




Executive Decision Report

Decision maker(s) at each authority and date of Cabinet meeting, Cabinet Member meeting or (in the case of individual Cabinet Member decisions) the earliest date the decision will be taken	Full Cabinet Date of decision: 11 May 2015 Full Cabinet	
	<i>Cabinet Member for Community Safety, IT and Corporate Services, Cllr Gardner</i> Date of decision (i.e. not before): Forward Plan reference: KD04509/15/C/AB.	 THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA
	<i>Cabinet Member for Finance, Corporate and Customer Services, Cllr Caplan</i> Date of meeting or formal issue:	 City of Westminster
	Report title (decision subject)	
Reporting officer	<i>Ed Garcez, Tri Borough Chief Information Officer</i>	
Key decision	Yes	
Access to information classification	Open A separate report on the exempt Cabinet agenda provides exempt information about costs.	

1. EXECUTIVE SUMMARY

- 1.1. This report is seeking approval to place an order for server and cloud collaboration tool licences following a procurement undertaken with the Royal Borough of Kensington and Chelsea (RBKC) and Westminster City Council (WCC).
- 1.2. The procurement is the second phase of a project that is aligning the cloud collaboration tools used in each council enabling more flexible and collaborative working across all three councils. This phase procures the licences, which align each council's licence structure enabling the implementation of a single set of cloud-based collaboration tools. The licensing agreement will be an Enterprise Agreement (EA), which is the cheapest way to procure the software required at an organisational level.
- 1.3. Phase 1 and 2 are being run concurrently. The rationale for this is that the procurement route for the server and collaboration licences is through a Crown Commercial Service (CSS) public sector agreement which is due to expire in June. This procurement route provides significant discounts on the products to be bought. The likely increase in cost is between 25% and 60%, depending on the product if this date is missed.
- 1.4. The procurement exercise is based on a further competition against a fixed list of licence value added resellers (VARs). Standard tender documentation and contract terms and conditions of award apply. The procurement is completed with a 75% price to 25% quality split as the items being procured are commodity items. There is little differentiation between which reseller would provide the licences to the councils.
- 1.5. RBKC will lead on the procurement exercise. RBKC will procure a Master licence, with H&F and WCC holding Affiliate licences. The change in licensing structure places a financial obligation on RBKC as the holder of the Master licence. This liability will be offset by each council entering into an inter-authority agreement for recovery of costs incurred.

2. RECOMMENDATIONS

- 2.1. This report recommends:

- a) Award of the contract to supply Microsoft licences:

Total (3 years) £'s	Year 1 £'s	Year 2 £'s	Year 3 £'s
3,190,674	1,063,558	1,063,558	1,063,558

- b) Each council to provide annual funding¹ as noted below:

	Westminster £'s	RBKC £'s	H&F £'s	Total £'s
Annual cost	397,056	335,286	331,216	1,063,558
Total over 3 years	1,191,168	1,005,858	993,648	3,190,674

- Hammersmith and Fulham's contribution to be funded from the existing Microsoft Licence budget;

¹ Note: costs vary between councils due to differing software requirements and also number of users

- The Royal Borough of Kensington and Chelsea's contribution to be funded by existing revenue budgets and a permanent virement of £132,000 from the Corporate IS Initiatives Reserve; and,
- Westminster City Council's contribution to be funded from existing revenue £2m budget in Lot 1 of Information services from legacy element to transition from Cap Gemini to BT.

And,

- c) The three councils enter into an inter-authority agreement apportioning costs based on each council's licensing requirement and usage.

3. REASONS FOR DECISION

- 3.1. Moving to a new single Enterprise Agreement for Microsoft licensing will enable the three councils to align cloud-based collaborative tools and realise productivity savings.

4. BACKGROUND

- 4.1. The three councils have approved a strategy to align cloud-based collaborative tools. The rationale for this alignment was to increase the flexibility and collaborative working capability available to staff enabling significant productivity benefits to be realised. It would also directly address a number of issues experienced by staff who work in shared services for example Adult Social Care and Children's Services:

- **Blackberry devices** – where users have multiple logins, they have to carry a separate Blackberry for each council.
- **Email** – they cannot manage a co-worker's inbox when they are away, or a team inbox, when the co-worker or team mailbox belongs to a different council.
- **Calendar** – they cannot manage a co-worker's calendar when they are away, when the co-worker or team mailbox belongs to a different council. This is particularly relevant for PAs.

- 4.2. This project will be a key enabler to resolving these issues in tandem with the information technology and communications procurement which includes: provision of data network, telephony services and a unified communications capability with public switched telephone network break out, allowing video and audio conferencing outside the councils' networks.

- 4.3. The alignment strategy was based on completing three (potentially four) phases:

- Phase 1 – strategy approval and assessment phase which will support all three councils in providing the detailed design, planning, transition arrangements and costs to implement;
- Phase 2 – procurement of server licences and cloud-based collaboration and productivity licences;
- Phase 3 – implementation and transition. Phase three will be undertaken by each council, based on further business cases being prepared and approved locally; and,
- Phase 4 – could run in parallel with Phase 3 or after Phase 3. Potential migration of SharePoint sites and adoption of SharePoint for (one or more)

council internets. Deployment subject to separate business case(s) and security model.

- 4.4. The end of Phase 2 is an important checkpoint at which stage the three councils will decide whether the project should proceed to Phase 3 implementation and transition.
- 4.5. Phase 1 will run in parallel to Phase 2. Phase 1 funding of £202,302 has been approved. It will provide detailed implementation and transition plans, identify any technology issues that need to be addressed and provide full costs for the implementation and transition phase for each council.
- 4.6. Once Phase 1 and 2 has been completed a permission to proceed report for Phase 3 will be submitted for approval.

5. PROPOSAL AND ISSUES

- 5.1. Phase 2 is intended to procure the cloud based collaboration licences required to enable a single instance of Office 365, together with server licences to ensure the most economical prices.

Microsoft licences

- 5.2. Microsoft offer a number of differing licence types, but there are two main types of licence currently available from Microsoft:
 - a) Perpetual licences – the user buys a copy of the software licence which they then own; and,
 - b) Subscription licences – the user pays an annual fee for the licence. Office 365 licencing will only be available as a subscription licence.
- 5.3. An Enterprise Agreement is the most economical way to procure Microsoft software. It also comes with other benefits, such as:
 - the right to install any new versions that Microsoft release during the term of the contract
 - a number of training vouchers, allowing a few staff to attend training courses in Microsoft software at no cost, and
 - the “Home Use Programme” which allows staff to purchase the latest versions of Office software for their own use at minimal cost, e.g. about £10.
- 5.4. The Cabinet Office have negotiated a Memorandum of Understanding agreement with Microsoft (an “MoU”) which allows government bodies, central and local, to purchase Microsoft software at the lowest prices in the UK, substantially below those offered to large corporate. This discount will not be available in the future leading to a 50-60% increase in the cost of these types of licences.
- 5.5. This agreement, Public Sector Agreement 12 (PSA12), represents the best pricing currently available to wider government and in the UK as a whole. Although PSA12 expires April 2015, CCS and Microsoft have reached agreement on a transition arrangement which is available until end of June, the Cloud Transition Agreement (CTA). This extends the term of the PSA12 until end June 2015. So, although Microsoft is to some extent a monopoly

provider, the best prices available will be through the proposed PSA12/CTA route.

- 5.6. The terms and discounts are broadly in line between both agreements, but if the councils fail to procure prior to these two agreements expiring there will potentially be a significant increase in licensing costs (+25-60%). Additionally, a number of items including perpetual licences have been deleted from the product catalogue for the CTA. The councils therefore wish to take advantage of CTA before it expires on 30th June.

Current and required licences across the three councils

- 5.7. RBKC is using MS Office 2007, WCC and H&F are using MS Office 2010. H&F have an enterprise agreement which allows them to upgrade to the latest versions of software. RBKC and WCC do not and are running the latest versions for which they are currently licensed.
- 5.8. This presents an issue to the three councils as RBKC and WCC have perpetual licences and H&F a subscription based licence, with differing implementation approaches and software versions. Office 2007 is aging and Microsoft will be ending support for it in 2017². RBKC will need to upgrade before then if they wish to retain their PSN compliance. Taking out a new Enterprise Agreement will allow all three councils to install the latest version of Office, currently Office 2013 on all PCs across their estates. This will make it easier for staff in shared service teams and enable the councils to maintain their PSN compliance for longer.

Master and Affiliate licences required for single Office 365 deployment

- 5.9. As each council holds its own software licences there are also separate incidences of staff data in their Active Directories. This data is used in applications such as email, outlook, calendar, presence and instant messaging to enable collaborative working. To maximise the use of cloud collaborative tools between each council a single incidence of Active Directory in Microsoft's Office 365 cloud is required for user authentication. This is not only a technology challenge for the project, but also has implications on each council and the licences that are held. To fully exploit the potential of Office 365 through the provision of a common email store³ each council must have the same licensing structure in place.
- 5.10. To have a single incidence with a single email store across multiple organisations, Microsoft requires the organisations to be under the same Enterprise Agreement licence, with one organisation holding the Master and the other organisations operating as Affiliates to this organisation acting as the Master licence holder. The councils therefore need to procure master and affiliate licences, whereby one of the councils procures licences on behalf of all three councils, and is then responsible for recharging the other councils as required under an Inter-Authority Agreement. These licences will be on a subscription basis through an Enterprise Agreement. The licences will be procured for an initial three year period, renewing annually thereafter.
- 5.11. Only Microsoft's subscription based Master and Affiliate licence structure would allow the three councils to deploy a single incidence of Active Directory

² Support for Office 2010 will end in 2020.

³ Note that the current separate domains of @lbhf.gov.uk, @rbkc.gov.uk and @westminster.gov.uk will be retained following the move to the common email store.

in Microsoft's Office 365 cloud and have the same version of software in place aligning the councils' cloud collaboration and productivity tools. When the councils share a single Exchange email system the benefits in paragraph 4.1 will be realisable. However, this can only be achieved if the councils share the same instance of Office 365 and this can only be done if all three councils procure the software under the same single Microsoft Enterprise Agreement.

- 5.12. It is therefore proposed that all three councils move to a 'Master and Affiliates' subscription licence. RBKC would lead on the procurement exercise and purchase a Master licence and H&F and WCC hold Affiliates against RBKC's Master. All three licences need to be procured at the same time under a single lead authority.
- 5.13. In the event of the three councils separating services, the licences would continue to be available to each of the councils until the termination of the Enterprise Agreement. The number of licences required and therefore the cost is entirely related to the software deployed, and this can be varied by each council independently.
- 5.14. These subscription licences would be procured for an initial three year period. There is no (fixed) minimum liability in this three year period. If the councils removed the infrastructure that used Microsoft products, or removed the Microsoft software from all the infrastructure, under the proposed subscription agreement the councils can true down the licenses altogether resulting in zero liability after the year in which we did so. At the end of the three years, a similar licensing arrangement will be required upon termination of the proposed subscription agreement, or a Google-based alternative.
- 5.15. This licensing approach will allow the councils to procure the collaborative and server licences needed:
- a) Collaborative tool licences – provides desktop access to the MS Office suite of applications including Word, Excel, Outlook etc.,
 - b) Server licences – the server licences act as gateways to the collaborative tools and are required to allow the three councils' staff to access the new software which will be procured.

Procurement Strategy

- 5.16. Software licenses and support are highly commoditised items where pricing is generally set at enterprise or government level via organisational agreements, government MoUs or CCS's frameworks. Microsoft offers the Government software at the lowest prices in the UK through the CCS's MoU.
- 5.17. The value of the requirement is above the OJEU threshold of £172,000 and is subject to the UK Public Contract Regulations 2015. Software licensing agreements applicable to these requirements have been identified as below. Options for sourcing the Phase 2 licensing and support requirements are explored below.

Option	Benefits	Drawbacks
OJEU (restricted procedure)	<ul style="list-style-type: none"> • Greater level of market competition • Most recent market pricing and solutions 	<ul style="list-style-type: none"> • Timescales and Cost. • Highly commoditised items. • Unlikely to deliver better pricing than government MoU.

Option	Benefits	Drawbacks
CCS/WCC Framework	<ul style="list-style-type: none"> • Pre-selected suppliers • Capable suppliers • Reduced tendering costs and timescales 	<ul style="list-style-type: none"> • Limited competition. • Pricing may be rigid (inability to access a government agreement).
Govt G-Cloud Software as a Solution (Lot 3)	<ul style="list-style-type: none"> • Commoditised pricing • Ease of access 	<ul style="list-style-type: none"> • Requires a variant approach to licensing consistently applied to all boroughs. • Pricing may be rigid (inability to access a government agreement) and more expensive than an Enterprise Agreement under the Government MoU (PSA12 or CTA). • Master and Affiliate license scheme is not available via G-Cloud.

5.18. The timescales required and the relative simplicity of the requirements do not support a regulated procurement under the Public Contract Regulations 2015. CCS undertake pricing reviews and enter MoUs on behalf of all government organisations which can be accessed by their framework agreements to ensure their pricing is competitive and represents value for money.

5.19. Software licensing agreements applicable to these requirements have been identified as below. These agreements represent the best pricing currently available to wider government and in the UK as a whole. Public Sector Agreement 12, providing public sector pricing, expired 30 April 2015. However, CCS has negotiated the Cloud Transition Agreement (CTA) with Microsoft that effectively extends the term of the PSA12 until the end of June 2015.

5.20. The terms and discounts available under CTA are broadly in line between both agreements, but if the councils fail to procure prior to these two agreements expiring there will potentially be a significant increase in licensing costs **(+25-60%)**. Additionally, a number of items including perpetual licences have been deleted from the product catalogue for the CTA.

5.21. CCS has established the agreement to meet the requirements of the Public Contracts Regulations. The procurement process is through a further competition via a viable framework.

5.22. While CCS is currently negotiating a replacement MoU for these products, the outcome remains uncertain (in terms of timescales, viability, products included, and price) and it would represent a significant risk to delay procurement of the licenses until this process is complete.

5.23. The pricing indicated in the PSA12 and CTA agreements above can be secured through any Microsoft Value Added Reseller (VAR). The strategy is to undertake a mini-competition for VARs pre-qualified through existing CCS and ICT Services frameworks:

- a) ICT Information Services (Lot 1 – Distributed Computing), comprising a single supplier.
 - b) CCS RM1054 – Technology Products (Lot 2 – Packaged Software), consisting 15 suppliers.
- 5.24. Both frameworks listed above are viable routes to market with the potential to deliver the licences in accordance with the MoUs listed. Given the commoditised nature of the requirement and the fixed pricing indicated in the MoUs the only factor to discern is individual VAR mark-up or discount.
- 5.25. RBKC have therefore undertaken a procurement of Phase 2 licences and support through the frameworks listed above prior to the expiry of the PSA12 and supporting CTA agreements. Further competition was undertaken to obtain quotes from all suppliers under the RM1054 framework in accordance with the further competition provisions therein. In parallel, a quote was obtained from the single provider under the ICT Information Services framework. All quotes were based on the same set of terms and conditions. The most competitive quote incorporating the pricing of the MoU has been selected.
- 5.26. The form of contract will be as specified in the relevant framework. The evaluation panel will consist of the Head of Business Technology at H&F, Service Delivery Manager at WCC; and the Support Unit Manager at RBKC.

Costs

- 5.27. Phase 2 (Licensing) will be funded as follows:
- H&F – from the existing Microsoft licences budget;
 - RBKC – Corporate IS Initiatives Reserve; and,
 - WCC – from existing Lot 1 contract revenue budget in Information Services.
- 5.28. Procurement of the licences under an Enterprise Agreement is based on an annual subscription. Currently RBKC has a perpetual licence. Between 2006 and 2009 RBKC had an Enterprise Agreement with Microsoft which included MS Office. This cost an average of £299,000 per year. Between 2009 and 2014 RBKC took out a new Enterprise Agreement but was able to save £132,000 pa by dropping MS Office from the Enterprise Agreement on this occasion, resulting in a cost of £215,000 per year.
- 5.29. This reduction of £132,000 pa was not taken as a saving as it was recognised that when RBKC renewed this agreement, the council would need to include the costs of licensing MS Office again. The money contributed to the Corporate IS Initiatives Reserve. Rather than continue to contribute to the reserve, these funds will be used in future to fund these Microsoft licences
- 5.30. It should be noted that the annual licences are the total set of Microsoft licences required. For RBKC, the figure following procurement of £335,286 compares to the current year Corporate IS Initiatives Reserve budget of £222,000. With an ongoing contribution of £132,000 from the previous EA agreement also available to be re-directed into the ISD budget, to increase the total available revenue budget for Microsoft licences to £354,000. The increase in licence costs is affordable.

Timelines

5.31. Indicative timescales are as follows:

Timelines										
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Assess	■									
Licensing		■								
BC Development			■							
Implementation					■					

5.32. Once the Assess and Licensing phases have completed the project will reach a checkpoint. Business cases for implementation and transition will be developed and only when the business cases are approved will the project proceed to the implementation phase.

London Borough of Hammersmith and Fulham

5.33. With the addition of Office 365, there will be a small increase in the costs of licences compared to the current cost. In addition to the sums identified in this paper, existing Microsoft licences for data centre services will continue to be required. However, the sums required from this procurement and for the existing data centre services are within the current budget, which was set in 2013.

The Royal Borough of Kensington and Chelsea

5.34. There will be an increase in the costs of licences compared to the current cost, which will be met as outlined in section 5.30.

5.35. Entering into a Master and Affiliate licensing structure between RBKC, H&F and WCC places a financial liability on RBKC as the Master licence holder. Legal advice has been sought and the councils should enter an inter-authority agreement ensuring apportionment of costs.

Westminster City Council

5.36. There will be an increase in the costs of licences. Procurement of the licences is based on an annual subscription. Currently WCC has a perpetual licence. These costs will be incurred at the point of procurement. It is unlikely that WCC will be able to transition to the new arrangements until at least September, meaning WCC will incur six months running costs but not use the new service for six months.

5.37. WCC is due to migrate its data centre from the Cap Gemini infrastructure to BT. However, the timelines for implementation of this project overlap with the data centre migration work. The impact of these two projects overlapping is that WCC may have to migrate data centres twice, incurring additional costs to complete this work.

6. CONSULTATION

6.1. There is no public consultation requirement.

7. EQUALITY IMPLICATIONS

- 7.1. There are no Equality/HR implications. Staff training will be considered during Phase three.

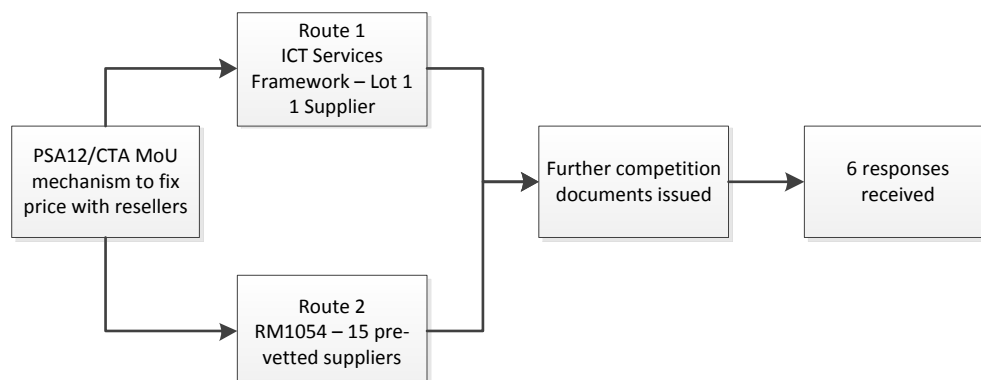
Verified by Jo Meagher, Senior HR Manager

8. PROCUREMENT IMPLICATIONS

- 8.1. Procurement of the Phase 2 licenses and support will need to be carried out in accordance with Public Contract Regulations and the three councils' contract standing orders. The procurement lead is Dermot Doherty.
- 8.2. A project board has been set up with cross-borough representation. The three councils' requirements and how the resulting contracts will be set up have been discussed. This document presents the outcome of these discussions.
- 8.3. Further competition under the CCS Technology Products framework Lot 2 – packaged Software will be carried out in accordance with the framework provisions, a proposal from the single supplier on the ICT Information Services – Lot 1 may be sought in accordance with the framework process. Both frameworks incorporate call-off terms which have been produced in accordance with government/shared services requirements.
- 8.4. Further competition under the CCS technology products framework may be managed via the capitalEsourcing portal, unless the framework provisions preclude this or mandate other means.
- 8.5. There are no particular procurement risks involved in this procurement other than to state that the proposed strategy complies with the Public Contract Regulations.

Verified by Dermot Doherty, ICT Category Manager.

- 8.6. The report describes calling off from two frameworks coming under the Crown Commercial Services Memorandum of Understanding (PSA12/CTA Agreement). As the only difference in price is the mark-up of the Value Added Resellers add to the licences to be purchased. The procurement has been undertaken using the seven available VARs, whereby the quality score amounted to 25% of the overall evaluation and 75% relating to price (50% for the actual price and 25% for the price margin).
- 8.7. As the procurement has been undertaken using the CCS's Memorandum of Understanding (PSA12/CTA Agreement) the Council has the assurance that the requirements contained in the Public Contracts Regulations have been complied with.



Verified by Alan Parry, Procurement Consultant.

9. INFORMATION, COMMUNICATIONS AND TECHNOLOGY (ICT) IMPLICATIONS

- 9.1. The report is aligned with the current shared services ICT strategy and vision of converging software and infrastructure, whilst enabling better collaboration and productivity amongst staff.

Ben Goward, Interim CIO, WCC, Barry Holloway, CIO RBKC, Jackie Hudson, Director of IT Strategy and Procurement.

10. LEGAL IMPLICATIONS

- 10.1. The three councils should conclude an inter-authority agreement between them which would reflect the nature of the arrangement as being one of co-operation between public authorities and therefore exempt from regulation under the Public Contracts Regulations 2015. The risks attaching to the RBKC by virtue of holding the Master licence could be apportioned between the three councils through the inter-authority agreement.

- 10.2. Given that the contract will be awarded at the end of the framework agreement period there is a risk that the procurement could be challenged on the basis that the council is using a framework agreement in an uncompetitive way although the risk of someone doing so is low. It is understood that the framework agreement as extended will still be less than the maximum 4 years duration allowed for framework agreements.

Verified by Keith Simpkins, Principal Solicitor.

11. FINANCIAL AND RESOURCES IMPLICATIONS

London Borough of Hammersmith and Fulham

- 11.1. The second phase relates to the acquisition of annual licences. The estimated cost for Hammersmith and Fulham is £331,216 and it is anticipated that this will be met from the existing licences budget. Any further phases will require costs to be confirmed, and funding sources identified, before they proceed.

- 11.2. The prospective financial benefits from this project are not quantified but are expected to lie with the transformation programmes such as Working from Anywhere and how the technology is exploited. The key benefit is that all staff will work on the same software and collaborate effectively across borough boundaries. Savings should also materialise from dropping the number of devices that staff have to carry in shared services.

Verified by Andrew Lord, Head of Strategic Planning and Monitoring, Corporate Finance

The Royal Borough of Kensington and Chelsea

- 11.3. There is insufficient revenue budget within ISD to meet the likely increased cost of the licensing arrangements set out in this report. It is proposed that the budget relating to a transfer to the Corporate IS Initiatives Reserve be permanently vired to cover the projected increased costs.

Verified by Lyn Myers, Group Finance Manager.

Westminster City Council

11.4. If contractually agreed the annual licence costs of £397,056 are to be funded from within existing revenue budget from the £2m Lot 1 contract budget with BT which includes legacy work to transition from Cap Gemini.

Verified by David Cookson, Finance Corporate Business Partner, Dick Johnson, Lead Business Partner and Steve Mair, City Treasurer.

12. IMPLICATIONS FOR BUSINESS

12.1. The councils are buying a commodity item – software licences. This procurement route is pre-vetted and only suppliers on the framework will be able to participate in the procurements.

Ed Garcez

Tri Borough Chief information Officer

Local Government Act 1972 (as amended) – Background papers used in the preparation of this report: None

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Westminster City Council: Hywel Edwards, Service Delivery Manager.

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Consultation undertaken in the Royal Borough of Kensington and Chelsea

Consultee	Changes	Cleared for release
Councillor Gardner	Confirmation of funding source, Finance's agreement for funding virement, benefits from project, and minor typos corrected.	Yes
Councillor Lightfoot	Benefits of undertaking project	Yes
Nicholas Holgate	Confirmation of funding source; requirement to complete to maintain PSN compliance; Cabinet Office have negotiated on behalf of local and central government a series of significant cost reductions	Yes
Lyn Myers	Verified funding source available for existing reserve	Yes
Barry Goodall	Insertion of business case for move from MS Office to cloud-based Office365 and move from perpetual licences to subscription licences	Yes

Appendix 2 Expected Benefits

There are strong business drivers to deploy cloud-based collaborative tools to further enable collaborative working across the three councils transforming and changing:

- **how we work** through introducing unified communications which have the same common look, feel and ease of use as existing systems encouraging deeper adoption;
- **where we work from** enabling web-based access to email, calendar and files and evaluating open standard access which widens the range of devices and applications that staff can use, and where they can work from; and,
- **how we work together** in our current shared service teams or more widely with other partners by stripping down ICT enforced boundaries, easing and increasing the pace of team collaboration, whilst still operating within secure environments.

Cloud-based collaborative tools will also provide the support for continued viable working practices for existing shared services:

1. **Email** – Fostering and Adoption are one of many shared services that operate a single team inbox. At present, they have to have to use a workaround that is clumsy, inelegant, difficult to extend and hard to maintain, whereby emails are copied to a SharePoint site, and they have to manage the emails from the SharePoint site. It is very inefficient and runs serious risk of emails not being responded to. There are a number of other shared services with varying degrees of similar problems eg they cannot manage a co-worker's inbox when they are away. It really is not sustainable in the long term to continue operating like this.
2. **Blackberries** – where users have multiple logins, they have to carry separate Blackberries for each council. Equally, it would mean that people with key roles across the three boroughs such as the Tri-Borough Executive Director for Children's Services would be able to respond to residents' emails from the right borough.
3. **Calendar** – PAs cannot manage the calendar for a manager in another borough without the use of an additional login, which comes with an additional set of licence costs (and in some cases hardware costs). These are estimated at £10,000 pa in reduced hardware provision and £12,500 in reduced licence provision⁴ across the three boroughs.
4. Accessing email, calendar and files **from any device** (including staff's own iPads etc), will enhance the ability for staff to work in a range of work settings, resulting in an increased ability for staff to make use of slivers of time between meetings as well as providing access to key documents for spontaneous or ad hoc meetings⁵.
5. Making it easier for staff to **share documents securely** through SharePoint both within the council and with partners, together with new co-authoring and threaded comments capabilities will reduce the re-work inherent in emailing documents and result in higher quality policy documents across agencies.

⁴ Estimated 250 users with dual logins, of which half are assumed to require a second login purely to access e-mail/calendar; resulting additional licence costs include Windows, Office, Enterprise CALs. Actual costs will vary slightly by borough.

⁵ Microsoft estimated that 12% of employees will take advantage of mobile productivity capabilities of the new Office. Each has a 5% productivity improvement, saving 90.00 hours/year. Assuming an hourly rate of £16.31 for time savings, this results in a potential productivity gain valued at £475,000 pa.

Exploitation of Capability

Cloud-based collaborative tools will also provide the capability for further exploitation provided this is realised through specific business transformation and change initiatives in each council, for example in RBKC and H&F the Working from Anywhere programme and in WCC, through the City Hall refurbishment programme and as transition activities in the data centre transition project. Adoption and exploitation by staff will not happen without an appropriate set of change initiatives to encourage staff use.

Examples of this further capability to change our working habits include:

1. **Email/SharePoint integration** – configuration of incoming email so that SharePoint sites can archive email discussions as they happen, save attachments, and show meetings that were sent and received by email on site calendars, greatly speeding up our collaborative working.
2. **Collaborative working on a single document** – with documents stored in the cloud, it is possible for multiple parties to be editing the same document simultaneously.
3. **Video conferencing** – it is recognised that although we have video conferencing available within the councils, utilisation is poor. Adopting a single system across the three councils, one that already has high domestic uptake, which many staff members will have used would enable easier adoption and both reduce travel time between meetings and encourage better attendance at meetings. The ability to extend this capability outside the councils' network perimeter will also enable deeper integration with a wider range of partners.

Exploitation of this capability comes with a risk. As staff have increased access to data from any location and the boundaries between our secure networks and the outside world becomes blurred, there is an increased likelihood that staff may inadvertently share sensitive information inappropriately.

This risk will be minimised by reviewing and where necessary implementing appropriate technology controls and new data policies; providing staff training; and, by improving staff's understanding of their role and responsibilities when sharing data.