

Notice of Non-key Executive Decision

Subject Heading:	Oracle Fusion Service Support
Cabinet Member:	Councillor Christopher Wilkins
SLT Lead:	Dave McNamara
Report Author and contact details:	Sean Cloake, 07852 449201, sean.cloake@onesource.co.uk
Policy context:	This contract supports the Resources directorate in providing a well run Council, that delivers for People and Place.
Financial summary:	The cost of the support contract will be £180,000 for one year. This is in line with the existing costs for this service for the previous 2 years.
Relevant OSC:	Overview & Scrutiny Board
Is this decision exempt from being called-in?	The decision is exempt from call in as it is a non-key decision by a member of staff due to its value.

Non-key Executive Decision

The subject matter of this report deals with the following Council Objectives

People - Things that matter for residents

Place - A great place to live, work and enjoy

Resources - A well run Council that delivers for People and Place

Non-key Executive Decision

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

To agree to extend the contract with Mastek Systems Company Ltd for Oracle Fusion Cloud Support for a period of 12 months from 1st July 2023 at a cost of £180k.

AUTHORITY UNDER WHICH DECISION IS MADE

The Chief Operating Officer (s151) is capable of taking the recommended action detailed in this report under Part 3 Responsibility and Functions of the Councils Constitution at Paragraph 3.3 Powers of Members of the Senior Leadership.

STATEMENT OF THE REASONS FOR THE DECISION

Oracle Fusion is the council's ERP system used to manage Payroll, HR, Procurement and Financial processes and information. The system is provided by Oracle and is supported by the Corporate Business System team and Mastek Systems Company Ltd (Mastek). Mastek was previously known as Evolutionary Systems / Evosys. In April 2023, it changed its name to Mastek Systems Company Ltd.

The support contract with Mastek has an initial term of 2 years which is due to expire on the 30th June 2023. The contract term has 2 optional extension periods of up to 12 months each. It is a call off contract entered into under the Crown Commercial Services G Cloud 12 framework.

A number of services which support the Council's ERP system are provided under the contract. This includes the monitoring and support of the Council's Oracle Cloud Infrastructure environments which includes the interface hub that manages the interaction between other business critical Council business systems and Fusion.

Services also include incident support on a 24 x 7 basis for priority 1 incidents. Over the last 2 years we have seen a reduction in the number of calls raised per week with Mastek from an average of 15 to 9 per week and whilst we will continue to focus on reducing those, there is still a level of support required that cannot be provided in-house.

Mastek also work in partnership with the Council advising on and supporting the quarterly upgrades for the system; provide advice on system configuration as well as implementing configuration changes in order to meet requirements detailed by the Council.

It is therefore necessary for the Council to retain a level of system support from an Oracle partner, in order to access skillsets and knowledge not available within the

Non-key Executive Decision

Council, to ensure the continued and effective operation of the Council's business critical ERP system.

OTHER OPTIONS CONSIDERED AND REJECTED

The other options considered were to enter into a new contract with either Mastek or another provider under the CCS G Cloud 13 framework. An indicative proposal was reviewed under that framework but it was not seen to be advantageous for a number of reasons compared to the extension of the current agreement:

The current agreement provides flexibility to the Council to utilise the monthly charges to cover what would be chargeable change work in the system or reduce charges by 10% moving forwards. It is not seen that this flexibility can be guaranteed under future contracts.

The current charges can be maintained under the existing agreement, without an increase which otherwise would be seen given the current levels of inflation.

The combined benefit of the above equates to circa £37,000 per annum and therefore avoids a 19% increase in costs. On this basis, the other options have been rejected.

PRE-DECISION CONSULTATION

Not required.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Dave McNamara

Designation: S151 Officer

Signature: 

Date: 15th June 2023

Non-key Executive Decision

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council has a contractual right to extend the contract and may if so minded extend the contract.

FINANCIAL IMPLICATIONS AND RISKS

The current budget is based on the existing contracted value which remains the same under this extension. The financial implication is that this extension avoids a potential increase and does not present any financial risk.

**HUMAN RESOURCES IMPLICATIONS AND RISKS
(AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

There are not HR implications as staff are not affected by this contract extension.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

There are no staff or people related implications with the extension of this contract and therefore, no EA is required.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

No direct implications relating to the environment or climate change

Non-key Executive Decision

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

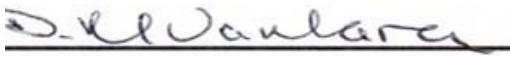
Decision

Proposal agreed

Delete as applicable

Proposal NOT agreed because

Details of decision maker

Signed 

Name: Dave McNamara

CMT Member title: S151 Officer

Date: 15th June 2023

Lodging this notice

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____