



Report of: Technical Architect

Report to: Chief Digital & Information Officer

Date: 11th May 2021

Subject: Request for approval to extend contract DN233145 - LCCITS200373: Provision of Technical Support Services with Oracle Corporation UK Ltd for a period of 12 Months from 1st June 2021 to 31st May 2022.

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary

1. Main issues

- The Council has a contract in place with Oracle Corporation UK Ltd for the provision of Technical Support Services, which provides support for both the Adult Social Care system and to the Council's wider corporate systems. This contract is due to expire on 31st May 2021.
- Within the provisions of the contract, there is the option to extend the contract on an annual basis for a period of up to 5 years.
- The contract enables the Council to continue to maintain technical support for all utilised/deployed Oracle products across the Council.

Recommendations

- The Chief Digital and Information Officer is recommended to approve the request to extend contract DN233145 - LCCITS200373: Provision of Technical Support Services with Oracle Corporation UK Ltd for a period of 12 Months from 1st June 2021 to 31st May 2022 at a cost of £115,574.56.

1. Purpose of this report

1.1 To seek approval to extend contract DN233145 - LCCITS200373: Provision of Technical Support Services with Oracle Corporation UK Ltd for a further 12 Months for the period 1st June 2021 to 31st May 2022.

2. Background information

2.1 The Council has utilised Oracle software to underpin its enterprise systems for over 15 years, the licenses have been purchased over a number of years as new key systems have been implemented.

2.2 These include Social Care, Financial and GIS Mapping services. There is an ongoing requirement to provide support and maintenance of these proprietary software licenses and the continued supported use of this software.

2.3 There is a requirement to continue to provide the Oracle Technical Support Services. This consists of external support being provided for key critical systems within the council.

2.4 The Council cannot renew their existing Oracle License technical support services with any other vendor. If we do not renew we will lose support which will expose Leeds City Council given the systems Oracle underpins.

3. Main issues

3.1 The current contract for the Provision of Technical Support Services for Adult Social Care and Corporate with Oracle Corporation UK Ltd expires on 31st May 2021.

3.2 Oracle products are proprietary and therefore these Technical Support Services can only be provided by Oracle Corporation UK Ltd.

3.3 These Oracle systems directly support both front line Council service provision and other back office users across the Council.

3.4 Applications within the Council that run on Oracle include Adults Social Care, Children's Social Care, GIS Mapping and FMS.

4. Corporate considerations

4.1 Consultation and engagement

4.1.1 Consultation has taken place with the Strategic Sourcing team who have provided advice on the procedure for extending the contract.

4.2 Equality and diversity / cohesion and integration

4.2.1 There are no Equality and Diversity / Cohesion and Integration issues associated with this decision.

4.3 Council policies and the Best Council Plan

4.3.1 The service underpins cross cutting Council requirements to provide a range of essential services and functionality to all connected employees of the Council and its citizens.

4.3.2 Becoming a more efficient and enterprising Council – the software directly supports the achievement of this best Council plan objective. This includes improving

customer satisfaction (from resolving issues in a timely manner based on SLAs), creating flexibility within our workforce (software supports Changing the Workplace objectives for new ways of working), as well as supporting the generation of additional income (which requires contractual SLA support defined services) and becoming more enterprising (introduction of new applications and services based on the software).

Climate Emergency

4.3.3 This is not applicable to this decision.

4.4 Resources, procurement and value for money

4.4.1 Resource costs to move away from these systems is estimated to be in the region of 10,000 man hours and would take in the region of 3 years due to the complexity of the systems involved.

4.4.2 The value of the corporate contract in 2017 was £143K for a 12 month contract. The cost in previous years has been £228k in 2015 and £224k in 2014. An internal audit was completed to review the Councils Oracle estate and ensure we achieve value for money from the investment. This work has enabled us to reduce costs by over 50% whilst ensuring the Council remains software licence compliant.

4.4.3 The estate has been reviewed again this year and the cost to renew will be £115,574.56

4.5 Legal implications, access to information, and call-in

4.5.1 The approval to extend the current contract is a Significant Operational Decision to be taken by the Chief Digital and Information Officer and is not subject to call in. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.

4.6 Risk management

4.6.1 If the contract is not extended, the Council would be unable to provide any SLA service guarantee to directorates for either failure or incident resolution relating to any Oracle software, or any assurance or adoption recommendations regarding Oracle software and Oracle best practice guidelines which are not publically available. The SLA service directly supports both Front Line Council service provision and all other back office users across the Council.

4.6.2 The Council will lose support, which will expose numerous Council systems as Oracle software underpins critical Council Enterprise systems such as Financial Management System (FMS), Graphical Information System (GIS), Children's social care, Adults social care, CRM, Youth Offending Service etc. This will pose significant reputational and financial risk and possible interruption to Operational Service.

4.6.3 Data compliance would also be at risk as new security patches would not be available.

4.6.4 The contract will be managed in accordance with the contract Oracle Service Delivery management plan.

5. Conclusions

5.1 To ensure the continued provision of Oracle Technical Support Services, the contract with Oracle Corporation UK Ltd must be extended for a period of 12 months from 1st June 2021 to 31st May 2022.

6. Recommendations

6.1 The Chief Digital and Information Officer is recommended to approve the request to extend contract DN233145 - LCCITS200373: Provision of Technical Support Services with Oracle Corporation UK Ltd for a period of 12 Months from 1st June 2021 to 31st May 2022 at a cost of £115,574.56.

7. Background documents¹

7.1 None.

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.