

9.5 Enterprise Resource Planning System contract variation

REPORT BY THE DIRECTOR CORPORATE SERVICES
TO 20 SEPTEMBER 2023 ORDINARY MEETING
GOV400103, A0070037

RECOMMENDATION

That Council:

1. receive the report by the Director Corporate Services on the Enterprise Resource Planning System contract variation;
2. vary the contract to include the delivery of integrated Electronic Content Management ;
3. amend the 2023/24 budget to reduce records consulting by \$60,000, to be returned to unrestricted cash;
4. amend the 2024/25 and 2025/26 budgets to increase the IT software implementation budget by \$160,000 per annum, to be funded from unrestricted cash;
5. amend the 2023/24, 2024/25, 2025/26 and 2026/27 budgets to increase the IT software licensing budget by \$50,000 per annum, to be funded from unrestricted cash;
6. approve an exemption from tender, in accordance with Section 55(3)(I) of the Local Government Act 1993, for the delivery of integrated Electronic Content Management software based on the fact that Technology One are the only provider that can provide a software as a service solution that is fully integrated with our ERP system; and
7. authorise the Director of Corporate Services to approve variations to the ERP SaaS contract, if they are within approved budget allocations.

Executive summary

Council has assessed some ongoing risks with its current records management system. It is therefore recommended to upgrade Councils record system within the next 2 years. The objective of this upgrade is to provide a web browser based application to capture and manage Councils records digitally, and leverage the corporate benefits of an integrated system. In order to implement the change, a contract variation to our existing Enterprise Resource Planning (ERP) system is required.

Disclosure of Interest

Nil

Detailed report

Councils current challenges with its existing records management system includes that the system:

- does not integrate well with other systems;

- makes remote working difficult as it requires a remote desktop connection;
- does not automate document capture well;
- has some significant cyber-security risks inherent in its use; and
- could be more efficient in its user interface.

Proposed Upgrade

The objective of this upgrade is to provide a web browser based application to capture and manage Councils records digitally, and leverage the corporate benefits being:

- Providing a solution that streamlines business processes;
- Improves access for remote and flexible workers;
- Is fully integrated with Council ERP and has improved integration with other Council systems;
- Improves Council's risk profile for information management by reducing risk of non-compliance or document records;
- Increases transparency and accountability to the public by improving record capture;
- Complies with Council's legislative obligations under the State Records Act 1998 and the Government Information (Public Access) Act 2009 and associated standards and policies;
- Provides an ongoing Information System improvement program of works that increases efficiency and customer experience across Council.

Community Plan implications

Theme	Good Government
Goal	An effective and efficient organisation
Strategy	Pursue excellence in service delivery

Strategic implications

Council Strategies

ICT Strategy

This recommendation supports the following strategic objectives highlighted in the ICT Strategy:

- Strategy 1 - Provide a secure, reliable and available ICT environment;
- Strategy 2 - Support an agile and mobile workforce;
- Strategy 4 - Enhance service delivery to the community;
- Strategy 5 - Maximise the value from ICT investment

Council Policies

Not Applicable

Legislation

Local Government Act Section 55 – Tendering
State Records Act 1988
Government Information (Public Access) Act 2009

Financial implications

Currently, there is an amount included in the 2023/24 budget for \$60,000 for consultants to recommend a records management solution, this amount has been revoked from prior years, leaving a gap of \$260,000 for implementation including project management and third party document migration – estimated at \$130,000 per year over 2024/25 & 2025/26.

An additional \$50,000 per annum is required for ongoing licensing fees.

Budget Year	Operating Performance Ratio	Own Source Revenue	Building & Infrastructure Renewal
2022/23	✓	-	-
Future Years	✗	-	-

Associated Risks

Please see the confidential attachment to this report for details around cyber-security risk analysis for Councils document record systems.

LEONIE VAN OOSTERUM
DIRECTOR CORPORATE SERVICES

30 August 2023

Attachments: 1. Memo - Upgrade Electronic Content Manager ECM Council report confidential information. (Confidential - separately attached)

APPROVED FOR SUBMISSION:

JULIAN GEDDES
ACTING GENERAL MANAGER