

Internal Decision Record



Subject:	Microsoft SQL database licencing EAP licencing
Author:	G Duckett
Sponsor (e.g. Head of Dept):	R Robertshaw
Decision Required:	To Enter in to a new Microsoft Enrolment for Application agreement (EAP) to replace existing agreement that has expired..
Date:	16 th June 2013

Issue for consideration

To enter into a new 3 Year Enrolment for Application (EAP) agreement with Microsoft. The EAP provides us with a programe to license our existing SQL data base servers which use Microsoft SQL software.

The process to determine the licensing requirenments has taken some time to determine as the server estate has increased significantly over the period of the contract. A lot of detailed work has been carried out with Microsoft over recent weeks to detrmine the requirement for licences . The number of licenses required has increased for the following reasons:

- Increased number of databases for applications.
- True up of licensing from the historical position when the first agreement was taken out 3 years ago.
- Price increases as historical prices were fixed at the beginning of the agreement in 2010.
- Microsoft's change from licensing per server processor to per server core to reflect modern server hardware.
- Due diligence has been carried out and we have had confirmation from both Microsoft and our mandated supplier under the SPRINT 2 agreement SCC that the EAP is the most cost effective program.

The table below shows number of licenses covered:

Product	Quantity of Processor Licenses	Date	
SQL server standard	9	May 2010	Initial Commitment
SQL server enterprise	29	May 2010	Initial Commitment
SQL server standard	3	May 2011	True up
SQL server enterprise	15	May 2011	True up
SQL server standard	35	May 2013	Final True up
SQL server enterprise	6	May 2013	Final True up
Total server Standard	47		
Total server Enterprise	50		

Product	Converted quantity of per core licenses required		
SQL Server Standard	280		
SQL Server Enterprise	332		

The table shows that we have a requirement of 612 2 core licenses which due to the core nature of the licence means that we effectively require 306 licenses which will be priced at the current licensing price mandated under the sprint framework

Governance Framework Section Reference

Microsoft Licencing is commodity software and therefore we are mandated to purchase under the Sprint 2 agreement from SCC.

The total cost of the contract over the 3 years is £981k and as such exceeds the level of contract award that the CC CFO is able to enter into. However, the need to secure the contract before the end of June is essential to mitigate further price increases under Microsoft's pricing model.

Therefore, the CC CFO is approving the award of the contract to mitigate this financial risk. In doing so he has discussed this approach with the PCC CFO and the Assistant Commissioner with lead responsibility for Resource issues, who have indicated that they are content with this approach.

Costs

SQL Standard	140 2 core licenses @ £421.62	£ 59026.80
SQL Enterprise	166 2 core licenses @ £1615.87	£268234.42
Total annual cost		£327261.22 PA

The contract does not have a current budget provision. It is unlikely that there is any headroom in the ICT revenue budget to manage this increase. However, a review of the inflation required on force expenditure and a zero-based approach to certain budgets has identified an amount of resource which has not been allocated to budgets in 2013/14. Therefore, this will be used as the first call to meet the increased cost.

Risks

If not implemented the constabulary would be out of compliance with our licencing and we would not be able to use systems such as Sleuth, Storm, C3PO, This would result in serious disruption to business continuity and risk delivery of front-line services.

Consequences

Required to ensure major ICT systems continue to operate. Must be fully completed before the

end of June.

ICT to review and consolidate SQL estate to ensure maximum use of existing licences.

Consultation

Internal Consultation with relevant ICT staff and consultation with Microsoft Licencing and mandated Supplier SCC. Including meeting with Microsoft account manager.

Further work booked to review SQL and conduct a SQL , Risk Assessment and Health Check (RAP) this service is available under our Microsoft premier support agreement and consists of a thorough investigation and report with recommendations and action plan to support remediation work. This process will be used to determine the extent to which we can mitigate the inevitable demand for server growth and to try to ensure that at the next renewal date the Constabulary faces less risk of significant cost increase due to increased volumes of servers. Discussions have taken place with the the PCC CFO and the Assistant Commissioner

Decision (Outcome and Rationale)

I approve the award of a contract to Microsoft for the provision of a 3 year EAP on the basis set out in the report

Signed by - Sponsor

Name:

Role:

Date:

Signed by - Decision Maker

Name:Ian Cosh

Role:Director of Resources and CC CFO

Date: 20/6/2013