

## 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:

Purchase and installation of a replacement of a Unix applications server

Application type:

Single LA

Project category:

Other (not listed)

Linked projects:

Homeworking – Bromsgrove District Council & Uttlesford District Council  
 Installation of workflow and upgrades to document imaging – Bromsgrove District Council & Uttlesford District Council  
 Training – Uttlesford District Council only.

High-level summary of project:

Uttlesford District Council seeks funding to purchase and install a replacement Unix applications server. This will replace the existing server which has insufficient capacity to effectively run the SX3 First Benefits applications.

High-level costs of project:

	2003/04	2004/05	2005/06
Amount requested from DWP	0	24,930	0
Matched funding from lead LA (part cash, part staff time)	0	12,470	0

Matched funding from LA2	0	0	0
Matched funding from LA3	0	0	0
Other funding from lead LA	0	0	0
Other funding from LA2			
Other funding from LA3			
Overall cost	0	37,400	0

Special treatment request (if applicable):

No special treatment is requested.

Local authority partners:

LA2	Uttlesford District Council

Other partners / suppliers:

Name	Type of involvement	Level of commitment
Fox IT Ltd	Managed Server Providers	Installation of replacement server.

*Part 2 – detailed project information (business case):*

How the project will work:

Uttlesford District Council (UDC) in Essex is proposing to replace the Sun 450 Unix server purchased in 1999.

The Council currently uses SX3's First Benefits application operating on a Sun 450 Unix server. Both the server and SX3 application were purchased in 1999 as part of a larger contract to transfer Revenues & Benefits IT support to a managed service with Fox IT LTd. The service, including the server, is operated from Warrington in Cheshire.

In 2002 the SX3 application was upgraded to 'iWorld', the latest release of the software. The upgrade was necessary for a number of reasons, including the need to conform to e-government requirements. This necessitated a substantial re-write of the application and the underlying Oracle tables.

Since the upgrade, system performance has deteriorated significantly. Despite some software re-writes by SX3, and other measure taken to improve system performance, it is apparent that iWorld requires greater processing power than previous versions. This was confirmed by a technical review carried out by SX3 which has advised the Council to purchase a new Unix server with a Sparc 3 processor.

The current performance problems have had a detrimental effect on the service provided to customers. For example, it is extremely difficult to deal with a customer enquiry over the 'phone, as it often takes too long for information to be displayed on staffs' screens. Also, processing housing benefit claims, change of circumstances etc, now take longer, which is having a negative impact upon staff efficiency.

Consequently, a replacement Unix server is required. This would need to be installed by Fox and the data migrated by SX3 from the existing server. The request for funding relates to a new server and associated implementation services. Data migration services will be provided by SX3 at a reduced fee.

Once this work is complete, the Council would be able to re-instate the high levels of service previously enjoyed by Uttlesford residents.

Option analysis:

**Option 1 – Purchase & Installation of a new Unix server**

**High Level Costs – see earlier section**

**Summary SWOT Analysis**

***Strengths***

1. Will increase productivity by reducing the time taken to process housing benefit claims, change of circumstances etc.

2. Will improve the service offered to the public, as face-to-face & telephone enquiries, can be handled more quickly.

***Weaknesses***

1. No significant weaknesses have been identified.

***Opportunities***

1. Will provide a strong base on which to build further enhancements in document imaging. Workflow & online services.

***Threats***

1. The system is not implemented properly, leading to further performance problems.  
2. Improvements to service are not achieved.

**Option 2 - Do nothing - continue with the existing server**

**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, loss of public goodwill 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 ICT are missed.
2. The option does not recognise the need to improve the service to the public.

**Opportunities**

1. No opportunities have been identified.

**Threats**

1. UDC's performance, particularly in respect of the speed with which claims are processed, is unlikely to improve without the purchase of a new server.

**Option 3 – Migrate to revenue services to a Windows server**

**Costs** – Likely to be lower than option 1. However, Unix is the favoured platform for running First Benefits, for both SX3 and Fox IT.

**Summary SWOT Analysis****Strengths**

1. Will increase productivity by reducing the time taken to process housing benefit claims, change of circumstances etc.
2. Will improve the service offered to the public, as face-to-face & telephone enquiries, can be handled more quickly.

**Weaknesses**

1. Platform unlikely to be as stable as Unix.
2. Fox IT would find support harder to provide.

**Opportunities**

1. Will provide a strong base on which to build further enhancements in document imaging. Workflow & online services.

**Threats**

1. The system is not implemented properly, leading to further performance problems.
2. Improvements to service are not achieved.

Risk analysis:

**Main risks**

1. The system is not implemented properly, or system performance does not improve.
2. Improvements in key performance indicators are not achieved.

Risk management plan:

1. The system is implemented using PRINCE2 project management methodology.
2. The installation is undertaken by Fox IT, who have substantial experience of this type of project.
3. Staff are fully involved in the implementation of the new system.

Detailed cost breakdown:

Item	Unit cost	Number	Amount to be spent in		
			2003/04	2004/05	2005/06
Purchase and installation of a replacement Unix server.	N/A	N/A	0	26,000	0
Project Management, testing etc	N/A	N/A	0	5,000	0
Internally recharged costs Benefits Staff – System testing etc	£140 per day	10 days	0	1,400	0
Contingency	N/A	N/A	0	5,000	
<b>Total Costs</b>			0	37,400	0

Project plan:

Key milestone	Date
1. Member approval obtained for UDC element of funding	February 2004
2. Agree project plan	February 2004
3. Installation replacement server & load application. Migrate data across to new server, system testing, data reconciliation etc.	May 2004 – June 2004.
<b>* dates are subject to timing of announcements of funding</b>	

Review mechanism:

Formal monitoring and reporting of specified performance targets – Quarterly.
Post Implementation Report to Committee upon completion of project.

Management assurance:

Level of management checks carried out before decision letter issued	+10% UDC
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:

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