

Local Authority Elects New Approach to Reduce Spend on Support for its SAP Applications



Client Profile: Located in the East Midlands of England, Nottinghamshire County Council (NCC) serves a population of approximately 828,000 residents. The local authority is comprised of 66 publicly elected county councilors. The NCC delivers nearly 400 public programs, including services for education, social care, public health, transportation and road maintenance, libraries, and waste disposal.

Industry: Government

Geography: County of Nottinghamshire, England

Budget: GBP£ 1.2B (Approx. USD\$ 1.64B)

Employees: 7,000

Supported Products/Applications: SAP ECC6.0, SAP Business-Objects 7.0

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Since the financial crisis of 2008, Nottinghamshire County Council (NCC) has worked diligently to reduce SAP expenditures and ensure community members continue to maintain broad access to essential public services. Following its initial response to optimize SAP spend — Business Services Centre budgets have been reduced by 56% and headcount by 66% — the council has continued to adopt ambitious cost-reduction goals. Sarah Stevenson, Business Services Centre Group Manager, elaborated, "The significant pressure to drive cost reductions in the SAP budget and at the same time continue to maintain all our essential services, means we are always looking for ways to innovate."

Embracing the endeavor to find opportunities to further optimize spend, the NCC identified a significantly more cost-efficient strategy for managing its SAP applications. The new approach of switching to independent, third-party software support for the legacy ERP platform has enabled the council to streamline operations across its nine county offices and numerous satellite locations. It also has helped fund critical community-focused programs, such as achieving 100% broadband coverage and offering natural disaster relief grants.

Putting Community First

To streamline workflows and simplify access to critical business information, the NCC is planning to rebuild its architecture and migrate SAP applications to a Microsoft Azure cloud environment. With access to vendor-agnostic IT support services, the council can fully leverage the expertise of its implementation partner, CGI, to ensure SAP infrastructure changes are optimally performed and driven by the business priority of helping employees complete job responsibilities more efficiently.

The council also has minimized the resources required to ensure core business systems conform to the latest regulatory standards. Rather than relying on the application vendor's laborious and expensive upgrade schedule to receive mandatory updates in order to maintain full support, the revised strategy focuses on assessing the unique requirements of the NCC environment and only implementing changes when specifically required to remain compliant.

Benefits

- **Optimized expenditure on support for SAP:** Switching to independent software support reduces the cost of maintaining SAP applications by 50% annually and helps achieve enhanced value from annual maintenance fees.
- **Empowered staff responsible for delivering public programs:** Expert guidance from Rimini Street support engineers enables process improvements that simplify workflows for employees.
- **Ensured full control over future IT strategy:** 15-year service guarantee grants the council flexibility over how and when it decides to modernize infrastructure.

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Leveraging the expertise of the independent software support provider's engineers to identify, scope, and package the necessary patches, the NCC no longer needs to pay employees overtime to take the ERP system offline and perform upgrades outside of normal business hours. This one change alone has resulted in savings of more than GBP£100K (USD\$125K+) per year .

Pushing for Progress

Operations in the accounts payable (AP) department have been optimized as part of the NCC's cost restructuring efforts. Since automating time-consuming manual processes and adopting digital services, the council has achieved a 96% completion rate for paying supplier invoices, despite having reduced AP staffing from 20 people to seven over the last 10 years.

The local authority has carefully implemented changes to simplify the complex task of meeting payment schedules for 35,000+ pensioners and 7,000 staff overall. To ensure the budget rationalization is sustainable, the NCC works closely with its third-party support provider to optimally maintain the SAP platform.

When the council relied on SAP for maintenance services, the organization paid nearly twice as much in fees as it does now only to receive a lower quality of support. For example, the absence of service level agreements (SLAs) from SAP when opening support tickets meant that the NCC's BSC Competency Centre and IT teams often had to chase the application vendor for responses. Considering the significant cost of the service, dissatisfaction with the value and quality of the software vendor's delivery was at a significant level: Change was needed.

Rimini Street: A Partnership of Higher Quality and Better Value

In contrast, partnering with Rimini Street for independent software support services has ensured that the needs of the 5,000+ users who rely on the ERP platform to administer hundreds of social programs for the county are consistently being met. The NCC regularly receives advice on the potential impact of changes to its core SAP applications from Rimini Street, as well as full-service support identifying and running necessary patching updates. Rimini Street is also a key collaborator in the council's cloud migration efforts.

Stevenson enthused, "Rimini Street has been an incredibly reliable and trusted partner, giving confidence that our core SAP applications are stable and enabling us to concentrate on supporting our frontline colleagues."

She continued, "Rimini Street has repeatedly demonstrated how much it understands the importance of quality customer service. The partnership helps achieve significant savings while also giving us more time and flexibility to plan for the future without pressure to follow a vendor-led upgrade path."

A 15-year service guarantee with Rimini Street gives the NCC the assurance that even as further enhancements and customizations are made to the SAP deployment, the essential business application will be maintained without disruption to any critical public programs. With this long-term strategy for sustaining mission-critical operations and essential public services in place, the NCC has the flexibility to prioritize community needs in its ongoing effort to modernize infrastructure and further optimize investments.