

ANNEX A - Application for Performance Standards Funding

This form should be completed in Word.

Please refer to all relevant guidance notes in annexes B, C and D before starting to complete the form.

Part 1 – basic project information

Local Authority name:

Uttlesford District Council

Project name:

Installation of Workflow and upgrades to document imaging.

Application type:

Single LA with other partner(s)

Project category:

Introduction or replacement of DIP/workflow system

Linked projects:

Homeworking – Bromsgrove District Council & Uttlesford District Council
Installation of a replacement Unix server – Uttlesford District Council only
Training – Uttlesford District Council only.

High-level summary of project:

The Housing Benefit Sections of Uttlesford and Bromsgrove District Councils will work together to implement workflow technology, as a means of improving performance and increasing efficiency. The project will build upon the considerable work both councils have undertaken in recent years to introduce document imaging and modernise back-office computer applications.

Both councils stand to gain from working together, by sharing ideas and best practice and pooling implementation resources. The third partner in the project, Anite Public Sector Ltd, will provide the technical solution and will bring considerable experience and expertise in the field of workflow & public sector best practice.

Bromsgrove and Uttlesford recognise the need for continuous improvement. For Bromsgrove, this means building from a lower quartile position, and using the outcomes of this project, together with the results of an impending DWP Help team visit, to improve performance. For Uttlesford, the project will help it to strengthen its position as an upper quartile performing council and to improve the accuracy of its assessment process.

Both councils require funding to purchase workflow and associated hardware and implementation services. Funding is also required to update document scanners used in connection with document imaging. Both councils will contribute substantial benefit and IT staff resources to the project. Uttlesford will also make a significant financial contribution.

High-level costs of project:

	2003/04	2004/05	2005/06
Amount requested from DWP Re UDC Re BDC	0	41,270 58,940	0
Matched funding from lead LA (UDC – part cash, part staff time)	0	20,630	
Matched funding from LA2 (BDC – staff time only)	0	12,630	
Matched funding from LA3			
Other funding from lead LA	0		
Other funding from LA2	0		
Other funding from LA3			
Overall cost	0	133,470	0

Special treatment request (if applicable):

Bromsgrove District Council request that, in view of their lower quartile position & lack of available funding, that the requirement to contribute 1/3rd of the cost of the proposed projects be waived.

Local authority partners:

LA2	Uttlesford District Council
LA3	Bromsgrove District Council

Other partners / suppliers:

Name	Type of involvement	Level of commitment
Anite Public Sector Ltd	Software & services supplier	Possible supplier (extension of existing contractual relationship)

Part 2 – detailed project information (business case):

How the project will work:

Uttlesford District Council (UDC) in Essex and Bromsgrove District Council (BDC) in Worcestershire have joined together to help each other improve performance & efficiency across a range of housing benefit related processes.

Despite being in different regions, the Councils have much in common in terms of benefit caseloads, population size and prosperity and staffing levels. They also face similarly severe budget constraints. However, BDC is currently a bottom quartile performing council, whilst UDC is in the upper quartile. BDC has already taken steps to improve this position; through internal initiatives, by establishing contact with UDC and through arranging for the DWP Help Team to visit in January 2004 (as part of its 7th tranche of assistance). The DWP Help Team will help identify improvements in methods of working and overall performance. Critical to BDC's success will be additional investment in new technology.

Although UDC is a top-quartile performing Council, it has a policy of seeking continuous improvement and feels that further improvements can be made, particularly in respect of the accuracy of claims processing. It wishes to share its approach with BDC and is confident that it can learn much in return.

The specific proposal is for the two councils to work together to develop electronic workflow systems, which are linked to the Anite ICLipse document imaging (DIP) system. The Anite DIP system is installed at both councils and has been in use in Uttlesford since 1998 and Bromsgrove since 1997.

The two authorities will jointly develop workflow-based benefit processes in six key areas:

- * 10% quality checks.
- * Processing of new claims.
- * Processing of renewal claims.
- * Cancelling claims.
- * Actioning a change of circumstances.
- * One other (to be decided).

In doing this, the councils will draw upon their collective experience, adopting the best practices of each council. Use will also be made of national & Pathfinder project outputs, including the APLAWs process mapping project.

Anite Public Sector Ltd, the suppliers of the ICLipse product, will assist both councils with the project. Anite have substantial experience in the local authority sector and provide services to around 150 councils. It is hoped that Performance Standard funding will enable UDC & BDC to:

- * Purchase and install the ICLipse workflow module.
- * Employ Anite to assist the councils to develop one complete benefits process (probably 'processing a new claim'), with assistance from Anite. As part of this process, staff at both

councils will be trained to enable them to develop further processes, without the need for further consultancy services.

* Purchase of related hardware & software, including application and database servers.

* Purchase of replacement document imaging scanners (two at BDC & one at UDC) which are close to the end of their useful lives.

Once workflow has been introduced, the following initiatives are proposed:

* Extension of DIP and workflow facilities to One-Stop-Shops and other 'first-point-of-contact' facilities. (UDC).

* Provide improved access to intermediaries, such as Worcestershire CC, Bromsgrove District Housing Trust & Citizens' Advice Bureau (UDC initiative)

Option analysis:

The other options considered were:

Option 1 – Implement workflow per bid

High Level Costs – see earlier section

These costs exclude the Council Tax and Business Rate elements of the project.

Summary SWOT Analysis

Strengths

1. Will increase productivity by speeding up the various benefit processes & automating repetitive tasks (a BDC priority). This will enable staff to be freed up to complete more important work.

2. Will enable specific tasks to be given to employees dependent upon their skills levels. For example, new staff can initially be given simpler processes until they have acquired the necessary experience and training.

3. Will enable deadlines to be set & met. It will also help ensure that nothing is overlooked.

4. It will enable benefits managers in both councils to monitor and control the performance of processes & the flow of work. This is particularly important in improving key PIs.

5. It will assist in ensuring both councils comply with Government standards. An example of this is enabling them to quality check at least 10% of benefit assessments.

6. It will ensure a consistency of approach and reduction in errors (UDC target) thereby ensuring a fair and common level of service is given to all customers.

7. It will enable both councils to respond more effectively and quickly to central Government directives.

Weaknesses

No weaknesses have been identified.

Opportunities

1. Could lead to further joint working between Uttlesford and Bromsgrove.

Threats

1. The system is not implemented properly, or staff take-up is very limited.
2. Improvements to key performance indicators are not realised.
3. Staff reluctance to adopt the new technology, or re-engineer current working practices.
4. Back-office applications are unable to keep pace with the new technology.

Option 2 - Do nothing - continue without workflow technology

High Level Costs – There would be no direct costs associated with this option. However, there would be substantial opportunity costs in terms of: inefficient working, lost production etc.

Summary SWOT Analysis**Strengths**

1. There are no obvious strengths to this option.

Weaknesses

1. Opportunities to fully exploit the investment previously made in document imaging are missed.
2. The option does not recognise the need to improve the service to the public.

Opportunities

1. It may still be possible for UDC & BDC to work together to improve processes, albeit without the benefits of workflow.

Threats

1. There is an urgent need for BDC to improve performance levels. These are unlikely to improve without further technology & assistance from outside.
2. UDC's performance, particularly in respect of the accuracy of claims processing, is unlikely to improve without the addition of new working practices.

Option 3 - Invite Anite to implement all processes.

Costs – cost of favoured option, plus additional Anite consultancy costs of £15,000 per process per council, i.e. an additional cost of £150,000, making a total project cost of £283,470

Summary SWOT Analysis

Strengths

1. Less work for staff at UDC & BDC
2. Potentially quicker implementation as much of the work would be done by Anite Ltd.
3. Ensured high quality of work

Weaknesses

1. Too costly to justify.
2. Both councils would be too reliant on Anite for the development of the processes.
3. The approach to the implementation of workflow would be too inflexible i.e. it would be difficult for either council to make on-going changes to the workflow processes, as there would be no expertise in-house. Both councils would therefore be reliant on Anite for any changes, which could be costly and could impact upon the speed with which changes are introduced.

Opportunities

1. Anites expertise could be brought to bear on a wider range of benefit processes.
2. Staff resources could be diverted to other service improvement related projects.

Threats

1. Lack of buy-in from staff in both councils, as they would have a relatively peripheral role in the development of the workflow processes.
2. Lack of funding might result in workflow processes not being kept up-to-date, for example, when legislative changes are brought-in.

Risk analysis:

Main risks

1. The system is not implemented properly, or staff take up is very limited.
2. Improvements in key performance indicators are not achieved.
3. Staff reluctance to adopt the new technology, or re-engineer current working practices.
4. Back-office applications are unable to keep pace with the new technology.

Risk management plan:

1. The system is implemented using PRINCE2 project management methodology.
2. The outputs from pathfinder and national projects will be utilised.
3. The best practices & ideas from both councils will be adopted.
4. Staff from both councils will be fully involved in the implementation of the new system.
5. A programme of staff training will be instigated.
6. Uttlesford's Unix server will be replaced.

Detailed cost breakdown:

Item	Unit cost	Number	Amount to be spent in		
			2003/04	2004/05	2005/06
Anite ICLipse workflow					
licences					
- UDC	£250 each	5		1,250	
- BDC	£250 each	5	1	1,250	
Implementation, skills transfer & assistance with the development of one benefits process at each council.					
- UDC	1,000	20 days consultancy		20,000	
- BDC	1,000	20 days consultancy		20,000	
Internally recharged costs					
Staff time required to develop workflow processes:- 45 days input from senior benefit staff. 40 days input IT project implementation staff.					
(calculated on the following basis for each council: 20 days for the first workflow process & 15 days per workflow process thereafter (at each council) x 5 processes. The 95 days per council is to be split equally between Revenues and IT staffing – based upon advice received from Anite Ltd)					
- UDC Benefits Staffing	£140	45 days		6,300	
- UDC IT Staffing	£197	40 days		7,880	

- BDC Benefits Staffing	£125	45 days		5,630	
- BDC IT Staffing	£175	40 days		7,000	
Hardware					
BDC					
Application and Database servers	3,000	2		6,000	
Fujitsu 4340 scanners, Kofax 6501 & warranties	6,470	2		12,940	
High spec. PC	700	1		700	
19" flat screens	460	17		7,820	
Additional 256mg memory for PCs running administration tools	174	5		870	
UDC					
Application and Database servers	3,000	2		6,000	
Fujitsu 40340 scanner	6,470	1		6,470	
High spec PCs	700	2		1,400	
15" flat screens	300	19		5,700	
Additional 512 mg memory for PCs running administration tools	174	4		700	
Software					
BDC					
Windows 2000 server	310	2		620	
Oracle 9i	1,870	2		3,740	
UDC					
Windows 2000 server	310	2		620	
SQL Server 2000	290	2		580	
Contingency Sum					
BDC (e.g. additional upgrade services)	5,000			5,000	
UDC	5,000			5,000	

Total Costs					
BDC			0	71,570	0
UDC			0	61,900	0
			0	133,470	0

Project plan:

Key milestone	Date
1. Member approval obtained for UDC / BDC element of funding	February 2004
2. Agree project plan	February 2004
3. Agree pilot benefit workflow process for implementation with Anite's assistance.	May 2004
4. Implement pilot at both sites	July 2004
5. Roll-out of all suitable benefits processes at both sites – maximum of six	By 31 March 2005
* dates are subject to timing of announcements of funding	

Review mechanism:

<p>Uttlesford District Council</p> <p>Written reports to Senior Management Team & Scrutiny Committee quarterly and Project Sponsor monthly.</p> <p>Formal monitoring and reporting of specified performance targets – Quarterly.</p> <p>Post Implementation Report to Committee upon completion of project.</p> <p>Bromsgrove District Council</p> <p>Written reports to Management Team & Project Sponsor (Corporate Director) – Monthly.</p> <p>Formal monitoring and reporting of specified performance targets – Monthly.</p> <p>Post Implementation Report to Committee upon completion of project.</p>
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Management assurance:

Level of management checks carried out before decision letter issued	+10% UDC 0% BDC (awaiting advice from DWP)
Level of management checks carried out after decision letter issued	0%

Outcomes:

Performance Standard in which improvement sought will be achieved	Date	Expected performance without project	Expected performance with project

BV78a – Speed of Processing ~ Average time for processing new claims (in days)	2004/05	UDC – 25 days BDC – 62 days	UDC – 22 days BDC – 30 days
BV78b – Speed of Processing ~ Average time for processing notifications of changes in circumstances (in days).	2004/05	UDC – 6 days BDC – 17 days	UDC – 5 days BDC – 8 days
BV79a – Accuracy of processing ~ % of cases which the calculation of the amount of benefit due was correct on the basis of the information available to the determination, for a sample of cases checked post determination.	2004/05	UDC – 97% BDC – 99%	UDC – 98.5% BDC – 99.2%

Other funding:

No other funding is being sought in connection with this project.

Part 3 – statements and contact details

Statement by benefits manager

I can confirm that this project is dependent on this application being successful, and it will not go ahead without DWP funding. I can confirm that this is not a committed project and that no funds other than those stated in the application form have been set aside already.

I understand that DWP will not normally fund the cost of recruiting or training staff who already work in benefits for another local authority or contractor. I am not seeking funding for such costs unless I have clearly stated so in this application.

I confirm that I will report briefly on progress in delivering this project during the funding period and at the end of the funding period, as required by DWP.

I undertake to report promptly likely underspend or failure to deliver the project, to allow funds to be reallocated to another authority.

I confirm that I am seeking funding for the LA contribution to this project. If I am unable to obtain LA contributory funding to allow this project to go ahead in full, I will return to DWP their contribution to the project.

I confirm that the statements made in this application form are true.

Signature of benefits manager	
Name:	Mike Brean
Position:	Revenue Services Manager

Statement by responsible finance officer

I support the statements made here by the benefits manager.

I confirm that we are taking the necessary action to obtain our (and any other local authority or third party) contribution to the costs of this project as set out in this form.

Signature of responsible finance officer	
Name	John Dickson, Director of Resources

Contact details

Postal address of benefit manager	Mike Brean, Revenues Services Manager Uttlesford District Council Council Offices London Road Saffron Walden Essex CB11 4ER
Postal address of responsible finance officer (if different)	As above

Further information:

Name	John Mercer
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