



To : THE MAYOR AND MEMBERS OF THE CITY COUNCIL

Date of Meeting: 29 August 2002

Public

Key Decision: No

Recorded in Forward Plan: No

Inside/Outside Policy Framework

Decision to be taken on or after:

**Title: OVERVIEW & SCRUTINY PROCEDURE RULES CALL IN AND
URGENCY AND BUDGET AND POLICY FRAMEWORK
PROCEDURE RULES URGENT DECISIONS**

Report of: CITY SOLICITOR AND SECRETARY

Report reference: TC.149/02

Summary:

1. Rule 15(1) of the Overview and Scrutiny Procedure Rules deals with the procedure in respect of those occasions where decisions taken by the Executive or an individual Member of the Executive are urgent, and where the call in procedure should not apply because any delay likely to be caused by the call in process would seriously prejudice the Council or the public's interest. In such instances the Mayor must agree that the decision proposed is reasonable in the circumstances and should be treated as a matter of urgency. A record of the decision and the Decision Notice needs to state that the decision is urgent and not subject to call in. Decisions taken under the urgency provisions must be reported to the next available meeting of the Council, together with the reasons for urgency.
2. Under Rule 4 of the Budget and Policy Framework Procedure Rules, where the Executive takes a decision which is not wholly in accordance with the budget approved by Council and the decision is urgent, the decision may only be taken if it is not practical to convene a quorate meeting of the full Council and the Chair of the

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

relevant Overview and Scrutiny Committee agrees the decision is a matter of urgency. Any decision so made must be reported to the next available Council meeting.

3. At the meeting of the Executive held on 29 July 2002, the Executive considered a Report (EX.227/02) on Microsoft Licensing (Financial Memo 2002/03 No.38). Following consideration of the above report the Executive agreed to grant a supplementary estimate of £22,210 from underspends in 2001/02 to purchase the necessary Microsoft Licences.

In view of the fact that action needed to be taken as soon as possible in order to protect the Council's financial interests, the Chairman of the Corporate Resources Overview and Scrutiny Committee had agreed, in accordance with paragraph 4 of the Budget and Policy Framework Rules, that the matter was urgent and should not be subject to Council approval, and the Mayor had agreed in accordance with Rule 15(1) of the Overview and Scrutiny Procedure Rules that the decision was urgent and should not be subject to call in.

A copy of the relevant Minute is attached.

4. On the 31 July 2002, the Leader made a decision (PF.19/02) on the composition of the Civic Delegation to Slupsk as part of the three way twinning exchange. In view of the fact that the flight tickets needed to be purchased as quickly as possible to enable the Council to purchase them at the best price available, the Mayor agreed that any delay caused by the call in process would prejudice the Council's interest and that the call in procedure should not apply. A copy of the Leader's Decision Notice is attached.

Recommendations:

That the Council note the Report.

Contact Officer: Mr Ian Dixon

Ext: 7033

1. **BACKGROUND INFORMATION AND OPTIONS**
Financial Memo 2002/03 No.38 – Microsoft Licences
Copy Letter from President of Slupsk
2. **CONSULTATION**
 - 2.1 Consultation to Date.
Not applicable
3. **STAFFING/RESOURCES COMMENTS**
Not applicable
4. **CITY TREASURER'S COMMENTS**
Not applicable.
5. **LEGAL COMMENTS**
The comments of the City Solicitor and Secretary are included in this report as required under the Constitution.
6. **CORPORATE COMMENTS**
Not applicable
7. **RISK MANAGEMENT ASSESSMENT**
Not applicable
8. **EQUALITY ISSUES**
Not applicable
9. **ENVIRONMENTAL IMPLICATIONS**
Not applicable
10. **CRIME AND DISORDER IMPLICATIONS**
Not applicable
11. **RECOMMENDATIONS**
That the Council note the Report.

JOHN EGAN
City Solicitor and Secretary

EXCERPT FROM THE MINUTES OF EXECUTIVE HELD ON 29 JULY 2002

EX.227/02 MICROSOFT LICENSING (Non Key Decision)

(In accordance with Rule 15(i) of the Overview and Scrutiny Procedure Rules, the Mayor had agreed that call-in procedures should not be applied in respect of this item.)

Portfolio Policy and Performance Management, Finance and Resources

Subject Matter

To consider a Report from the City Treasurer (Financial Memo 2002/03 No 38) indicating that, as a result of Microsoft changing their licensing model, there were financial and strategic implications for the continued use of their software by the City Council. To minimise the impact and cost of these charges, the City Treasurer detailed a six point action plan to be taken forward to reduce the Council's dependence on Microsoft products.

In the past year, Microsoft had changed the basis from which they licensed their software. Previously they had used an upgrade model whereby upon buying a full licence, you were entitled to buy subsequent upgrades to the product at a greatly reduced price.

The new model Microsoft was attempting to migrate its user population onto was that of a subscription basis. For the payment of a subscription fee for each product, in addition to the full cost of the product, subscribers would be entitled to any new versions of the product that are released during that subscription period.

The net result to the Authority was that in order to keep ahead with the latest versions, the City Council must either pay an individual subscription payment for each Microsoft product or, at unspecified intervals in the future, write off all the investment in Microsoft software and purchase them again from scratch.

The City Treasurer considered that an investigation should be made into reducing the Council's dependence on Microsoft products but that, in the interim period, £22,210 from the 2001/02 budget underspend be used to purchase the necessary Microsoft licences. These licences needed to be purchased by 31 July 2002 to take advantage of the current purchasing arrangements with Microsoft.

Summary of options rejected

None

DECISION

1. That £22,210 from last year's budget underspend be approved as a supplementary estimate to be used to purchase the necessary Microsoft licences to allow time for alternative products to Microsoft to be examined.
2. That it be noted that, as action needed to be taken as soon as possible to protect the Council's financial interests, the Chairman of the Corporate Resources Overview and Scrutiny Committee had agreed, in accordance with Paragraph 4 of the Budget and Policy Framework Procedure Rules, that the matter was urgent and should not be subject to Council approval.

Reasons for Decision

The long term cost of the change in Microsoft Licensing has a long term financial implication for the Authority. The decision taken will allow the Council to reduce its dependence on Microsoft products and hence its exposure to Microsoft's pricing structure.

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|---|---|-------------------------|----------------|
| Decision Ref No | PF.019/02 | | |
| Subject Matter | <p>Town Twinning Civic Delegation 2002</p> <p>To consider arrangements for the City Council's delegation to travel to Slupsk as part of the Town Twinning Civic Exchange on 5 to 8 September 2002.</p> <p>Councillor Mitchelson took the decision as Leader of the Council under paragraph 10.1 of the Leader's Scheme of Delegation. The matter being referred to is included in the Community Activities Portfolio Paragraph 1.2 of Schedule 1.</p> <p>The funding for the decision is part of the Town Twinning Supplies and Services Budget head. It is estimated that the total cost of the Civic Exchange 2002 will be of the order of £3,500 for which budgetary provision is available.</p> | | |
| Decision | That the City Council's delegation to travel to Slupsk as part of the Town Twinning 3 Way Civic Exchange be The Mayor (Councillor A Toole), Councillor Ellis and Councillor Mrs Rutherford, together with 1 Officer. The Civic Exchange to take place between 5 - 8 September 2002. | | |
| Key or Non-Key Decision | Non-Key | Key Decision Ref | Not applicable |
| Portfolio | Community Activities | | |
| Who made decision | Councillor Mitchelson | | |
| Date | 31-Jul-02 | | |
| Reports and Background Papers considered | Letter of invitation from President of Slupsk. | | |
| Reasons for Decision | To agree the Council's Civic Delegation as part of the 3 way twinning links. | | |
| Summary of Options rejected | To not participate in the Civic Exchange 2002. To name different Councillors to represent the City. | | |
| Interests declared | Councillor Mitchelson made the decision as the Portfolio Holder is one of the Council's delegates. | | |
| Date published | 31 July 2002 | | |
| Urgent decision not subject to call in | Yes | | |
| Consent of Chairman/ Deputy Chairman of Council to Urgency | Yes | | |
| Deadline for call-in | Not applicable | | |
| Implementation date if not called-in | 31 July 2002 | | |
| Relevant Overview and Scrutiny Committee | Community | | |

Call-in notified to and
date notified

Not applicable

Approved for
implementation on

31-Jul-02