



Mayor and Cabinet

Report title: Business Case for the implementation of Microsoft 365 (M365)

Date: 9 June 2021

Key decision: Yes

Class: Part 1.

Ward(s) affected: All wards

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Outline and recommendations

This report presents the business case for the implementation and adoption of Microsoft 365 (M365) as a platform. Mayor & Cabinet is recommended to:

- Approve the business case for M365 implementation and adoption
- Note the work done to date
- Note the procurement strategy

Timeline of engagement and decision-making

- Business case for M365 agreed in principle by EMT on 23rd September 2020 with approval to progress to the Discovery phase
- Approval in principle by EMT on 14th April 2021 to move to implementation phase

Reason for urgency

This report is being presented to Mayor and Cabinet as a late and urgent item. Final changes in activities which had the potential to impact the financials for the business case were received and confirmed by third parties late on 1st June 2021 which meant that this report could not be finalised in time to go out with the main agenda. The implementation of this work is expected to last 6 months and any delay will adversely impact our ability to deliver the

changes articulated under Future Working. Our current infrastructure is outdated and does not support sustained remote working. The Microsoft 365 migration is operationally critical with our mobile estate running out of support, space on our email servers, running out and ongoing maintenance costs being incurred.

1. Summary

- 1.1. The purpose of this report is to seek approval from the Mayor and Cabinet to progress with the business case to implement and adopt Microsoft 365.

2. Recommendations

- 2.1. Approve the business case for the implementation and adoption of Microsoft 365 (M365), to extend the learning from the discovery phase.
- 2.2. Approve the budget and procurement approach to contract for the change and technical support required for the implementation.

3. Policy Context

- 3.1. Implementing M365 is critical to the delivery of all seven of Lewisham's corporate objectives: Open Lewisham, Tackling the housing crisis, Giving children and young people the best start in life, Building an inclusive local economy, Delivering and defending: health, social care and support, Making Lewisham greener, Building safer communities.
- 3.2. There are two distinct priorities for the organisation which feed into the purposes for the delivery of this programme: Resident's Experience and Organisational Culture & Our People.
- 3.3. The deployment of M365 at the Council is a key enabler in collaborative working and alignment to maximise value with our Shared Service councils, Southwark and Brent. Both these authorities are also moving to the M365 platform and alignment provides economies of scale and operational resilience. It is critical to the delivery of a key Lewisham corporate objective to: "Make the best use of all our resources by enabling people to work together to deliver effective services for citizens" and also allows the Council to achieve its corporate and service priorities in a more efficient, effective way.

4. Background

- 4.1. The M365 solution offers a significant opportunity to improve working practices and business processes and to support the cultural change required for flexible and remote working. In order to fully realise the benefits of M365, the project will have a significant business change/user adoption approach alongside the technical implementation.
- 4.2. The Council has an existing M365 tenancy and there is no expectation that these licensing costs will change following full implementation of M365.
- 4.3. To date the Council has partially deployed two technology services, SharePoint Online and Microsoft Teams, from M365 in response to immediate demand. The focus now is to continue development of remote and agile working by deploying these services fully and the remaining core features of M365 (Word, Excel, PowerPoint, Outlook etc.) and MS Online Exchange (including the migration of Outlook mailboxes to the cloud). This will deliver agile and mobile working on any authorised device, regardless of time or location, for all licensed The Council employees.
- 4.4. Covid has exacerbated the need for a secure and reliable platform that enables remote working. Due to the urgency, in September 2020 the Executive Management Team

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(EMT) requested discovery work to be taken to ratify the business case to move to M365 and fully understand what the implementation would need to involve and how the adoption and change aspects of the programme will need to be delivered in order to achieve the programme outcomes.

Microsoft 365 Discovery Phase:

- 4.5. Further to a mini competition through the Crown Commercial Services Framework Agreement for Digital Outcomes and Specialists in respect of sourcing a provider or providers of M365 Installation (lot 1) Adoption Discovery Services (lot 2) Technical Discovery Works, the following contracts were awarded under delegated authority:
- A contract for M365 technology discovery services to Content + Cloud Ltd as the highest ranking lot 1 provider; and
 - A contract for M365 adoption discovery services to Soctim Advisory Ltd as the highest ranking lot 2 provider

Both contracts were formally awarded in December 2020.

- 4.6. The discovery phase of the programme has now been completed, providing a clear understanding of the current technology and people landscape, the main problems and how to address these through the programme. The discovery reinforces the need to move to the M365 platform as soon as possible and ensure there is a robust change and adoption aspect to the programme.
- 4.7. In order to mitigate the risk of insufficient training or change management, the programme is using the findings of the discovery to create the initial programme of communications and training. This will be agile in nature and reviewed through the programme, with feedback and learning from the first set of training & communications being used to iterate and improve further communication and training as required. The programme will continually measure how adoption is being embedded and adapt as required. The use of specialist change & adoption expertise with experience of delivering change when implementing M365 will bring experience and rigour to the approach.
- 4.8. If the business case is approved, there will need to be two procurements for the next phase: one for change and adoption implementations and the other for technical implementation. Both will be carried out through the CCS framework and in line with Council's Constitution.

Outcomes and Benefits

- 4.9. The key outcomes from the delivery of this programme are:
- Staff are able to work effectively, collaboratively and securely from any location.
 - Staff are able to regularly communicate and work with their colleagues from multiple locations.
 - There is an increase in productivity through a reduction in meetings, improved information sharing and reduced administrative time.
 - Our technology is robust, reliable and up to date
- 4.10. The key benefits identified from this programme, which will be tracked through a robust benefits management process, are:
- Directly enables the delivery of savings through the MTFs productivity workstream. Successful adoption of M365 has the potential to improve productivity by 1 day per week per user.

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- M365 is hosted and maintained by Microsoft so there is no need for downtime to install and update software. There is also no need for larger scale upgrade projects and significant future costs are avoided.
- By using Microsoft InTune, we will be able to decommission Mobile Iron (the system that enable staff to access applications from corporate mobile devices) and save associated costs.
- Business Resilience is enhanced by the ability to work flexibly from a wide range of locations with secure access to all files and systems.

Risks and mitigations

- 4.11. RISK: There is a risk of confusion and conflicting practices due to the availability of multiple storage repositories in the Cloud. MITIGATION: The programme will include decisions and guidance on which storage repositories are to be used for which circumstances, which will be communicated to staff through the communications and training.
- 4.12. RISK: Staff not adopting the cultural change to new ways of working, which reduces the productivity gains. MITIGATION: Specific change activities will be included in the programme plan to ensure the new working practices are embedded. There needs to be regular communication & engagement of the change and the Change Network will be the pilot group for deployment and testing the plan for culture change, as well as being a vehicle for driving the culture change. There adoption will be monitored regularly as training and communication rolled out, with scope to tailor and change the plan as we go along if required to ensure successful adoption.
- 4.13. RISK: Adequate resources are available from the Shared Technology Service (STS). MITIGATION: The Shared Technology Service has been involved in the Discovery phase to date, with regular communication, joint planning taking place with a dedicated STS project manager as part of the project team.
- 4.14. RISK: There is a risk that the pace of project deployment might not match user's expectations as new capabilities become visible. MITIGATION: The project will include a communications & engagement plan to manage expectations.

5. Discovery findings

- 5.1. M365 creates an opportunity for users to collaborate more effectively utilising M365's single integrated platform of familiar applications. It also provides a reliable, secure and accessible platform for improving communication, sharing and retrieval of information between internal users and external parties.
- 5.2. The emergence of the coronavirus pandemic has added to the urgency of implementing the "new normal" of remote working and reducing associated carbon emissions. The deployment of M365 is a critical element in the new normal way of working and will ensure that Council staff have all the resources and tools to work efficiently under this model.
- 5.3. As well as the core office applications and services noted above, M365 comes with a number of additional applications, services and support that will appeal to specific groups. The intention is to deploy the core office applications as a priority initially and evaluate the need, potential use and governance of additional applications for future deployment.
- 5.4. In order to deliver the cultural change in business practice, we will also need to provide the means for the user community to understand and grasp the benefits of M365. Users should also be provided the opportunity to learn how to best use the new technology and tools together with the ways working practices and business processes

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can change. This will be achieved through a comprehensive training, communication and change management plan, using personas to tailor these to the different types of roles and use cases in the organisation.

5.5. Following the outputs from our suppliers there are a number of activities for The Council to consider as part of the implementation:

- Active Directory/Azure AD: There are a number of issues with our current AD setup and the Azure AD connection that need to be resolved as a prerequisite to the rest of this project.
- Microsoft Exchange: The Council has around 4,500 mailboxes. A number of these are shared mailboxes that need to be identified before migration. There will be an initial exercise to work out batching so that manageable numbers of mailboxes are migrated each night.
- There are a number of potential ways to upgrade users to the Office 365 client applications (Word, Excel, Outlook etc.). The method for deployment is still to be agreed and will need to be the least disruptive for Council staff and the residents we serve.
- Configuration of Intune and conditional access (the systems that enable staff to access applications from corporate mobile devices) needs to be carried out in accordance with our business requirements.
- File storage drives for individual staff members need to be migrated to OneDrive.
- Comprehensive training and support needs to be provided to staff to enable them to make use of the features and capabilities of the M365 platform.
- There are a variety of ways in which the platform can be used, with different elements beneficial to different staff groups. This needs to be considered when developing the training programme.
- The adoption of the platform needs to follow a considered change management approach and have a clear communication strategy.
- Leaving the migration of departmental file shares to a future phase of this programme is being considered as the volume and complexity identified during the discovery phase indicates little gain for significant effort at this stage.

5.6. The findings from the discovery phase have given us the understanding of how to best deliver the implementation in order to achieve the desired outcomes.

5.7. The delivery of this programme will be in line with the Council's new Project & Programme Management (PPM) Framework, which outlines the approach to governance, delivery and benefits tracking. A robust programme management structure will be put around the delivery with the Programme Management Office playing an additional assurance role.

6. Financial implications

6.1. The total investment to deliver this business case to implement Microsoft 365 is £933,000 and this is to be funded from the Council's Transformation Reserve.

6.2. To date £165,873 has been spent on the discovery phase and the remainder of the expenditure will be incurred on carrying out the full implementation.

6.3. The ongoing costs of Microsoft 365 including licences and support will be contained within existing budgets.

7. Legal implications

7.1. The Council has a wide general power of competence under Section 1 of the Localism Act 2011 to do anything that individuals generally may do. The existence of the general power is not limited by the existence of any other power of the Council which (to any extent) overlaps the general power

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- 7.2. The report sets out works/services already undertaken. As set out in the report, two further contracts will need to be procured both of which have a value of under £500k therefore approval to procure and award of contracts can be sought from the relevant Executive Director. The Council's Contract Procedure Rules sets out the procurement process that must be undertaken and this must be complied with.
- 7.3. This decision is a Key Decision under Article 16.2 (a) of the Constitution as it is likely to involve Council expenditure of £500,000 or more. It is therefore required to be contained in the current Key Decision Plan.
- 7.4. In taking this decision, the Council's public sector equality duty must be taken into account. It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.5. In summary, the Council must, in the exercise of its functions, have due regard to the need to: eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act; advance equality of opportunity between people who share a protected characteristic and those who do not; foster good relations between people who share a protected characteristic and those who do not.
- 7.6. It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed above. The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made bearing in mind the issues of relevance and proportionality and understanding the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.
- 7.7. The Equality and Human Rights Commission (EHRC) has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance. The Council must have regard to the statutory code in so far as it relates to the duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found on the EHRC website.
- 7.8. The EHRC has issued five guides for public authorities in England giving advice on the equality duty. The 'Essential' guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice.

8. Equalities implications

- 8.1. Software being deployed as part of the M365 platform, such as Microsoft Teams and Outlook Exchange are in line with accessibility standards and have built in features which support accessibility when working remotely.

9. Climate change and environmental implications

- 9.1. The need for action to address Climate Change is now recognised as an emergency. The UK government has officially set a target of Net Zero emissions by 2050

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- 9.2. Commuting to work and office working are two significant contributors to harmful climate change. The deployment of M365 reduces the carbon footprint of workers by enabling fully remote working and removing the need to travel to and work in an office. It also greatly reduces the need for business-related travel.
- 9.3. The Climate Emergency demands a new way of working, what is now being referred to as the New Normal. M365 is critical in the delivery of that model.

10. Crime and disorder implications

- 10.1. Moving to M365 provides a more robust and secure platform, with the added benefits that come with using a Cloud based platform and reducing us being on out of date or insecure versions.

11. Health and wellbeing implications

- 11.1. Enabling remote and agile working by providing fit for purpose, reliable and secure technology that enables staff to work from any location; enabling staff from across the organisation to work together, communicate and interact just as much as they would when co-located; and equipping managers to manage a remote team through increased visibility and use of notifications, reducing the need to micro-manage and empowering staff to feel trusted to work remotely.
- 11.2. Improving communication between colleagues by enabling staff to choose which communications are relevant and which are not, ensuring they can focus on what is important and relevant to them; knowledge sharing, team communication, employee on boarding, and employee engagement through tools such as Microsoft Teams; improved mental health and wellbeing by encouraging social networking and the establishment of communities of practice.

12. Background papers

- 12.1. Agile & collaborative working (M365) outline business case - Appendix A.

13. Glossary

Term	Definition
M365	Microsoft 365 (M365) is a line of subscription services offered by Microsoft. It includes the latest Office applications and other cloud-based security and device management products.
AD	Active Directory (AD) is a directory service developed by Microsoft for Windows domain networks. It is included in most Windows Server operating systems as a set of processes and services.
Azure AD Connect	Azure AD Connect is a tool for connecting on premises identity infrastructure to Microsoft Azure AD. The wizard deploys and configures pre-requisites and components required for the connection, including sync and sign on.
Microsoft Exchange/Exchange Online	Exchange Online is a hosted messaging solution that delivers the capabilities of Microsoft Exchange Server as a cloud-based service. It gives users access to email, calendar, contacts, and tasks from PCs, the web, and mobile devices.
Mobile device management (MDM)	Mobile device management (MDM) is the administration of mobile devices, such as smartphones, tablet computers and laptops.

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Term	Definition
Intune	Microsoft Intune is Microsoft's Mobile Device Management software (see above).

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15. Appendices

- 15.1. Appendix A – Agile & collaborative working (M365) outline business case



Agile &
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