NORWICH City Council

Committee name: Cabinet

Committee date: 14/06/2023

Report title: Award of contract for Idox services to support digitalisation of the Planning and Regulatory Service

Portfolio: Councillor Stonard, Leader of the council and Cabinet member for inclusive and sustainable development and Councillor Jones Deputy leader and Cabinet member for housing and community safety.

Report from: Head of planning and regulatory services

Wards: All wards

OPEN PUBLIC ITEM

KEY DECISION Yes

Purpose

To consider entering a contract for software enhancements to existing software products and new software products including (but not limited to) Enterprise, Document Management Systems, Public Access System, connectors to back-office systems and Total Land Charges to support the service improvement and digitalisation project.

Recommendation:

It is recommended that Cabinet agree to enter a contract with Idox for the software enhancements and additions as set out in this report.

Policy framework

The council has five corporate priorities, which are:

- People live independently and well in a diverse and safe city.

- Norwich is a sustainable and healthy city.

- Norwich has the infrastructure and housing it needs to be a successful city.

- The city has an inclusive economy in which residents have equal opportunity to flourish.

- Norwich City Council is in good shape to serve the city.

This report meets the Norwich City Council is in good shape to serve the city corporate priority

This report addresses the 'change how we work in order to serve the city better, building on our Covid-19 response' priority or action in the Corporate Plan

This report helps to meet the 'Modernising the council; reimagining local services' objective of the COVID-19 Recovery Plan

Report details

1. As part of the Council's internal transformation programme, Future Shape Norwich (FSN), proposals have been agreed to support) a project to digitalise the planning and regulatory service, given that several teams within the service still operate on paper-based systems. This report seeks approval to enter the necessary contracts to digitise the service, whilst providing further context on the overall project.

Service Digitalisation Project

2. The project intends to build upon existing software (UNIform) already used within the service but providing add-ons and enhancements to existing systems to ensure better workflows, data management and, most importantly, customer experience. A different "front end" online form provider has been chosen, which, whilst at an additional cost, offers a better and more customer focused solution.

3. The current IDOX UNIform contract expires on 31 August and would have been subject to a renewal consideration. The current proposal is based on the premise of seeking to extend use of UNIform across a greater part of the service area, the financial implications of which are set out below. Alternatively, the Council could have explored a fundamental reconsideration of the software provider across the wider service area which would have caused far more disruption to service delivery, increased the project complexity and, therefore, significantly increased implementation costs.

4. In making decisions about the products to use, officers have spoken to other Local Authorities (LAs) who use the same products. In addition, a phased project roll out is proposed so that a more controlled roll out of improvements and careful direction of the resources to deliver can be achieved. This is intended to minimise the disruption and maximise the efficiencies and transformation opportunities.

5. Stage 1 of implementation will require migration to a cloud-based system. This approach is being taken across the whole Council as set out in the Customer Experience and Digital Strategy. This will reduce the complexity of the on-premises infrastructure; reduce the risk of an IT incident causing impact to staff and customers; shift to the supplier having responsibility for maintaining the infrastructure, database, and application software; increase in-house IT support and development capacity for additional projects and transformation. The optimum opportunity to consider a shift of any system to the cloud is when planning a significant upgrade and/or change. In this instance, should the Uniform system not move to the cloud as part of the new contract arrangement, we will need to complete a hardware refresh, data base upgrade and application software upgrade of the on-premises system. This will not only take time and cost money (hardware and consultancy from the software supplier, IDOX)) but will also delay the implementation of the additional software

identified by planning and regulatory services that is necessary to begin their transformation programme.

6. UNIform connectors are required to enable information submitted by customers on online forms to be automatically populated into the Idox UNIform back-office system. This will greatly reduce the time staff currently take when manually updating systems. This will link UNIform to the new suite of online forms which will be utilised (outside of this contract award) to enable customers to apply 24/7 for our services.

7. A Document Management System (DMS) will be implemented. This system links to both UNIform (the system used for processing applications across the whole service) and the planning public access system. This will ensure that when documents are sent electronically from within UNIform, for example, a decision notice for planning, or a licence, the DMS is automatically populated, and a copy made visible on the public access interface. This reduces the time staff have to spend attaching and redacting files (under the current system and software) and will enable customers to see documents almost instantaneously.

8. A new public access interface which is more customer friendly and easier to use than the current system. This also allows consultees to more easily comment directly on an application and populate the back-office system also. This is another improvement that will reduce staff time inputting such information. In addition, this system will enable the publication of statutory registers for planning and licensing, including HMO licensing. The latter is something that we currently cannot offer electronically. All of which will also have the benefit of reducing FOIs into the service.

9. Utilisation of the UNIform 'enterprise' functionality across the whole service to provide a digital workflow system enabling paperless working and create management information on workload processing across the service.

10. Configuration of an online payment system which links automatically to application processes.

11. The project will be phased and over the entire project lifecycle will look at all areas of the service. A phased approach to the implementation of the modules means resources can be used more effectively, it facilitates agile project delivery and allows for continuous learning. The first phases post set up will be licensing, HMO licensing and PSH and HMO enforcement. These are the areas which have high volumes of applications and have had the least service improvement input over the last few years. Eventually, the whole service will be reviewed. The software chosen can be utilised across all areas and is expected to bring additional benefits enabling wider collaboration between the two halves of the service.

12. Alongside this and as part of each phase, each service area will review processes and procedures, ensuring efficiencies are identified and built in wherever possible. A full review of documents and templates will ensure legislative requirements are being met with information on additional and related services be provided up front to customers, for example, where planning permission is granted for a bar/restaurant, directing customers to licensing and food safety. Further, a digital first communication position will be taken. The website content will also be reviewed to ensure we are enabling

customers to self-serve, in turn reducing calls/queries into the department enabling professional staff time to be spent on delivering services.

13. There are some key indicators of success which will be measured:

    a. Management information is available and easily accessible.
    b. All relevant data is easily accessible and is stored within one key system.
    c. No double entry/double handling is required.
    d. Service is cost neutral (where possible).
    e. Clear operating procedures.
    f. Improved team morale and cohesion

Implications

Financial and resources

14. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and budget.

15. A move to Software as a Service (SaaS) typically involves a decrease in capital spend, but an increase in revenue costs. The supplier will be spending capital to maintain the hardware, security and connections etc. but financed by payments from our revenue budget. Our capital investment, aside from the initial costs of actually migrating to the Idox cloud service, will reduce as we will no longer have to maintain, service, upgrade or replace the 'on-premise' hardware currently hosting the system.

16. Estimated capital implementation costs of £700k were included within the 2023/24 and 2024/25 capital programme approved by the Council in February 2023. The current implementation costs are estimated at £679k which are within the currently approved budget envelope and include both supplier implementation costs and internal project resource.

17. The revenue budget for the current Idox costs is £73k. We have negotiated with Idox to keep to this price for the existing core system for inclusion in a new agreement and they have also agreed to reduce a number of the capital and revenue elements of their charges. In addition, instead of having to pay for all of additional software licences up-front (many months before we intend using them), Idox have accepted a payment profile that better reflects the intended installation and deployment timetable.

18. Given the switch to a hosted service and subscription to additional modules, the revised annual Idox cost is expected to be £173k. This is a growth in annual revenue costs of £100k.

19. Through digitisation and more efficient services, the expectation is that resources can be redirected from administrative processes to fee earning activities, such as additional licensing and/or enforcement. Initial estimates suggest this activity could generate an additional £200k in income by 2025/26, which is intended to offset the additional contractual costs as well as enable the service to recover a greater proportion of its costs.

20. In the short term, prior to the additional income-generating activity, there will be a pressure on the revenue budget because of the higher ongoing contractual costs. It is intended that the impact can be covered through the general fund revenue contingency budget if the service area is unable to fund the impact in-year from its own budgets.

21. The contractual costs for Cabinet's consideration are as follows: a capital investment of £153,350 for the software products and on-going annual charges of £172,856 which equates to £691,424 over a 4yr term. In total the costs for consideration are £844,774 over the 4y period. The annual support charges will be subject to annual indexation.

Legal

22. There are no legal implications. The Council is using a recognised procurement framework (Crown Commercial Services, Vertical Application Solutions, RM6259) for this contract and is able to make a direct award. This is compliant with the Public Contracts Regulations 2015.

Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	Customer benefits include access to services online, which will result in a wider range of services available on line 24/7 without the need to visit face to face or make contact via the telephone.
Health, social and economic impact	Improved efficiencies in services will ensure better regulation of services. Norwich will be a safe city in which to live, work and visit with positive benefits on the economy. Supporting good methods of communication across the workforce and with customers.
Crime and disorder	Improved efficiencies in services will ensure better regulation of services. Norwich will be a safe city in which to live, work and visit.
Children and adults safeguarding	Improved access to data will ensure that where safeguarding issues are identified we are better placed to share information with our partner agencies.
Environmental impact	Providing customer information digitally reduces the need for printing and postage and a digital workforce that has the right tools to enable flexible and virtual working helps towards reducing our carbon footprint.

Risk management

Risk	Consequence	Controls required
Not extending the contract	Severe disruption to council regulatory services as we may be left with no back-office system to enable the processing of applications. Implementing these enhancements is a key driver in service transformation which is clearly required as per the outcomes of the peer review. Failure to change service delivery and move to digital working and improve efficiencies will mean we continue to fail in regulatory service provision with significant reputation damage to the Council and potential financial risks.	Agree the contract. Regular reporting on progress of delivery of the Service Improvement and Digitalisation project to Project Sponsor and FSN Board.

Other options considered

23. A range of options has been considered:

   a. Options appraisal: Do nothing.

   b. Full Idox implementation.

   c. Idox implementation but with online forms supplied by Victoria Forms (phased and hosted).

   d. Idox implementation but with online forms supplied by Victoria Forms (non-phased and hosted

   e. Idox implementation but with online forms supplied by Victoria Forms (phased not hosted).

24. As previously outlined doing nothing (option a) is not an option. The service would continue to fail, and statutory functions not administered correctly placing residents and visitors at significant risk. Staff would remain demotivated, and backlogs would likely continue to be the norm due to inability to access meaningful management workload data. This option does not put customers at the heart of everything we do.

25. Options b, d and e do not offer the best solutions. The full Idox product is known not to be customer focused at the initial point of contact and other Las have experienced problems with it. Not to take a phased approach to implementation would mean the project is less likely to deliver and resource requirements to deliver would be significantly greater than projected under the

proposed option in the full business case. A hosted/cloud option is considered best. The Council has already agreed that new IT services should be provided in this manner. In addition, officers have spoken to the project team from the Housing NEC project. One of the lessons learned from that project was the need to adequately resource project delivery. As such, the business case set out the resource to deliver as well as direct IT costs, in recognition that this is imperative to the success of the improvement. Finally, the council's customer experience and digital strategy includes an aim to 'utilise cloud-based systems where applicable'.

26. For note, Victoria Forms are a product which will replace the currently used forms for Licensing provided by EUGov. Following Brexit the EUGov forms are being withdrawn and an alternative supplier has to be found by Spring 2025. The current service comprises a set of simple data gathering forms that are emailed to the authority and manually entered onto the UNIform system.

27. IDOX is the current software supplier for the service area, and they can also supply online forms along with the required connectors. However, research carried out has established that other authorities (e.g., King Lynn) which were originally using IDOX for their customer-facing service, confirmed they had experienced a number of issues and have since gone on to develop their own solution. Other authorities (e.g. South Norfolk & Broadland) have used Victoria forms for their front house service and had very positive feedback from customers and officers. In addition, the Licensing partnership for Sevenoaks, Tunbridge Wells, Maidstone, and London Borough of Bexley provided positive feedback on this product. Although the Victoria Forms product is slightly more expensive than IDOX, they offer a substantially better customer experience which works well and can still link directly into our back-office systems. The award of contract for Victoria Forms does not form part of this contract award.

Reasons for the decision/recommendation

28. The recommendation to award the contract is because the current contract expires on 31 August 2023 and without this support core elements of the planning and regulatory service will not be available for the workforce or our customers.

Background papers:

Future Shape Norwich Business Case: [Regulatory Services Digitisation.docx (sharepoint.com)](sharepoint.com)

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