

**To:** Finance, Resources and Customer Service Policy Board

**On:** 18 April 2024

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**Report by:** Director of Finance and Resources

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**Heading:** Contract Authorisation Report for The Provision of a Microsoft 365 Backup Solution (Reference: RC-CPU-23-257)

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## 1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a Contract for the Provision of a Microsoft 365 Backup Solution to Phoenix Software Limited.
  - 1.2 The procurement exercise was conducted in accordance with the Call Off award procedure as a further competition under the Crown Commercial Services (CCS) Framework Agreement for Technology Products & Associated Services 2 RM6098 Lot 3 (Software) and Renfrewshire Council's Standing Orders Relating to Contracts for an above Threshold contract.
  - 1.3 A Contract Strategy was approved by the Head of Digital, Transformation and Customer Services and Corporate Procurement Manager on 9 February 2024.
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## 2. Recommendations

It is recommended that the Finance, Resources and Customer Services Policy Board authorises:

- 2.1 The Head of Corporate Governance to award the Contract for a Microsoft 365 Backup Solution to Phoenix Software Limited, a Call-Off Contract under Lot 3 of the Crown Commercial Services Framework Agreement for Technology Products & Associated Services 2, RM6098 in accordance with the Framework Call-Off Award Procedure.
  - 2.2 The initial term of the Contract of 3 years with the Council's option to extend the Contract (extension period) for a period of one year. The proposed Call-off Start Date is 3 June 2024. However, the actual Start Date and Expiry Date will be confirmed in the Order Form in accordance with the Framework Call-Off Award Procedure.
  - 2.3 The Contract value shall not exceed £280,000 excluding VAT, inclusive of the optional extension period.
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### 3. **Background**

- 3.1 Renfrewshire Council's ICT Services have a requirement for the Provision of a Microsoft 365 Backup Solution for its current Microsoft 365 tenancy to ensure that if the Council's Microsoft 365 tenancy was to be compromised by ransomware or malware, the Council would be able to restore the data held within the components of the Microsoft 365 platform such as Exchange Online, Teams, SharePoint, OneDrive, and other tools such as OneNote, Forms, Power BI etc.
- 3.2 The Microsoft 365 product suite was rolled out across the Council in 2017. It does not include backup/restore functionality and at time of migration products to address this were limited. The Microsoft 365 platform does include "Recycle bin" capabilities which were deemed fit for purpose when the product suite was introduced, enabling deleted or corrupted files, emails etc to be restored. However, the evolving threats from cyber-attacks increase the risk that Recycle Bin functionality would not be adequate to provide "clean" restores for bulk data, should Microsoft 365 data be compromised for example, by Ransomware. The Architecture & Technology team within ICT Services reviewed the risks versus the restore capabilities currently available natively on the Microsoft 365 platform and recommended the procurement of a more robust Microsoft 365 backup and restore solution to address potential compromise through cyber-attack. The market for such products is significantly more mature than in 2017.

- 3.3 A review of the procurement options identified that the Crown Commercial Services (CCS) Framework Agreement Technology Products & Associated Services 2, RM6098 (“the Framework”) could be utilised. The procurement exercise for this Contract was conducted in accordance with the Call-Off Award Procedure as a further competition under Lot 3 of the Framework and in accordance with the procedures for use of a third party framework under the Council’s Standing Orders Relating to Contracts.
- 3.4 The further competition documentation was issued to all 43 Suppliers on Lot 3 of the Framework via the Public Contracts Scotland – Tender portal on 9 February 2024 with the submission deadline of 12 noon on 4 March 2024. Four Supplier responses were received in response to this further competition.
- 3.5 The Supplier selection requirements contained in the SPD were already met at the Framework Award stage.
- 3.7 All tender submissions received were evaluated against the further competition Award Criteria of 70% Quality and 30% Price. The scores relative to the Award Criteria for the tender responses are noted below:

Tenderers Name	Quality Score (70%)	Price Score (30%)	Total Score (100%)
Phoenix Software Limited	52.50%	29.60%	82.10%
Boxxe Limited trading as Boxxe	62.50%	3.38%	65.88%
Bytes Software Services Limited	31.75%	30.00%	61.75%
Sumillion Limited	30.50%	22.27%	52.77%

- 3.7 It is recommended that the Call-Off Contract under Lot 3 of the Framework, is awarded to Phoenix Software Limited, who based on evaluation, have provided the most economically advantageous tender. The Contract will be formed in accordance with the Framework Award Procedure.
- 3.8 The cost for this Call-Off Contract will be funded by the ICT Revenue Budget.
- 3.9 Community benefits were requested as part of the Further Competition Procedure and Phoenix Software Limited have committed to deliver the following community benefits as part of this Contract:

<b>Community Benefit</b>	<b>Number of People/Activity</b>
Industry Awareness Events	2
Industry Skill Transfer to Schools	2
Business advice/support to an SME /Social Enterprise/ Voluntary organisation	1

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### **Implications of the Report**

1. **Financial** – The cost for this Call-Off Contract will be funded by the ICT Revenue Budget at an annual of cost for licences of £53,400.53 plus potential professional services fees, for initial period of 3 years plus optional 1 year extension. The total Contract value shall not exceed £280,000 excluding VAT over the four-year period.
2. **HR & Organisational Development** - No HR and Organisation Development implications for the Council have arisen or are anticipated.
3. **Community/Council Planning** - Working together to improve outcomes – this Contract will provide a backup solution to ensure that if the Council's Microsoft 365 tenancy was to be compromised by ransomware or malware, the Council would be able to restore the data held on the Microsoft 365 platform.
4. **Legal** - The procurement for this Contract was carried out in accordance with the further competition requirements under the CCS Framework Agreement for Technology Products & Associated Services 2, RM6098 and Renfrewshire Council's Standing Orders Relating to Contracts for a Supplies contract above GPA Threshold.
5. **Property/Assets** - No property/assets implications have arisen or are anticipated.
6. **Information Technology** – This Contract will provide necessary software which will enable the Council to back up data held on its Microsoft 365 platform.

7. **Equality & Human Rights** – The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals’ human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council’s website.
8. **Health & Safety** - There are no health and safety implications associated with the award of this Contract.
9. **Procurement** – The procurement exercise was conducted in accordance with the Call-Off award procedure as a further competition under the Crown Commercial Services (CCS) Framework Agreement for Technology Products and Associated Services 2, RM6098 Lot 3 (Software) and Renfrewshire Council’s Standing Orders Relating to Contracts.
10. **Risk** – The insurance cover held by Phoenix Software Limited was assessed as part of their appointment on to the Framework.
11. **Privacy Impact** - No Privacy Impact implication has arisen or is anticipated.
12. **Cosla Policy Position** – No Cosla policy position implications have arisen or are anticipated.
13. **Climate Risk** - The level of impact associated with this Contract has been assessed using the Scottish Government Sustainability Test and is considered to be low risk with no climate change implications noted as part of this Contract.

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### List of Background Papers

None

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