

Report to Cabinet

17 March 2021

Subject:	Oracle E-Business Suite Software License renewal for period 2021-22
Cabinet Member:	Cabinet Member for Resources and Core Services Cllr Ali
Director:	Acting s151 Officer Rebecca Maher
Key Decision:	No
Contact Officer:	Finance Business Partner, Steve Lilley stevelilley@sandwell.gov.uk

1 Recommendations

- 1.1 That the Acting s151 Officer be authorised to award a contract to renew the existing Oracle E-Business Suite software licences for the period 1 April 2021 to 31 October 2021.
- 1.2 That the Director – Law and Governance and Monitoring Officer be authorised to sign any contract documentation in relation to the renewal of the Oracle software maintenance and license agreement.







2 Reasons for Recommendations

- 2.1 The council is currently progressing a large-scale project to migrate from the Oracle E- Business Suite to a cloud based Enterprise Resource Planning (ERP) solution, Oracle Fusion.



- 2.2 The project commenced prior to the Covid 19 pandemic and was originally due to complete by October 2020. However, the impact of the pandemic and the need for the council to prioritise resources to focus on frontline services to support the community has delayed the implementation of this project. The project is continually reviewed and risks mitigated with the go live date currently scheduled for the Autumn of 2021.
- 2.3 The necessary delay in implementing the project into the 2021/22 financial year requires the council to renew the council's existing ORACLE E Business Suite software license agreements to ensure that adequate cover is in place for continued vendor support, software maintenance updates and license compliancy.
- 2.4 The renewals would be directly with ORACLE Corporation Limited to cover period 1 April 2020 to 31 October 2022 at a total cost of £248,085.

3 How does this deliver objectives of the Corporate Plan?

	Best start in life for children and young people
	People live well and age well
	Strong resilient communities
	Quality homes in thriving neighbourhoods
	A strong and inclusive economy
	A connected and accessible Sandwell

- 3.1 The successful migration to a modern cloud-based ERP will enable the council to deliver key functions such as Finance, Human Resources, Payroll, and Procurement to effectively and efficiently support frontline services to deliver corporate objectives.



4 Context and Key Issues

4.1 The key issues have been described in Section 2 of this report

5 Alternative Options

5.1 The migration to the Oracle Fusion solution cannot be completed before the 1 April 2021 therefore the council will need to continue to operate with the Oracle E-Business Suite. The council could continue to use the E-Business Suite without renewing licences and maintenance. However, remaining on unsupported software is an unacceptable risk to the council due to the loss of service updates and support patches which are required to ensure that the software operates effectively and in accordance with appropriate legislation.

6 Implications

Resources:	<p>The renewal of E-Business Suite licences at the value of £248,085 is an unscheduled cost which would not have been incurred if the Council had been able to migrate to Oracle Fusion, as originally planned.</p> <p>Complications and resultant delays to the project have largely been caused by the impact of the Covid 19 pandemic and the need to prioritise resources away from the project. Consequently, Cabinet will be asked to consider at a future date that the additional expenditure is met by the Emergency Covid Funding</p>
Legal and Governance:	<p>The renewal of licences and maintenance, if approved by Cabinet, meets legal and governance requirements.</p>
Risk:	<p>The continued use of an ERP system on an unsupported and maintained basis presents a very high risk to the council.</p> <p>The temporary renewal of licences and maintenance with the supplier, as requested by this report, mitigates this risk</p>



Equality:	There are no equality implications presented in this report
Health and Wellbeing:	There are no health and wellbeing presented in this report
Social Value	There are no social value implications presented in this report

7. Appendices

None

8. Background Papers

None

