



Belfast City Council

Report to:	Strategic policy and Resources Committee
Subject:	Infrastructure to deliver Housing Benefit services for NIHE
Date:	20 November 2009
Reporting Officer:	Rose Crozier, Head of ISB
Contact Officer:	Paul Gribben, IS Portfolio Manager

Relevant Background Information

ISB delivers hosting, managed application and software development services to the NIHE supporting payment of Housing Benefit, Rate Relief and Lone Pensioner Allowances to claimants across the region. The annual income for delivering these services is approximately £1.7 million.

In providing these services we aim to ensure the timely payment of £469,000,000 to over 139,000 claimants annually. Given the current economic circumstances both the amounts being paid and the number of claimants requiring these benefits are increasing each month, putting an additional strain on the infrastructure that is required to support the IT systems and increasing the risk of damage to the Council's reputation if services were not provided.

Over the last two years there have been increases in both the number of users accessing the systems and the hours of access required by NIHE staff. Upgrades to the applications have provided additional functionality to end users but have created a further strain on the current infrastructure. In hosting this service there is a requirement to provide access to test, development and training databases.

In order to protect the income generated by ISB and the IT services it delivers to the NIHE, a refresh of infrastructure is required to ensure that service quality is maintained. This is particularly important in ensuring that Housing Benefit, Rate Relief and Lone Pensioner Allowances are paid promptly across the whole of Northern Ireland.

Key Issues

There are concerns about the current infrastructure in terms of performance and capacity. ISB in conjunction with our software suppliers (Northgate) have carried out a benchmarking exercise to determine if the current hardware is fit for purpose. Indications are that the live server is more than adequate to host the housing executive systems for the next three to four years but that the older test and development servers are struggling with additional workloads and are expensive in terms of support and maintenance.

Resource Implications

Financial

Option 1: No Improvement: Investment of £40,000 for licenses plus recurring cost of £63,844

If the infrastructure for delivering IT services to the NIHE is left unchanged ISB will continue to pay the current costs of:

Support & maintenance: £32,644; Oracle licensing: £31,200.

There will also be a requirement to pay an additional capital investment of £40,000 in oracle licensing as we move to per processor licensing. This increase is a result of new versions of the housing benefit system requiring access to the latest oracle back-end database.

Also there will not be enough storage capacity to meet requirements for test, training and development environments which have a real impact on security:

1. Development, test, and operational facilities should be separated to reduce the risks of unauthorised access or changes to the operational system.
2. If they are not implemented correctly there will be an increase in the risk of access being misused to commit fraud, or to introduce untested or malicious code, which could cause serious operational problems.
3. It could also pose a threat to the confidentiality of sensitive information.

We will also not be in a position to cater for future changes in capacity and performance.

Option 2: Upgrade test and development servers and implement shared storage:

This requires investment of £50,000 realising an annual saving on recurring cost of £35,110 and no additional spend on licenses

Cost for new hardware: £50,000 (Capital investment)

Support & maintenance: £15,534; Oracle licensing: £13,200

This option will reduce third party hardware and software support and maintenance costs by £35,000 per year and would remove the need to spend an additional £40,000 on oracle licensing.

It would future proof the infrastructure for the next 3 to 4 years, providing for both increased user numbers and data storage requirements.

It will enable the separation of the test and development environments. This will facilitate improved testing and allow easier creation of test and development environments. To ensure:

1. Development, test, and operational facilities are separated to reduce the risks of unauthorised access or changes to the operational system.
2. A reduction in the risk of access being misused to commit fraud, or to introduce untested or malicious code which could cause serious operational problems.
3. The protection of confidential and sensitive information.

Human Resources

No additional impact on staff is anticipated.

Recommendations

Option 2 is recommended on the basis that it is more cost effective and is critical to ensuring continued service quality, security of information and future proofing of service provision to NIHE.

Committee is asked to:

1. Note the contents of the report.
2. Support option 2 and agree to tender for new shared storage to support the services provided to NIHE.

Decision Tracking

Officer responsible: Rose Crozier, Head of ISB

Action to be completed by: February 2010

Key to Abbreviations

ISB Information Services Belfast
NIHE Northern Ireland Housing Executive

Documents Attached

None

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