

Insight Works with Argyll and Bute Council to Navigate the Complex World of Microsoft Licensing.

Argyll and Bute Council is responsible for the second-largest regional administrative area in Scotland, covering 2,667 square miles and representing 87,000 people. Like all local government bodies, the council has to provide a wide array of services to residents, while adhering to a very strict budget. As a result, cost-effective solutions are extremely valuable to them.

The Challenge

Argyll and Bute were approaching the end of their Enterprise Agreement with Microsoft. As a new deal would last for three years, getting the best value for money was critical. Especially as the initial quote showed a significant cost increase compared to their previous agreement.

Argyll and Bute saw the new Microsoft agreement as an opportunity to embrace cloud services ahead of 2020, when Microsoft is expected to significantly increase on-premise licensing costs in order to focus on its cloud business model. The council had developed a new digital strategy that focused on putting as many services as possible online, driving down running costs and increasing access for the residents.

As the Argyll and Bute area is so vast, digital systems make accessing services significantly easier for people to get what they need quickly and efficiently. It was therefore extremely important that the core infrastructure and understanding to support this objective was in place.

Argyll and Bute approached Insight, who they had previously worked with for several years, enquiring about the benefits of the Licensing Consulting Service (LCS), and how it could help the council get the best Microsoft licensing deal for their needs. This would be achieved through a series of workshops and sessions that would help the council gain a fundamental understanding of their current usage, as well as lay out their future requirements.

By working with the LCS team, Argyll and Bute could make decisions on exactly what they needed to use, and therefore reduce their future requirements, freeing up funds for use elsewhere. As a result, this could help ensure that they meet the core objectives for their new digital strategy.

A year after the successful LCS foundation project, Microsoft confirmed to the council that they would be carrying out an audit on their licensing. This could potentially cost the council a significant amount of money, so Argyll and Bute approached Insight again for support, in the form of the LCS Audit Defence Service to protect against significant charges from Microsoft.



Quick Overview

A comprehensive review of the Microsoft licences purchased by Argyll and Bute allowed for a clearer picture of what the council was using, what it needed and where it could end licences without suffering any knock-on effects. This allowed for a new licensing agreement to be made with Microsoft, as well as the development of a new seven-year plan, helping the council prepare and budget for the next two licensing agreements.

Audit Defence Service

On top of this, the Audit Defence service helped to counter the findings of the Microsoft audit, allowing the council to reduce a potentially large bill by 95%, while also learning how to defend against similar audits in the future.

“Insight is a very professional organisation. We’ve had our moments with software resellers in the past, I’m glad to say we haven’t had those with Insight.”

Gerry Wilson – ICT and Digital Manager, Argyll and Bute Council

The Solution

Insight worked with Argyll and Bute to identify options for their next Microsoft Enterprise licence. This resulted in 15 separate possibilities being put on the table for the organisation to choose from, all offering different degrees of cloud optimisation and supporting their new digital strategy.

The option selected has left the door open to acquiring new licences as and when they're required without suffering significant charges. This allows the council to react as their newly agreed-upon 7-year plan advances.

Around a year after the initial LCS work was completed, Microsoft informed Argyll and Bute that they would be carrying out an audit on their licensing which could have substantial costs attached. Argyll and Bute contacted Insight for support and were recommended the Insight Audit Defence service, which would prepare them for the impending Microsoft audit through a series of consultancy sessions and workshops, focusing on gathering information on the council's licence usage. The workshops would uncover any areas where Microsoft could levy an additional charge against the council, for example if licences were being overused, or the council didn't have the rights to use a certain piece of software.

The Audit Defence service also investigated the cost-effectiveness of Argyll and Bute's existing license usage. Not just for overuse, but underutilisation as well, as any licenses not used could be removed, saving the council significant sums of money.

The Audit Defence service enabled Argyll and Bute to confidently challenge the findings of the Microsoft audit, as they were turning out significantly different results to the Insight audit. This was mainly because the Microsoft approach focuses on a potential rather than actual use scenario, which could only be challenged because of the separate audit results and explanations provided by Insight.

This process also allowed for the council to learn how to properly prepare itself for similar audits in the future. Potentially saving the organisation large sums of money if a similar scenario ever emerges.

The Benefits

By making use of the LCS solution, Argyll and Bute council were able to make significant savings on its annual Microsoft licensing budget. This money has since been put aside to fund future license requirements, meaning the council can offer improved value to its residents.

The Audit Defence service, which supplemented the LCS at a later date, was critical in helping to reduce the bill that emerged after the Microsoft audit. The original large liability was reduced by 95%, saving the council an enormous amount of money which could then be allocated to improving other council services. With money always being a concern for local government, this benefit cannot be overstated.

Microsoft concluded the audit with a greater understanding into how the council was using their licences, meaning their relationship had improved, when it could have potentially soured. Microsoft is now in a position to support Argyll and Bute in future, as they have a full understanding of the council's needs.

"I defy any public authority or private company to have a complete and thorough understanding of Microsoft licensing. When we need specialist advice, we turn to organisations we can trust, such as Insight."

Gerry Wilson – ICT and Digital Manager, Argyll and Bute Council

The Results Highlights



Argyll and Bute's Microsoft audit bill was reduced from a substantial liability, by 95%, allowing money to be used elsewhere.



Argyll and Bute were able to purchase a new Microsoft license package that catered precisely to their needs at a reduced cost.



A new seven-year roadmap gave the council a clear understanding of where they were headed, as well as a forecast for future costs, making budgeting easier.



Argyll and Bute gained a new understanding of cloud licensing and whether it was the correct route for them.