Idox Uniform Upgrade to Hosted Platform

Report by Gary Fairley, Head of Finance and Integrated Support Services

1   Purpose of Report

The purpose of this report is to set out the rationale for upgrading the Idox Uniform system and moving it to a hosted, Software as a Service (SaaS) model for the Council.

It outlines:

- The business, operational and financial implications of selecting a hosted SaaS platform.
- The budgetary implications for upgrading this applications and the actions necessary to provide for this.

2   Background

2.1   One of the Council's core business applications, Idox Uniform, requires significant hardware and software upgrades to continue supporting service delivery. The locally installed infrastructure supporting Uniform has reached end of life. Advances in, and availability of, cloud technologies provide an opportunity to a move away from a traditional 'on premise' solution and consider the adoption of a Software as a Service (SaaS) model.

2.2   Idox Uniform

The Uniform system is core to delivery of statutory Council functions including: Planning; Building Standards; Environmental Health; Licensing and Trading Standards. It provides business critical case and knowledge management functions for these services without which they cannot operate. Uniform is closely tied into our use of the online Scottish Planning Portal which gives the public 24/7 access to online planning services. Data from the system also drives KPI reporting and is provided to other agencies such as Food Standards Scotland.

2.4   Technology

Uniform is currently hosted 'on premise', using a traditional internally owned server architecture, which has significant financial and personnel resource implications. Like all of our major on premise business applications, it requires frequent intervention to patch and maintain the hardware, operating systems and the application itself. It also comes within our PSN remit.

As part of our Digital Strategy we have been making a conscious move to migrate business applications to hosted Software as a Service (SaaS) if business and technical requirements are met. Several recent system implementations have been procured as SaaS solutions including: Legend Leisure Management; Civica Icon; Astech Committee Management System; ParentPay Online School Payments; and ServiceNow.

2.6 Hosted Solution

Idox has provided a five year proposal for hosting their application in their secure cloud environment. This includes hardware, operating systems software, application software, maintenance and support. The company would also be contractually committed to meeting all PSN and other security compliance targets.

2.7 Key Benefits

- Fixed, known annual costs over a five year period to cover all of Midlothian's hardware, software and storage requirements.

- Wider availability of solution to staff working offsite, increasing the benefits of flexible and mobile working.

- System upgrades are performed when it is convenient for the Service and outwith business hours, eliminating downtime for Midlothian staff.

- More frequent upgrades aid us in meeting changes to legislative requirements and offer a better user experience for services.

- Meets the Councils strategic aim of moving business applications to a hosted environment.

- Managed monitoring of hardware issues by a designated team.

- Reduced capital expenditure on local infrastructure.

- Full 24x7 support.

- A single point of contact for all Uniform related questions and issues.

- Full system resilience - in the event of the main servers becoming unavailable the vendor can move Midlothian onto back-up hardware swiftly.

- Reduces the requirement for internal support management.

- Infrastructure and application compliance are provided by the vendor in a secure environment in line with best practice.

- Scalability of solution to meet future system growth is assured.

- Consistent provision of the latest software release maximises potential use of the platform.

2.8 Best Value

Based on the options appraisal, adoption of a SaaS approach i is recommended on the following basis:

1. The overall cost of SaaS is comparable with on premise and has other non-financial advantages and so represents the best value solution.

2. The additional revenue costs over 5 years is broadly comparable, though it is noted that the SaaS has a more immediate impact for 2019/20.

3. It provides a stable platform, which is not dependent on Midlothian skills availability to upgrade and maintain, providing a more consistent and effective service to staff and clients.

4. Keeping the solution on premise introduces elements of risk including:

   a. The lack of system resiliency in the event of critical failures.
   b. Fluctuating (and generally increasing) prices for core operating system, database and other software licencing including the Windows operating system, Oracle and antivirus provision.
   c. The unknown financial impact of Brexit on the cost of system provision.
   d. An increase in the Consumer Price Index of 4% pa, rather than the modelled 3%, would increase on premise Idox licensing costs by £16,000 over 5 years.

5. Satisfactory performance of an onsite solution is heavily dependent on the preservation of necessary digital skills within the organisation which, under the current budgetary regime, may not be guaranteed.

6. The Scottish Government is actively investigating a national platform for Planning which may deliver an alternative solution in the future. The adoption of Idox SaaS will give a greater flexibility for moving to an alternative system and avoids sunk costs in onsite hardware and infrastructure.

3 Report Implications

3.1 Resource

Overall Costs

Table 1 – Overall Cost of Capital, Cost of Borrowing and Revenue

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Uniform SaaS	£250,873	£180,524	£180,524	£180,524	£180,524	£ 972,768

The financial cost of moving to SaaS over staying on premise is 2.3% higher for Uniform (over 5 years) but non-financial benefits outlined earlier in the report are considered to outweigh this difference.

Capital

The move to a SaaS platform will result in savings against existing capital budget of £48,000 for Uniform.

Revenue

Table 2 – Additional Impact on Revenue Budget

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Uniform SaaS	£142,320	£51,328	£49,089	£46,784	£45,201	£334,720

Given that the Council has determined its budget for 2019/20 Council would need to recognise and accept that the best value solution would have an impact on the reserves position short term and increase future years revenue budgets. Accordingly the proposed solution would require an increase of £142,000 for Idox uniform.

Future year budgetary impacts would be amended as part of the budget development process for the years in question.

3.2 Risk

All hosted SaaS solutions carry some inherent risks (detailed below)

- Dependence on the suppliers for all elements of service will require strong contract management to maintain compliance and avoid degradation in performance.
- A remotely located service is entirely dependent on a resilient connection from Midlothian networks to the internet. Our internet connection has not suffered significant downtime in over 5 years.
- End of contract off-boarding to an alternative supplier will need to be strongly represented in our contract to ensure that Midlothian has the flexibility to move to alternative applications at a later date.

3.3   Single Midlothian Plan and Business Transformation

Themes addressed in this report:
☐ Community safety
☐ Adult health, care and housing
☐ Getting it right for every Midlothian child
☐ Improving opportunities in Midlothian
☐ Sustainable growth
☒ Business transformation and Best Value
☐ None of the above

3.4   Key Priorities within the Single Midlothian Plan

Upgrading Idox Uniform enables us to meet legislative requirements including:

Planning
- The Town and Country Planning (Scotland) Act 1997, as amended by the Planning etc. (Scotland) Act 2016;
- Planning (Listed Building and Conservation Areas) (Scotland) Act 1997, as amended by the Historic Environment (Amendment) Scotland Act 2011 and Historic Environment Scotland Act 2014.

Building Standards
- The Building (Scotland) Act 2003

Environmental Health
- In excess of 35 criminal Acts and multiple associated regulations

3.5   Impact on Performance and Outcomes

The adoption of Idox Uniform SaaS will improve overall system performance and deliver consistent and reliable services to Midlothian staff and residents. This will also ensure equality and sustainability for the next five years.

3.6   Adopting a Preventative Approach

Not applicable

3.7   Involving Communities and Other Stakeholders

Internal stakeholders have been widely consulted during the preparation of this report

3.8   Ensuring Equalities

An EqIA has not been carried out for this report as this will deliver the same service to the community.

3.9   Supporting Sustainable Development

Moving business applications to a hosted platform is, cost differences aside, almost always beneficial to Midlothian Council as outlined above. This paper sets the ground for future application procurements and upgrades.

3.10 IT Issues

Digital Services have clearly identified the benefits that Idox Uniform SaaS will have in improving service delivery.

4   Recommendations

That Council:

1. Note the assessment carried out and that Idox Uniform hosted SaaS is considered to represent the best value solution.

2. Support a supplementary estimate, funded from reserves in 2019/20 of £142,000 and note that future year budgetary impacts would be amended as part of the budget development process for the years in question.

Date

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Background Papers:
  • None