relating to this project.

9. **TENDER EVALUATION**

9.1. **Evaluation Criteria and Process:**

The evaluation was based on an assessment of cost (80%) and quality (20%).

The initial search on Digital Marketplace identified 3 potential suppliers of Google Workspace licences.

The services offerings of each supplier were reviewed and written clarification questions asked where required.

9.2. **Evaluation Scores and Recommendation:**

The following table summarises the evaluation scores. Further details of these can be found in **appendix A**.

	Quality (20%)	Price (80%)	Total (100%)
Supplier A	18.5%	77.6%	96.1%
Supplier B	12.5%	48.1%	60.6%
Supplier C	18.5%	80.0%	98.5%

Based on the evaluation the recommendation is to award the contract to Supplier C

10. **CONTRACT MANAGEMENT ARRANGEMENTS**

10.1. **Resources and Project Management (Roles and Responsibilities):**

This project will be managed within the ICT Services division through existing resources.

Key Milestones	
Contract Award Report Approval	8 November 2021
Mobilisation Period	8 November to 30 November 2021
Contract Commencement	1 December 2021

10.2. **Key Performance Indicators:**

The contract performance indicators will be as defined in the standard G-Cloud contract.

The objectives for this project are outlined in the original Business Case (section 7.2.1). The success of the project in meeting these objectives will continue to be assessed through further staff surveys, using the data captured in the September 2016 survey as a baseline.

11. **COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES**

- 11.1. This report recommends the award of contract to Supplier C to provide Google Workspace licences for a period of 2 years with a Council option to extend for two further one year periods (2+1+1).
- 11.2. The indicative annual cost at business case stage for Google licences on a three year basis was £602k, at a volume of 5,600 licences. The tender award proposals in this report equate to £618k a year on a 2+1+1 contract, so marginally over the business case position.
- 11.3. It is understood that there is the potential to increase licence numbers in this contract, however further budget would need to be identified for this to happen.

12. **VAT Implications on Land & Property Transactions**

None

13. **COMMENTS OF THE DIRECTOR, LEGAL AND GOVERNANCE SERVICES**

- 13.1. This matter was classified as Low Risk and therefore the Business Case for the procurement was signed off by the Director in accordance with paragraph 2.8.1 of Contract Standing Orders. However, the value of the contract to be awarded in this Contract Award Report is over £2m and therefore this Report is being presented to Cabinet Procurement and Insourcing Committee in accordance with paragraph 2.5.4. of Contract Standing Orders.

- 13.2. The Council used the Crown Commercial Services G-Cloud Framework Agreement (Digital Marketplace) in order to seek bids for the services. The details of the bids received and the recommendations for contract award are set out in this Report.

14. COMMENTS OF THE PROCUREMENT CATEGORY LEAD

- 14.1. This contract award report sets out the procurement route undertaken via the Digital Marketplace G-Cloud for the procurement of Google Workspace licences.
- 14.2. The procurement process considered multiple suppliers and a full evaluation was undertaken to ensure that the right provider is chosen and the result is fit for purpose for the Council.
- 14.3. The award of this contract will result in a contract for Google Workspace licences for a period of 2 years with a Council option to extend for two further one year periods (2+1+1).

APPENDICES

Appendix A - List of suppliers and evaluation scores (exempt)

EXEMPT

By Virtue of Part 1 of schedule 12A of the Local Government Act 1972 these appendices are exempt because they contain information relating to the financial or business affairs of any particular person (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

BACKGROUND PAPERS

In accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) England Regulations 2012 publication of Background Papers used in the preparation of reports is required

Description of document (or None)

Hackney Procurement Board - 12 August 2021 - Google Workplace Licence Procurement Business Case

Report Author	Ollie Parrish Project Manager ollie.parrish@hackney.gov.uk
Comments for and on behalf of the Group Director of Finance and Corporate Resources	James Newman Chief Accountant james.newman@hackney.gov.uk
Comments for and on behalf of the Director of Legal and Governance Services	Patrick Rodger Senior Lawyer patrick.rodger@Hackney.gov.uk
Comments of Procurement Category Lead	Judith Hughes, Category Lead, Corporate Services judith.hughes@hackney.gov.uk