

# WIRRAL COUNCIL

## CABINET

15 MARCH 2012

<b>SUBJECT:</b>	<b>ORACLE DATABASE SUPPORT</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF FINANCE</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>COUNCILLOR JEFF GREEN</b>
<b>KEY DECISION</b>	<b>NO</b>

### 1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to seek Members approval to extend the existing contract for support of the Oracle e-Business Suite database for a further twelve months at a cost of £48,300.

### 2.0 BACKGROUND AND KEY ISSUES

2.1 The Oracle e-Business Suite provides computer applications that underpin the following Council functions:

- One Stop Shops
- Call Centre
- Financial ledger & cash management
- Accounts payable
- Accounts receivable
- Procurement

2.2 If the applications are unavailable due to system failure or essential maintenance these functions suffer severe disruption, affecting service delivery to the public and internal administrative processes, therefore an external support contract is required that will:

- Ensure a rapid recovery from systems failure.
- Provide the Database Support Team with a source of expert advice and guidance.
- Provide training and skills transfer to the Team to increase their knowledge and expertise in the development, support and maintenance of the system.

As the Team experience increases they become less reliant on external support and therefore there will be the potential to reduce the cost in future.

2.3 Tenders were invited for the provision of a database support contract during 2010 with the anticipation of making a saving. Following evaluation of the responses the contract was awarded to Oracle for a period of twelve months, from 1 April 2011 to 31 March 2012 at a cost of £48,300. The contract was awarded under delegation and funded from the existing ICT budget. It should be noted that a saving of £43,000 was achieved on this contract.

- 2.4 During the last few months the Database Support Team, with assistance from Oracle under the terms of the support contract, has started the migration of the system from version 11 to version 12. This was a recommendation contained within the SOCITM report on the Customer Relationship Management (CRM) system reported to Cabinet on 23 June 2011. There are advantages to the Council in respect of the additional functionality contained in the later release. Oracle will cease support for version 11 in November 2013 and therefore the system must be migrated to version 12 by that date to continue to receive support from the developers.
- 2.5 Re-tendering the contract at this stage will disrupt the above project and any new supplier will have to spend considerable time familiarising themselves with the Council's current configuration, plus work already completed on the migration, at the Council's expense.
- 2.6 If Members approve the extension then, over the course of the contract extension, the service requirements will be reviewed, taking account of the additional experience gained by the Database Support Team, and tenders will be invited for a contract term of three years.

### **3.0 RELEVANT RISKS**

- 3.1 Key staff are lost from the Council or service provider.

### **4.0 OTHER OPTIONS CONSIDERED**

- 4.1 Re-tendering the contract. This is not recommended due to the issues outlined above.
- 4.2 Allowing the contract to lapse and provide all support in-house, which would leave the Council open to considerable risk to service delivery since the internal Database Support Team does not have sufficient knowledge and experience to deal with every eventuality.

### **5.0 CONSULTATION**

- 5.1 The Procurement Unit has been consulted regarding the validity of extending the contract. The advice received states that this can be done under clause 21.1.1 (ii) of the Contract Procedure Rules.

### **6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 6.1 There are no implications for voluntary, community or faith groups.

### **7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

- 7.1 The contract will be funded from the existing ICT budget. There are no additional IT, staffing or asset implications.

### **8.0 LEGAL IMPLICATIONS**

- 8.1 There are no legal implications.

## 9.0 EQUALITIES IMPLICATIONS

9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

Yes but since the proposal does not impact on equality relating to service delivery, the workforce, community or any other aspect of equality, an EIA is not required.

## 10.0 CARBON REDUCTION IMPLICATIONS

10.1 There are no carbon reduction or environmental implications.

## 11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are no planning or community safety implications.

## 12.0 RECOMMENDATION

12.1 That Members approve the extension of the existing Oracle e-Business Suite database support contract for twelve months from 1 April 2012.

## 13.0 REASON FOR RECOMMENDATION

13.1 Re-tendering the contract at this stage of the project to migrate the Oracle e-Business system from release 11 to release 12 will disrupt the project and subject the Council to additional costs since a new supplier will have to spend considerable time familiarising themselves with the current system configuration and work already completed by Oracle and the internal Database Support Team.

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## APPENDICES

None

## REFERENCE MATERIAL

None

## SUBJECT HISTORY (last 3 years)

Council Meeting	Date