CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Information Technology Division
and
CITY MANAGER'S OFFICE
Digital and Innovation Office

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	September 7, 2023
SUBJECT/REPORT NO:	Policy 14 - Microsoft (FCS23093/CM23019) (City Wide) - REVISED
WARD(S) AFFECTED:	City Wide
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SUBMITTED BY: **SIGNATURE:**	Doug Kay Interim Director, Information Technology Corporate Services *[signature]*
SUBMITTED BY: **SIGNATURE:**	Cyrus Tehrani Chief Digital Officer & Director of Innovation City Manager's Office *[signature]*

RECOMMENDATION
That Council approve the Policy #14 for Microsoft as the Platform of technologies, pursuant to Procurement Policy #14 – Standardization for a period of five years from the date of Council approval.

EXECUTIVE SUMMARY
Pursuant to the City's Procurement Policy, Policy #14 - Standardization, Section 4.14, Report FCS23093/CM23019 seeks to establish Microsoft as a Platform of technologies as a Corporate Standard for Information Technology (IT). This Corporate Standard for IT ("Standard") will be established for a five-year period, at which point, it will be reviewed by the Corporate Technology and Software Standards Committee and brought back to Council for information.

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The Information Technology Division of the Corporate Services Department is responsible for setting Corporate Technology Standards to ensure the City has a technology environment that provides consistent, reliable services to staff which is efficiently and effectively supported.

The major benefits of standardizing software are:

- Enables enterprise application and integration planning;
- Simpler administration and operations;
- Investment to date in software licenses and staff training;
- Lower support and testing cost;
- Scalability and flexibility in implementation;
- Improved support to business units; and
- Fewer contracts to prepare and administer.

Establishing the Microsoft platform of technologies as a standard will provide the capability to support delivery, digitization and automation of a wide array of City services, while also allowing for a competitive bid process on both product licenses and professional services.

Currently, the City of Hamilton has invested in the Microsoft Technology ecosystem with established products including Productivity Tools, Workplace Collaboration, Data Analysis and Visualization, No Code/Low Code Application Development, Desktop and Server Operating Systems, and Cybersecurity. This standardization would allow the City of Hamilton to expand this ecosystem and scale our ability to deliver value to the business and move away from siloed solution implementation, where applicable, and to the greatest benefit to the organization.

Alternatives for Consideration – See Page 5

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: None

Staffing: None

Legal: None

HISTORICAL BACKGROUND
Historically, the approach to meeting the technology needs of City departments has been addressed in a fragmented approach, with many solutions independently acquired to meet a single division or department's needs. This has led, over the years, to

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acquiring multiple applications that perform similar or overlapping functions, disconnected systems and data across divisions and departments and an inability to scale solutions City Wide.

To date, the City has procured and invested significant resources (both in dollars and staff time/education) in multiple Microsoft applications, including existing product standards, such as Productivity Tools, Workplace Collaboration, Data Analysis and Visualization, No Code/Low Code Application Development, Desktop and Server Operating Systems, and Cybersecurity.

Standardizing on a technology platform allows for a more seamless and integrated technology ecosystem and better Enterprise planning.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS
By-Law 20-205 as amended, Procurement Policy, Policy 4.14, Standardization.

The intent of Report FCS23093/CM23019 is to comply with Procurement Policy # 14 – Standardization, Section 4.14, which requires Council approval for the establishment of a Standard for Microsoft as a Platform of technologies.

RELEVANT CONSULTATION
The Procurement section was consulted in the preparation of this report and supports the recommendation as presented.

Legal was also consulted in the development of this report as well as Senior Leadership Team Service Excellence Committee who endorsed this standardization approach.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

Pursuant to the City's Procurement Policy, Policy #14 - Standardization, Section 4.14, Report FCS23093/CM23019 recommends the City establishes Microsoft as a Platform of Technologies as a Corporate Standard for Information Technology. Standardizing on a technology platform offers multiple benefits to the City:

1. **Integrated Ecosystem:** Standardizing on a technology platform allows for a more seamless and integrated technology ecosystem and better Enterprise planning. Microsoft, as a technology platform offers a comprehensive suite of products and services that addresses a wide range of city operations. This includes existing product standards, such as Productivity Tools, Workplace Collaboration, Data Analysis and Visualization, No Code/Low Code Application Development, Desktop and Server Operating Systems, and Cybersecurity, as well as additional Enterprise products that can be evaluated for business fit.

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2. **Interoperability**: Standardizing City operations on a product platform that is designed to work together allows for improved data sharing and communication across departments and functions within the City. This interoperability enhances efficiency and streamlines workflows and the ability to integrate solutions.

3. **Support and Resources**: Standardizing on a product platform will allow City IT staff to develop in-house expertise and provide better support. It would also support staffing needs and retention as it could also help staff focus professional development and technology support on common technology platforms. It also opens a wider graduate resource pool as many post-secondary institutions offer Microsoft certifications alongside their institution's credentials. In addition, Microsoft has an extensive network of certified development partners, which would allow for a competitive process for securing professional services for implementation partners on standard Microsoft solutions.

4. **Security and Compliance**: Microsoft is a recognized leader in security, compliance, identity, and endpoint management. By standardizing on their platform, the City can take advantage of built-in security features and ongoing updates to help safeguard sensitive data and meet regulatory requirements.

5. **Scalability and Flexibility**: Standardizing on the Microsoft platform can enable more rapid scalability, reducing the time from problem identification to solution implementation, leveraging the in-house expertise of IT staff to identify the best solution to meet business need and, when necessary, leveraging Microsoft's broad network of development partners to implement.

6. **Innovation and Future-Readiness**: Microsoft invests heavily in research and development, continuously introducing new features and technologies. Standardizing on their platform can position the City to leverage these innovations and stay up to date with emerging trends in technology as they become available.

7. **Cost Management**: While there are costs associated with licensing Microsoft products, standardizing on a single platform can potentially lead to cost savings through volume licensing, reduced complexity in procurement, and centralized management. In addition, Microsoft Solution licensing is currently and will continue to be procured via competitive procurement processes.

Further, standardizing on the Microsoft platform, and leveraging those technologies to meet business needs, where staff determine appropriate, will help further enable the execution of the City's Digital Strategy (CM23010 – GIC – February 15, 2023) specifically:

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- Empowering the workforce with access to digital tools and training to deliver services effectively and supporting priority pillars
- Leverage technology to improve productivity and efficiency for both internal and external users.
- Improved response and processing time for digital service requests via the leveraging of standard technologies to support existing and new online services.

Committee and Council are advised that should this Report be approved, the standardization of Microsoft a platform of technologies will be assessed and monitored annually by the Corporate Technology and Software Standards Committee to ensure continued validity and reported to Council in accordance with the mandate for this committee. Furthermore, any new and additional technologies requested for use by a City department will continue to be scrutinized and assessed by the IT Enterprise Architecture Board in accordance with the IT Business Request Intake process.

ALTERNATIVES FOR CONSIDERATION

Not setting and maintaining a set standard for software technologies may result in a mixed environment of technologies, which may have a negative impact on the Total Cost of Ownership and the infrastructure reliability. Procuring multiple technologies may require additional training for staff to become familiar with supporting multiple software solutions and cause continued fragmentation of services. Costs may increase as the City would be paying software maintenance on multiple software solutions providing a similar service. Additionally, not approving this standardization may result in an excessive number of Policy 11 single source requests being processed to meet the corporate needs.

This alternative is not being recommended as it would require a significant financial investment to integrate additional manufacturers into our environment as well as add administrative overhead while adding no value. It would also increase the burden on Legal Services by having to create and administer multiple contracts for similar services.

APPENDICES AND SCHEDULES ATTACHED

Appendix A– FCS23093/CM23019: Procurement Policy 14 (For Reference Only)

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