

**FINANCIAL MANAGEMENT COMMITTEE**

*HIS WORSHIP, THE MAYOR  
AND COUNCILLORS*

**SUBJECT: LICENCES, INSPECTIONS AND PERMITS SYSTEM (LIPS)  
REPLACEMENT (PHASE I)**

**RECOMMENDATIONS:**

1. THAT Council authorize the replacement of the existing legacy Permit\*Plan system with a new licences, inspections and permits system, as outlined in this report.
2. THAT Council authorize staff to bring down a bylaw from Capital Reserves in the amount of \$8,900,000 (inclusive of GST) to finance the purchase and Phase 1 implementation of the new licences, inspections and permits system.

**REPORT**

The Financial Management Committee, at its meeting held on 2015 May 27, received and adopted the attached report seeking Council's approval for a funding bylaw to replace the City's legacy Permit\*Plan system.

Respectfully submitted,

Councillor D. Johnston  
Chair

Councillor C. Jordan  
Vice Chair

Councillor P. McDonell  
Member

Copied to:	City Manager Deputy City Managers Chief Information Officer Director Planning & Building Director Engineering Director Finance City Solicitor Chief Licence Inspector
------------	--

**TO:** CHAIR AND MEMBERS  
FINANCIAL MANAGEMENT COMMITTEE

**DATE:** 2015 May 19

**FROM:** CHIEF INFORMATION OFFICER

**SUBJECT:** LICENCES, INSPECTIONS AND PERMITS SYSTEM (LIPS)  
REPLACEMENT (PHASE 1)

**PURPOSE:** To request approval for a funding bylaw to replace the City's legacy Permit\*Plan system.

---

#### **RECOMMENDATIONS:**

1. **THAT** the Financial Management Committee recommend to Council the replacement of the existing legacy Permit\*Plan system with a new licences, inspections and permits system, as outlined in this report.
2. **THAT** the Financial Management Committee recommend to Council that an expenditure bylaw in the amount of \$8,900,000 (inclusive of GST) be brought down from Capital Reserves to finance the purchase and Phase 1 implementation of the new licences, inspections and permits system.

### **REPORT**

#### **1.0 BACKGROUND**

The issuance of permits and licences at the City represents the processing of around 23,000 cases, 40,000 referrals and 50,000 inspections each year. The existing Permit\*Plan system the City uses to process licences, inspections and permits functions is over eighteen years old and runs on hardware and software that is no longer supported by the original vendors. The age of the current application and the lack of ongoing support represent a significant technical and business risk for the City in terms of the Information Technology Department's ability to continue to operate and maintain this application. Beyond the immediate technical risks, the existing system also constrains the ability to incorporate new or changing business requirements and opportunities to City services in these areas.

To: Financial Management Committee  
From: Chief Information Officer  
Re: Licences, Inspections and Permits System Replacement (Phase 1)  
2015 May 19.....Page 2

## 2.0 PROPOSED SOLUTION

The key objectives of the Licences, Inspections and Permits project are to remove the technical and business risks associated with the legacy Permit\*Plan system, and then to leverage new functionality that will deliver value to citizens, customers and staff. Phase 1 of the project will focus on replacing core Permit\*Plan functions for the Planning, Building and Licence departments and will also include some Engineering case types that support core Planning and Building processes. In addition, Phase 1 will deliver any basic integration with other City systems required to ensure effective operation of the purchased solution.

City staff is in the process of evaluating commercial off the shelf (COTS) permits and licensing software solutions. Based on this analysis, the estimated cost of Phase 1 is \$8.9M. This includes costs related to software licences, hardware, contingency, professional services and additional City staff hired to assist with the implementation and integration of the selected solution.

Phase 1 of the LIPS program includes installation of the core software to create a foundation for future services and functionality. Software and hardware components comprise approximately 40% of the Phase 1 project cost. The anticipated duration of the project is 18 - 24 months from start date. Funding for LIPS Phase 1 has been included in the capital portions of the 2015 – 2019 Financial Plan.

Future phases of the LIPS project will explore further service enhancements and functionality that can be leveraged from the new system. Each phase will be evaluated on its own merits to determine its ability to effectively and efficiently enhance service delivery. Future phases would be the subject of further specific reports to Council, as warranted.

## 3.0 RECOMMENDATION

It is recommended that the Financial Management Committee recommend Council authorize staff to proceed with a project to replace the existing legacy Permit\*Plan system with a new licences, inspections and permits system, as outlined above. It is also recommended that the Financial Management Committee recommend Council to authorize that a bylaw be brought down to finance the project in the amount of \$8,900,000 (inclusive of GST) from Capital Reserves.



Shari Wallace  
CHIEF INFORMATION OFFICER

SJW:sjw

*To: Financial Management Committee*  
*From: Chief Information Officer*  
*Re: Licences, Inspections and Permits System Replacement (Phase 1)*  
*2015 May 19.....Page 3*

Copied to: City Manager  
Deputy City Managers  
Director Planning and Building  
Director Engineering  
Director Finance  
City Solicitor  
Chief Licence Inspector