

<b>Subject:</b>	<b>UPGRADE OF INCOME MANAGEMENT SOFTWARE SYSTEM</b>
<b>Date:</b>	<b>1 December 2021</b>
<b>Decision to be taken by:</b>	<b>Mike Davis, Strategic Director (Corporate Resources) and Section 151 Officer</b>
<b>Report of:</b>	<b>Dean Coulls, Procurement Manager</b>
<b>Portfolio Holder:</b>	<b>Councillor Vinson, Portfolio Holder for Finance, Governance, Digital and Climate Change</b>
<b>Decision Type:</b>	<b>Executive Non-Key Decision</b>
<b>Classification:</b>	<b>Unrestricted</b>
<b>Delegated Authority:</b>	Delegation C33 to the Section 151 Officer of Section 6 (Scheme of Officer Delegations) of Part 3 (Responsibility for Functions) of the Constitution: 'To authorise new projects up to £50,000 that can be funded within the overall resources of the approved Medium-Term Financial Plan'.
<b>Purpose of the report:</b>	Procurement of an upgrade to the Income Management Software system (and migration to a Cloud solution).
<b>Recommendation:</b>	To approve a new project to procure an upgrade to the Council's income management system (and migrate to a Cloud solution).

## 1. Summary

To upgrade to the latest Cloud-based version of our Income Management and Counter Receipting systems.

## 2. Introduction and Background

- 2.1 The Axis Income Management (AIM) System currently processes all the income due to the Council which includes Business Rates, Council Tax and Housing Rent. In 2020/21 the system processed over 226,000 transactions which included £27 million in Business Rates and £13 million in Council Tax. The income is processed in AIM each day prior to being sent to the relevant target areas such as Council Tax and Housing Rents.
- 2.2 The Axis Counter Receipting System (also part of the Income Management System) processes all cash and cheques received at the Council offices which in the last financial year was circa £1 million in cheques and £5,000 in cash.
- 2.3 The current version of the AIM application (V.9) is running on Windows 2008, which is no longer supported. The AIM system was in the process of being upgraded (user testing). However, we have now been advised that this has also gone out of support.
- 2.4 As the application server for the software cannot stay on the network (as it is running on an unsupported operating system which does not get Windows updates), we need to either upgrade to the latest version V.14 (due for release the end of this year) or replace completely with an alternative product.
- 2.5 The latest version would be Cloud-based and would be accessed via the internet and would not operate on servers owned by the Council or shared with Thanet District

Council or require management by EKS. This is in line with DDC's policy for Cloud-Based Systems.

### **3. Identification of Options**

3.1 Enquiries have been made with the provider of the new financial system (Technology One) in respect of their income management module. However, indicative costs are in the region of £30,000 to £80,000 for implementation (dependent on the level of 'assisted build') and circa £10,000 per annum hosting charge.

3.2 The incumbent provider Capita have quoted £20,065 to upgrade and migrate AIM, with annual hosting charges thereafter at £8,000 per annum (over 5 years).

### **4. Evaluation of Options**

4.1 Consideration has been given to not upgrading at this time. However, as the version we are using is no longer supported by the software company, this puts the authority at risk of not being able to process the income due.

4.2 In considering the move to the system provided by Technology One, the Council would be 'early adopters' of the module and as such, given the costs and the ongoing 'bedding down' of the new financial system, this option has been dismissed at present.

### **5. Resource Implications**

5.1 The quote from Capita for the upgrade of the income management software to a Cloud-based version is £20,000, with annual costs of £8,000 (currently circa £4,000). We would expect 25% of these costs to be charged to the Housing Revenue Account and the remainder to come from the ICT reserve.

### **6. Climate Change and Environmental Implications**

7. The Principal Climate Change and Sustainability Officer has advised that given the nature of the report there are no implications.

### **8. Corporate Implications**

8.1 Comment from the Strategic Director (Corporate Resources) (linked to the MTFP): The Strategic Director has been consulted in the preparation of this report and has no further comments to make.

8.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.

8.3 Comment from the Equalities Officer: (KM) This report does not specifically highlight any equality implications, however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15/section/149>

### **9. Appendices**

None.

### **10. Background Papers**

None.

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