



CHELTENHAM
BOROUGH COUNCIL

**Notice of a meeting of
ECONOMY AND BUSINESS IMPROVEMENT OVERVIEW AND
SCRUTINY COMMITTEE**

Monday, 18 July 2011

6.00 pm

Municipal Offices, Promenade, Cheltenham, GL50 9SA

Membership	
Councillors:	Malcolm Stennett (Chairman), Garth Barnes, Tim Cooper, Paul Massey (Deputy Chair), Paul McLain, Lloyd Surgenor, Pat Thornton, Andrew Wall, Peter Jeffries and Jon Walklett

The Council has a substitution process and any substitutions will be announced at the meeting

Agenda

1.	APOLOGIES	
2.	DECLARATIONS OF INTEREST	
3.	MINUTES OF THE LAST MEETING	(Pages 1 - 8)
4.	PUBLIC QUESTIONS AND PETITIONS None	
5.	MATTERS REFERRED TO COMMITTEE A. By Council - None B. By Cabinet - None	
6.	IMPERIAL AND MONTPELLIER GARDENS STRATEGY Report of the Cabinet Member (40 mins)	(Pages 9 - 14)
7.	ANNUAL PERFORMANCE REPORT Report of the Leader (20 mins)	(Pages 15 - 24)
8.	ECONOMIC DEVELOPMENT UPDATE AND NEW HOMES BONUS Report of the Leader (20 mins)	(Pages 25 - 32)

9.	GO PROGRAMME - SHARED SERVICE DELIVERY Report of the Cabinet Member Corporate Services (20 mins)	(Pages 33 - 100)
10.	BRIEFING FROM CABINET MEMBERS	
11.	DATE OF NEXT MEETING AND FUTURE AGENDA ITEMS Date of next meeting : 19 September 2011	(Pages 101 - 104)

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Economy and Business Improvement Overview and Scrutiny Committee

**Monday, 23rd May, 2011
Pittville Room
6.00 pm**

Attendees	
Councillors:	Malcolm Stennett (Chairman), Garth Barnes, Tim Cooper, Paul Massey (Deputy Chair), Paul McLain, Lloyd Surgenor, Andrew Wall and Peter Jeffries
Also in attendance:	Jane Griffiths, Councillor Steve Jordan, Councillor Colin Hay and Councillor Roger Whyborn

Minutes

1. APOLOGIES

Apologies were received from Councillor Pat Thornton and Councillor Rowena Hay was in attendance as her substitute.

2. DECLARATIONS OF INTEREST

None declared.

3. MINUTES OF THE LAST MEETING

The minutes of the last meeting of the 7 March 2011 were agreed as a correct record.

4. PUBLIC QUESTIONS AND PETITIONS

None received.

5. MATTERS REFERRED TO COMMITTEE

None.

6. BRIEFING FROM CABINET MEMBERS

The Leader informed members that after a long process the formation of a Gloucestershire Local Enterprise Partnership (LEP) had been agreed. He would be meeting the new chair and David Owen from Gloucestershire First to discuss the partnership.

Regarding the future of the council's Economic Development service, he was keen to continue their work in supporting economic development in the town despite the recent loss of staff. This was important in the tough economic climate and he hoped that some funding might be available to support this work from the new homes fund and underspends from the LABGI funds. One option being considered was a fund which people could bid for if they were planning an event which would support the economy of the town, possibly with a quarterly bidding process. In response to a suggestion from a member he confirmed that an event around the Queen's Jubilee celebrations in 2012 could be considered as an option. If event funding was to be a recommendation it would form part of

the outturn report coming to Council in June but he would welcome any feedback from members in the meantime on this issue.

The Cabinet Member Corporate Services updated members on the GO Programme, a partnership of four councils and Cheltenham Borough Homes working together to develop a shared service for Finance, Procurement, Human Resources and Payroll. The programme was due to deliver savings and improvements in service delivery. For Cheltenham Borough Council the original business case estimated that the programme was due to deliver a net saving of £0.9 million over 10 years. Copies of a presentation were circulated at the meeting.

The Cabinet Member reminded members that it had been agreed that the ICT Support centre of excellence would be hosted by Cheltenham Borough Council. Similarly the Chief Executives had decided by mutual agreement that Cotswold District Council would host the GO shared service. This was currently going through a due diligence process. He anticipated that in two years time this could be established as a separate company, subject to a sound business case. He reported that the whole programme was on time and budget though there had been one-month slippage due to delay in decisions being taken in some councils following the elections.

The Cabinet Member explained that key decisions on the programme would be taken in July by Cabinet and Council and prior to that, the report would be coming to this committee on the 18th of July. This was an opportunity for members to raise any questions or request any additional information they would like at the July meeting.

In response members made the following points:

- Was it likely that more investment would be needed in business change to support the programme?
 - The Cabinet Member responded that an additional £26,000 had been put into the business change budget to prepare staff for the major changes they would be going through. This had been supplied from the capacity building fund agreed by Council.
- Was there a danger that requirements would be watered down in order to satisfy all partners?
 - The Cabinet Member said that there was a high degree of trust between the partners so some aspects did not need to be detailed out at this stage. Generally all staff working on the programme had a very good rapport.
- The report in July needed to be clear on the outcomes of the programme and how success would be measured in five years time.
 - The Cabinet Member noted this request and said that the report would also cover the additional opportunities for joint savings in such areas as procurement. The Chief Executives were keen to accelerate the program to drive out these savings.
- How would members scrutinise the delivery of services for CBC from the shared service?
 - The Cabinet Member reassured members that information relating to this council could still be reported and there would still be a Cheltenham Borough Council Cabinet member responsible for it. However he acknowledged that the scrutiny arrangements

may need to change to accommodate overview and scrutiny in a commissioning council in the most effective way. This was the subject of a review of the scrutiny which had just been initiated.

The Chair thanked the Cabinet Member for the update and asked the points made by members to be taken into account when reporting back in July.

7. REVIEW OF SICKNESS ABSENCE

The HR Operations Manager introduced the report which had been circulated with the agenda. The report provided an overview of the council's approach to managing and monitoring sickness absence. It described the significant work carried out by HR to improve sickness reporting and outlined the role of the council's Sickness Absence Management Policy and Procedures introduced in 2006. This was due to be reviewed with the aim of reducing the trigger points. She also stressed the importance of supporting staff in what were currently quite stressful times with ever increasing pressure on resources.

The Council had a corporate target to reduce sickness absence to 8 days per full time equivalent employee for the financial year 2010/11. She advised that the absence rate outturn for the 12 month period to 31st of March 2011 was below target at 9.45 days, an increase over the previous year of 0.45 days. However, if the depot sickness absence figures were taken out then the average for the remaining divisions would be 6.1 days. The report explained that that the ageing workforce and nature of the work of staff based at the depot was a factor and further work was being done to identify what support the council could offer to those employees.

Members made a number of comments/questions and the responses from the HR Operations Manager are set out:

- Para 2.9: A member questioned the use of the term "unsurprisingly" in relation to sickness absence being lower in the private sector?
 - This was a well established industry statistic
- Para 2.10: why should the average cost of absence be higher in the public sector than the private sector?
 - Historically public sector employees have a more generous sickness pay scheme, set out in local government national terms and condition of employment. In the private sector, statutory sick pay is the norm and some employers do not pay for the first three days of sickness absence. In the public sector, with the exception of statutory services provided at the depot, there is no backfill when employees are off due to sickness. Managers spend a lot of their time managing absence and the shortfall.
 - The Cabinet Member Corporate Services highlighted that any changes in this area would require some difficult negotiations with trade unions.
- Para 2.11: Why is it not possible to estimate the cost of absence, even approximately?
 - It is possible to provide crude estimates but this does not take into account lost productivity and the impact of the remaining employees.
- Para 3.1: Should the target be more challenging and closer to the private sector average?

- The absence policy is to be refreshed and as part of this work we will work with TU colleagues to discuss and agree lower trigger points and targets
- Para 3.8 : without further analysis being done is it an inherently unfair statement that an ageing workforce is the underlying cause of the high sickness absence?
 - There is evidence for this statement and her experience and that of the HR team was that the majority of staff at the depot going through the sickness absence process were over 50.
- Given that 44% of the depot's operation's workforce are over 50 years of age, is succession planning being looked at?
 - Yes
- Para 3.9: the table would be more informative if the average days expected were also listed
 - Noted
- Para 3.9: There does not appear to be an increase in stress, depression, anxiety disorders arising from increasing pressure on staff during financial crisis. Have officers considered that there may be a seasonal trend in this?
 - This is being monitored very closely. as all staff going through a period of major change. L&OD colleagues have devised training sessions to help employees through change.
- Para 3.14: can officers confirm that massage sessions to improve well-being of staff have not been at the expense of council tax payers?
 - No, staff pay for this service and there is no cost to the council.
- Line Managers must have prime responsibility for managing sickness absence in their teams.
 - Very much so but they currently rely on HR to supply the information. The implementation of GO and the shared platform will enable managers to have real time information relating to sickness and their employees readily available on their desktop.
- Can this committee receive absence information on a quarterly basis, highlighting trends rather than too much detail but with a financial assessment of days lost due to sickness?
 - Quarterly information was formerly reported to the Staff and Support Services Committee and this is now reported to the Joint Consultative Committee along with Health and Safety reports which are closely related.
 - The Cabinet Member Corporate Services questioned whether the full committee was the best way of reviewing the information. He agreed to circulate the previous 12 months quarterly reports and would be happy to arrange a session with interested members, himself and HR to discuss any issues arising and clarify the format of any report that scrutiny required. He also felt strongly that information on sickness must be reviewed alongside health and safety reviews and action plans.

The chair concluded that sickness absence was a concern and members hoped to see actions being taken which would reverse the trend in absenteeism.

Resolved that the committee will receive a summary report in six months time which will pick up on the topics raised at this meeting.

8. DRAFT COMMITTEE 2011-12 WORK PLAN AND EFFECTIVENESS OF SCRUTINY

The Director of Commissioning introduced the report which had been circulated with the agenda. They report invited members to comment on the committee's draft work plan for the coming year set out in Appendix 2. It also invited members to comment on the general effectiveness of scrutiny and make any suggestions for improvement.

Councillor Massey referred to risk 29 in the council's Risk Register concerning information management and requested that the committee receive an update on the information strategy.

In response to a question about when the 12 month review of the Gloucestershire Airport business plan was due, the Director of Resources advised that there had been a delay due to the complications regarding Blenheim House. These had only recently been concluded and so the 12 month review would be due from that date.

Members had some discussion regarding the briefing note which had been circulated on mobile telephony and whether it was a topic for further scrutiny. The chair also referred to some exchange of a communication regarding a Freedom of information request on this topic but he advised that the majority of questions had probably now been answered.

It was felt that the briefing note had raised some questions and it was appropriate for this committee to ensure that the council was getting best value from their use. They decided to extend the topic to include mobile communications but would not be getting into the sort of detail covered in the freedom of information request.

Commenting on the effectiveness of scrutiny, Councillor Peter Jeffries suggested that this committee should receive more financial information in its reports rather than words and there should be more focus on the economic aspects of any issue.

Councillor Massey suggested that the full committee was in a good position to give feedback on items it received on a regular basis. With the introduction of commissioning there was a broader question regarding whether smaller task and finish groups would be more effective.

Resolved that the workplan 2011/12 be agreed with the additions requested at this meeting

9. CORPORATE RISK REGISTER

The Director of Resources introduced the report which had been circulated with the agenda. The council had acknowledged that members need to be aware of the corporate risks which may impact on the council and the decisions it takes.

The risk register had been updated by the Senior Leadership Team in May and set out progress against mitigating actions. Members were asked to consider the document before it went to Cabinet and identify any additional risks or actions to be brought to Cabinet's attention.

Councillor Wall welcomed the improved format of the report but was concerned at the number of red risks scoring more than 16 and particularly some of the high scores for likelihood.

In his response, the Director of Resources indicated that the scores represented a snapshot at a particular time and a number of mitigating actions had already progressed. He acknowledged that in future the committee should be provided with a more up to date report detailing any improvement actions taking place. He provided the following additional updates on specific risks:

- Risk 1 - At that time there had been huge pressure on payroll resources but since then more work had been done to address this issue.
- Risk 5 – a significant amount of work had already been done to ensure the council has robust business continuity plans for all its services but the team was aware of a weakness in the testing of ICT systems. A major exercise is being planned in the summer to test the recovery of 25 major systems which would include ICT and the service teams.
- Risk 9 – the dependence between the waste project and GO had been identified and further work has since been undertaken.
- Risk 23 – acknowledged that an ‘emerging’ car parking strategy was too vague and deadlines for finalising the strategy need to be included.
- Risk 32 – at the time, Gloucestershire airport was in the final stages of completing the deal regarding Blenheim House which was delaying the project. This deal has now been concluded satisfactorily and so work at the airport could now get started.

RESOLVED THAT:

- 1. The Corporate Risk Register be noted and is brought back before to this committee in September giving an up-to-date view of the current position.**

10. COMMISSIONING PROGRAMME - UPDATE AND SETTING PRIORITIES

The Director of Commissioning introduced the report which updated members on the commissioning process and set out a commissioning timetable for future reviews. The report was intended to facilitate a discussion by members to determine what information they need at future meetings to ensure that the council delivers its ambition to be a commissioning council and how it will measure its success.

In the discussion that followed, members thought that the exercise to prioritise potential commissioning projects was useful and highlighted areas for further investigation. They questioned why the three commissioning projects currently in progress were not included in the table as it would have been interesting to see how they were assessed. As this committee was concerned with carrying out scrutiny of the commissioning programme at an overview level, it needed information on costs of each commissioning project and potential savings so that these could be monitored. They would also seek reassurance that commissioning exercises were operating in a consistent way using the appropriate guidelines.

The scope of any commissioning exercise should be kept as broad as possible with a focus on partnerships and there was also a need to think outside the box. Housing was given as an example where the council should not think of itself as just a housing supply provider but should be tapping into the community priorities arising from new legislation and the commissioning health service agenda. The council should also be alert to opportunities for its services to be commissioned by others or take on new responsibilities. A good starting point would be some of the targets in the corporate strategy where the council was not currently directly responsible. There was a question as to how the services identified as part of a low carbon commissioning exercise would be picked up.

In response, the Director of Commissioning acknowledged that these low carbon initiatives needed to be housed within the commissioning programme. She advised that the member working group looking at housing would indeed be looking at welfare reforms and potential partnership working with health providers. Leisure@ had already identified some opportunities for GP referrals and this was a good example of commissioning in action.

The Cabinet Member Corporate Services highlighted that a review of scrutiny had been initiated to ensure that the council's scrutiny arrangements were in the best position to support a commissioning council.

Resolved that the committee should receive a further update in six months time

11. DATE OF NEXT MEETING AND FUTURE AGENDA ITEMS

18 July 2011.

12. BRIEFING NOTES

A briefing note on mobile telephony had been circulated with the agenda.

Malcolm Stennett
Chairman

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Information/Discussion Paper

Economy and Business Improvement Committee

18th July 2011

Imperial and Montpellier Gardens Strategy

This note contains information to keep Members informed of matters relating to the work of the Committee, but where no decisions from Members are needed

1. Why has this come to scrutiny?

- 1.1** Members of E&BI committee have requested further economic and financial data in order to be in a position to assess the benefit of implementing changes to the town centre parks (Imperial and Montpellier Gardens) in an endeavour to meet the requirements of the Cheltenham Festivals and deliver landscape enhancements for park users.

2. Background and History

- 2.1** On the 15th March 2011, the Council's Cabinet resolved that an outline design be drawn up for Imperial Gardens to accommodate the increase in size and popularity of the Cheltenham Festivals. The marquee footprint (excluding gazebos and covered walkways) is to be kept to a maximum area of 2750m² (currently approx. 1950m²). Furthermore, both Imperial and Montpellier Gardens will not be subject to more than 75 days each of special event usage, including setting up and taking down (currently 107 days in Imperial Gardens).
- 2.2** Previously, Imperial Gardens has been the main public park used by the Cheltenham Festivals. Starting from 2012, it is proposed that the Jazz Festival will take place in Montpellier Gardens in May and the Science Festival in Imperial Gardens in June. Starting in October this year, the Literature Festival will take place in both Gardens.
- 2.3** The Council's Cabinet has allocated £140,000 to undertake landscape improvements to Imperial Gardens for the benefit of it's users and to upgrade it's infrastructure in order to accommodate the increased marquee footprint. This sum also includes modifications to incoming public utilities which will be needed in Montpellier Gardens

in order to accommodate this, and existing special event usage.

3. The Impact of the Cheltenham Festivals on the Cheltenham Economy

- 3.1** Cheltenham Festivals commissioned a reputable independent party, Blue Republic, to research the impact of the Literature Festival on the Cheltenham Economy in October 2010. The research entailed 306 face to face visitor interviews and 111 interviews with local business.
- 3.2** It was found that average day visitor group spend was £118.95. Average staying visitor group spend was £429.34. The expenditure covered accommodation, food and drink, shopping on and off site, other entertainment whilst in Cheltenham as well as costs incurred on travel/transport.
- 3.3** Nearly half of the businesses interviewed reported that the Cheltenham Literature Festival had a noticeable impact on business, and as the above spending figures would suggest, many of these were food and drink related establishments.
- 3.4** The businesses were asked how important they felt the CLF is to Cheltenham's reputation. Businesses were asked to rate the importance of the festival on a five point Likert scale; where 1 is Not Very Important and 5 is Very Important. 74% of businesses surveyed stated that they thought the CLF was Important or Very Important to Cheltenham. Overall, the score resulted in an average of 4.25 out of 5.
- 3.5** The results of the primary research undertaken, festival ticket sales and known results from relevant studies elsewhere were extrapolated to give the economic impact figures that were widely publicised last year. That being £5.2million brought into the local economy from all Cheltenham Festivals and the creation of 139 jobs.

4. Alternative Locations for Festivals

- 4.1** A SWOT analysis of the Cheltenham Racecourse was undertaken by the Cheltenham Festivals in relation to the Jazz Festival 2012 and an evaluation of Ellenborough Park at Southam. The senior leadership team at Cheltenham Festivals concluded that Montpellier Gardens would be the preferred location for Jazz 2012. Both the cabinet and the Cheltenham Festivals considered it wise moving Jazz to Montpellier in light of the pressure placed on the landscape and infrastructure of Imperial Gardens over the last three years as a result of three festivals taking place, two (Jazz and Science) in very close proximity to one another. It was also jointly felt that the economic benefits to the town centre would be better served by the establishment of a town centre hub for the festivals.

5. Next Steps

- 5.1** The designs, together with feedback from the consultation, Full Council Debate and Scrutiny Committees will be considered by Cabinet for a decision on 26th July 2011. If approved by Cabinet, phase 1 of the works will be worked up in more detail and more accurate costs obtained. Planning and listed building consent will be applied for where required before reporting back to Cabinet in October 2011. Works would be undertaken during this coming Autumn and Winter, subject to approval.

Background Papers	Environment Committee, 2nd March 2011 - Imperial and Montpellier Gardens Strategy Cabinet, 15 th March 2011- Imperial and Montpellier Gardens Strategy Council, 27 th June 2011 - Imperial Gardens Outline Design and Consultation
Appendices	Appendix 1 – Pre-design estimate of February 2011
Contact Officer	Rob Bell, Director Operations Division, 01242 250019, rob.bell@cheltenham.gov.uk
Accountability	Roger Whyborn, Cabinet Member Sustainability,
Scrutiny Function	Environment

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Cost Estimates for Option 2 based on an overall budget of £140,000

Item	Description	Estimate
1.	Provision of three phase electricity to Montpellier Gardens. (subject to response from electricity company).	£12,000
2.	Water supply to Montpellier Gardens	£7,000
3.	Foul sewer connection to Montpellier Gardens	£4,000
4.	Upgrade to existing electricity supply in Imperial Gardens	£2,500
5.	Modification to existing paths and provision of new hardstanding in Imperial Gardens finished in macadam (this does not include new hard standing within the ornamental flower area).	£27,500
6.	Landscape refurbishment of Skillicorne Gardens	£39,000
7.	Landscape enhancement to garden bar area.	£38,000
8.	Turfing over of flower beds / recutting and preparation of new beds where suitable.	£10,000
	TOTAL	£140,000

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Information/Discussion Paper

Review of the council's performance at end of 2010-11

18 July 2011

Economy and Business Improvement Overview and Scrutiny Committee

This note contains the information to keep Members informed of matters relating to the work of the Committee, but where no decisions from Members are needed.

1. Why has this come to scrutiny?

- 1.1** To review the corporate performance of the organisation at the end of the financial year 2010-11 and to make any comments and observations in order that Cabinet can agree the report at its meeting on 26th July 2011.

2. Background

- 2.1** The council agreed its corporate strategy 2010-2015 in March 2010. The strategy sets out our 5 objectives and 11 outcomes and a range of milestones and indicators to measure performance in 2010-11.
- 2.2** The performance report takes information and data from our performance management system to provide elected members with an overview of how the council is performing. This enables elected members to input into discussions about how to resolve areas where there maybe performance concerns and also to recognise where performance is better than expected. This report summarises how the council performed last year in regard to the published milestones, performance indicators and outcomes set out in the 2010-2015 corporate strategy.

3. 2010-11 Performance Overview

3.1 Corporate Strategy milestones

In the 2010-11 corporate strategy, we identified 53 milestones to track our progress. Out of these:

- 91% (48) of milestones were on target or completed at the end of the year
- 9% (5) of milestones were not achieved:

The milestones that were not achieved were as follows:







milestone	commentary
Consideration of preferred options by Councils.	In 2010, the government announced the abolition of the regional spatial strategy framework which meant delays to the production of the Joint Core Strategy whilst the team reflected on the best way forward. Plans are still in place to carry out consultation on the emerging draft strategy in the Autumn of 2011.
Preferred options consultation.	
Pre-submission draft of JCS.	
Commence building of new homes as part of phase 1 of St Paul's Regeneration Project.	The project was delayed due to road closure procedures. The start date was early June 2011.
Social and Community O+S to review first stage of neighbourhood management approach as agreed at cabinet on 16 March 2009.	Agenda space was not found within the year; the review of neighbourhood management will go to committee in September 2011.





3.2 Performance indicators

In the 2010-11 corporate strategy, we identified 68 key indicators to track our progress. Out of these:

- 46% (31) of all indicators are on or above target;
- 15% (10) indicators were below target;
- 40% (27) are no longer collected due to the demise of the national indicator set.

The proportion of indicators below target is the same as last year (15%). The indicators that were below target are shown below.

Indicator	Status	Commentary
Repeat incidents of domestic violence (Quarterly)		Repeat incidences of domestic violence are still high; the average for the year is 38% against a target of 22%
Overall Employment rate (working-age) (Quarterly)		the overall employment rate in Cheltenham was below target at 81.9% against of 85%
Per capita reduction in CO2 emissions in the LA area		The actual per capita reduction was 5.7% against a target of 9.1%.
Percentage of household waste sent for reuse, recycling and composting (Quarterly)		Recycling and composting rates came out at 34.4% below the target of 40%.
Percentage of municipal waste land filled (Quarterly)		68% of waste was landfilled against a target of 64%.
No of FTE days absence per employee (Quarterly)		The out-turn was 9.82 FTE days compared to a target of 8 days. All areas of the council were well under the 8 day target with the exception of the CAST division (out-turned just over 8dys, and Operations division at 15 days where the main absence reason was musculo-skeletal). A health and wellbeing plan for the Operations division is being developed aiming to reduce absence in the Operations area.

Number of apprentices on placement with the council (Quarterly)		The council had 5 apprentices against a target of 8; services have been considering the use of apprentices when making a business case to fill vacancies. Apprenticeships are subject to the recruitment challenge for filling any vacancies
the number of visitors to Cheltenham's TIC (Quarterly)		There were 76,221 visitors to the TIC against a target of 90,800.
the number of accommodation bookings (Quarterly)		There were only 571 accommodation bookings against a target of 1,200.
Attendances during the annual Summer of Sport initiative		There were 1480 attendances against a target of 1599.

Review of outcomes 2010-11

Outcomes	what went well	what didn't go so well
Cheltenham has a clean and well-maintained environment.	<p>In order to increase recycling rates, a complete re-design of the waste and recycling service was agreed by cabinet. The garden waste service started to be rolled out in February with the food waste and alternate weekly collections rolled out in April 2011. Plastic bottle recycling has been rolled out to 48,000 households. The new service has been designed to increase recycling performance to over 40%.</p> <p>A new street scene enforcement team has been created which, together with other staff reorganisations, has enabled more a targeted approach to improve the town centre backed up with enforcement when needed.</p>	Recycling and composting rates have started to increase and came out at 34.4% for the year, up from 32.4% in the previous year, but this was still below the target of 40%.
Cheltenham's natural and built environment is enhanced and protected.	<p>Good progress has been made by the Cheltenham Development Taskforce in bringing forward the regeneration of town centre sites; decisions were made to put North Place and Portland Street car parks on the market supported by a revised supplementary planning guidance that set out the council's ambitions for the sites.</p> <p>In terms of green spaces, funding was secured to build a new dry stone wall on Leckhampton Hill and with new fencing and grazing regimes, the site has been brought back into "favourable condition". British Trust for Conservation Volunteers are now helping to manage Griffiths Avenue Nature Reserve and Springfields Park site was awarded "Planting Places "Award by Sustainability South West with a Green Flag award currently submitted for 2011.</p>	In 2010, the government announced the abolition of the regional spatial strategy framework which meant delays to the production of the Joint Core Strategy whilst the team reflected on the best way forward. Plans are still in place to carry out consultation on the emerging draft strategy in the Autumn of 2011.

Outcomes	what went well	what didn't go so well
<p>Carbon emissions are reduced and Cheltenham is able to adapt to the impacts of climate change.</p>	<p>2010-11 saw an explicit commitment by the council to the 10:10 carbon reduction scheme. To support this, a number of carbon saving measures have been installed including new security lighting at the depot with low energy units, a voltage optimisation unit at Leisure@. Due to improvement works carried out at leisure@ it was awarded a 'B' grade for energy efficiency, the typical grade for a leisure centre is 'D'.</p> <p>Emissions due to electricity across the council fell by 80 tonnes. Overall carbon emissions were down by 8.5 tonnes.</p> <p>The council also approved a new energy management policy in September and backed this up with staff awareness campaigns.</p>	<p>Due to the difficult financial situation, the council has found it more difficult to find capital funding for specific carbon reduction projects. The government's review of the feed-in tariffs scheme for renewable energy schemes has also meant that schemes might not be as financially viable as originally hoped for.</p> <p>Emissions due to gas useage went up by 25 tonnes mainly due to the pro-longed cold spell in the winter.</p> <p>Work to embed climate change adaptation across the whole work of the council has also been slower than hoped.</p>
<p>Cheltenham is able to recover quickly and strongly from the recession.</p>	<p>The Business Pride grants programme has been successful with positive business feedback and media coverage. As a result the grant scheme was oversubscribed.</p> <p>The council has set up an inward investment task force in association with Gloucestershire 1st in response to the proposed closure of a number of national and international HQs. A programme of work is being developed.</p> <p>The council also supported Gloucestershire 1st with the concept of a local enterprise partnership for Gloucestershire which has now been agreed by the Government.</p>	<p>Only five apprentices (against a target of 9) were recruited in partnership with Gloucester City Council, although all 5 have so far secured employment with CBC.</p> <p>In terms of its economic health, Cheltenham is still feeling the impacts of the recession; the overall employment rate in Cheltenham was below target at 81.9% and bad weather in December led to a reduction in footfall and customer spend in the High Street, though local shops were reported to be busier.</p>

Outcomes	what went well	what didn't go so well
We attract more visitors and investors to Cheltenham.	<p>The tourism website was re-vamped and led to a doubling in the number of "visitors" with nearly 1.3m hits compared to last year. The tourism and marketing strategy was agreed by cabinet.</p> <p>Work progressing at the county-level to improve tourism offer across the county.</p>	Visitor numbers to the Tourist Information Centre and those booking accommodation failed to meet their annual targets and reflect the downward trend with regards to visitors actually using the TIC in person.
Communities feel safe and are safe.	The total volume of crimes continues to fall, with 3% less crimes than last year (10,187 in total). Anti-social behaviour incidents are also on the decrease, with around 3% less incidents (7,024) compared to last year.	Repeat incidences of domestic violence are still high; the average for the year is 38%, with the figure for the last quarter being 60%. This is being tackled through increasing staff awareness and improving communications between partners. Domestic burglary had risen by 19% compared to the previous year and is a significant issue impacting on people's lives. Partners held a "turning the curve" workshop to explore the many ways in which burglary can be tackled – in the last 3 months (Mar, April and May), burglary rates have fallen back by 19%.
People have access to decent and affordable housing.	<p>Building work started on building 16 properties at Brighton Road which will meet Code for Sustainable Homes Level 4 meaning that they will be highly energy efficient and include photo-voltaic panels to generate electricity.</p> <p>41 new affordable homes have been delivered. Homes and Community Agency funding was secured and contract signed for the regeneration work at St. Pauls.</p> <p>The number of households living in temporary accommodation, at 16, is very low which is a direct result of the council's homelessness prevention service.</p>	At the end of the financial year, work has not yet started on the St. Pauls project which was delayed due to road closure procedures with the county council. The start date was early June 2011.

Outcomes	what went well	what didn't go so well
<p>People are able to lead healthy lifestyles.</p>	<p>Leisure@ has seen attendances just above target with just over 290,000 attendances against a target 288,000. Overall attendances are up compared to 2009/10 overall footfall based on sales is up by 11,718. Reactive and reactive concessions have seen double the expected levels of attendance. The Active life concession programmes have also performed well above target with 7700 additional visits compared to what would have been expected in Q4.</p> <p>The sports, play and healthy lifestyles team have continued to support a number of projects funded through the Health & Wellbeing Partnership linked to healthy eating, activities for older people and a self help emotional wellbeing training programme. The Sports Development team have continued to deliver a range of Sports Unlimited projects for semi-sporty young people including badminton, cricket, girls football, girls running network and street football. All have been well attended, and a number have exceeded targets.</p> <p>Figure released in December 2010 shows a significant increase in the percentage of Cheltenham residents meeting the target 3 x 30 minutes per week of "Sport & Active Recreation".</p>	<p>The 2010 summer holiday programme was slightly below its target as it only operated for a 5 week period in July/August, whereas the 2009 programme operated for 6 weeks, due to a longer school holiday period. Whilst the total attendance is therefore slightly lower than in 2009, the weekly average attendances have in fact increased significantly from 254 in 2009, to 296 in 2010</p>
<p>Our residents enjoy a strong sense of community and involved in resolving local issues.</p>	<p>In terms of neighbourhood management funding has been agreed with Hesters Way, Oakley, Cheltenham West End and Charlton Kings Parish Council to support their local areas. The DIY street projects are also supporting local residents improve their environment in Bath Road, East End Road and Mersey, Avon, Humber Roads.</p>	<p>Review of neighbourhood management will not go to Social and Community until September 2011 so the milestone target was not met.</p>

Outcomes	what went well	what didn't go so well
	<p>The Inspiring Families project was launched to support children and families in St. Pauls, Hesters Way and Oakley.</p> <p>In terms of BME work: community ambassadors formally launched at the Everyman on 19 April and steering group has now been established. A new Asian womens' group was set up at St. Pauls Church which now has 40 regular attendees.</p> <p>The fiesta successfully held on 10 July 2010 and the 2011 event is planned for 9th July.</p> <p>25 Community Pride projects were supported with £40k worth of grants including Cheltenham Connect who are leading on improvements to Bath Road.</p>	
<p>Arts and culture are used as a means to strengthen communities, strengthen the economy and enhance and protect our environment.</p>	<p>There has been considerable success in guaranteeing the go ahead of the Art Gallery and Museum development scheme. The first-phase fundraising target has now achieved £5,380,413 - with the news that the AG&M was successful with the second round bid of £750K to the Heritage Lottery Fund on the back of the council agreement to under-write the remaining shortfall. The AG&M was closed for the start of the decanting programme from 1st April 2011.</p>	<p>The work to merge the AG&M Visitor and Tourism services teams has been slightly slower than anticipated but will now be completed by 30th June 2011.</p>
<p>The council delivers cashable savings, as well as improved customer satisfaction overall and better performance through the effective commissioning of services.</p>	<p>The 2011-12 budget was finalised and approved by Council and closed a budget gap of £2.87m. with a range of projects and initiatives that will be monitored and reviewed through the Bridging the Gap programme.</p>	<p>Sickness absence was above target largely due to high levels in the Operations division where the main reason for absence in Operations was musculoskeletal (c15 days per fte per annum). All other areas in the Council were well below target at about 6 days, comparing favourably with private sector averages.</p>

Outcomes	what went well	what didn't go so well
	<p>The in year potential budget overspend was addressed by pro-active management by cabinet and the senior leadership team.</p> <p>The council has now formally agreed to adopt a strategic commissioning approach which will put a strong focus on understanding the needs of Cheltenham and its people in designing outcomes for public services. The Built Environment and Leisure and Culture Commissioning reviews began and are on track to report to cabinet in July 2011.</p> <p>The GO programme is now into implementation phase and the business case is on track to deliver original savings and will go onto deliver further savings by moving to a full shared service, including advisory services, for Finance, HR, Payroll and Procurement.</p> <p>Property disposed of a number of properties to generate capital receipts.</p>	

Background Papers	2010-2015 Corporate Strategy, Report to Council, 29 th March 2010.
Contact Officer	Richard Gibson, Policy and Partnerships Manager. 01242 235354. richard.gibson@cheltenham.gov.uk
Accountability	Cllr. Steve Jordan, Leader of the Council Cllr. Colin Hay, Cabinet Member Corporate Services
Scrutiny Function	Economy and Business Improvement

Information/Discussion Paper

Economy and Business Improvement Overview and Scrutiny Committee

18th July, 2011

Economic Development Update and the New Homes Bonus

This note contains the information to keep Members informed of matters relating to the work of the Committee, but where no decisions from Members are needed

1. Why has this come to scrutiny?

1.1 To update the committee on Economic Development, including proposals for administering 'New Homes Bonus' funding recently allocated by Council to:

1. Environmental improvements; and
2. Promoting Cheltenham.

1.2 To give the committee the opportunity both to nominate members to the 'Promoting Cheltenham' panel and to provide views on how the allocation process for funding should be administered and scrutinised, to help secure transparency and good governance, whilst at the same time ensuring that the process is streamlined and effective in delivery terms.

2. Economic development update

2.1 There has been some excellent work by the Council's economic development team over the last few years, with a range of successful projects having been completed.

2.2 Within the county, the impact of public sector spending cuts have had a significant affect in some areas and although CBC has maintained its staffing base, we are two full-time members of staff down – with the Economic development manager on maternity leave and our Economic development officer securing promotion to a new role in Swindon.

2.3 Responsibility for the Council's economic development activities moved to the Built Environment division with effect from 1st April 2011, recognising the particularly strong links between the planning system, physical improvements to the environment and the success of the local economy.

- 2.4 National public funding cuts have meant a 20% reduction in staffing at Gloucestershire First (now gfirst), the service that promotes Gloucestershire as a destination for businesses, visitors and investors. However, at the same time, Gloucestershire has made a successful bid to the government for support for a Local Enterprise Partnership (LEP).
- 2.5 Local Enterprise Partnerships (LEPs) are a cornerstone of the new economic development policy of the coalition government. They will be formally replacing the Regional Development Agencies when they finally disappear in April 2012 and will be based on more natural and functional economic areas, with an emphasis on private sector jobs growth and business involvement.
- 2.6 The Local Growth White Paper outlined the potential role of the LEPs as follows:
- Working with government to draw up key investment priorities;
 - Coordinating proposals or bidding directly for the Regional Growth Fund;
 - Supporting high growth business;
 - Ensuring business is involved in the development and consideration of strategic planning applications;
 - Leading change on local business regulation;
 - Strategic housing delivery, including pooling and aligning supporting funding streams;
 - Working with local employers, Jobcentre Plus and learning providers to help people into jobs;
 - Coordinating approaches to leveraging private funding;
 - Exploring opportunities to develop incentives to encourage renewable.
- 2.7 What does this mean for Cheltenham?
- 2.8 Now is an ideal time for the Council to review the role it wants to play in securing the economic well-being of the town, within the wider national and Gloucestershire context.
- 2.9 Structurally, the staffing situation means that there is some short term resourcing flexibility and officers have therefore been actively considering how best to respond to the emerging economic agenda.
- 2.10 Economic development is a theme which spans and impacts upon a wide range of activities, including not just those of the Council, but of partner organisations in the private, statutory and voluntary sectors.
- 2.11 Officers consider that the Council's role is primarily to help enable the right conditions within which businesses can thrive; in the future, the Council's economic development activities should be less about direct financial support to businesses and more about creating an environment which maximises the opportunities for the private sector to create jobs and prosperity for the local economy.
- 2.12 The proposed approach
- 2.13 There are three key strands to economic development activity, which are supported by the Council directly, these are:-
- 2.14 **Setting strategic context** – the Council has considerable influence, through the local development framework, its corporate plan and associated policies, to set the context for the town's development and in turn, the environment within which new and

- 2.15 **Promoting Cheltenham** – whilst this should be strategically directed at a Gloucestershire level by the LEP, the Council is well placed to promote the specific interests of the town and to help market this offer, both locally, nationally and internationally;
- 2.16 **Improving Environmental Quality** – in conjunction with its Regency heritage, Cheltenham's environment and its reputation as a 'town within a park' are key selling points, together with its retail and cultural offer as a festival town.
- 2.17 The strategic context needs to be an integral component of each of the Council's core policy documents, particular those that are important in framing the future development of the town. There are options in this respect and these will be the subject of detailed consultation, discussion and agreement through the joint core strategy (JCS) process.
- 2.18 Promoting Cheltenham's economic offer and improving the environmental quality of the town are the two key areas where the Council's operational activities can have an impact, both directly and indirectly, through business support and engagement with our partners and the wider community.

3. **New Homes Bonus 2011**

- 3.1 The Council has recently received its first allocation of the New Homes Bonus (NHB) from central government.
- 3.2 NHB has been designed to address the disincentive within the local government finance system for local areas to welcome growth. Until now, increased housing in communities has meant increased strain on public services and reduced amenities. NHB reduces this disincentive by providing local authorities with the means to help mitigate the strain the increased population causes. This should ensure that the economic benefits of growth are returned to the local authorities and communities where growth takes place. In addition, in doing so, NHB is intended to engender a more positive attitude to growth, and create an environment in which new housing is more readily accepted.
- 3.3 The Bonus commenced in April 2011, and will match fund the additional council tax raised for new homes and long term empty properties brought back into use, with an additional amount for affordable homes, in each of the following six years.
- 3.4 Cheltenham's first allocation of NHB amounts to £290,275 and Council agreed on 27th June, 2011, that this will be used to create 2 funds for the following uses:-
- 3.5 **Environmental improvements** - £130,000, supplemented by £30,000 from the civic pride reserve, to provide a total fund of £160,000 for small environmental works. Bids from within council departments will be made and decided by Cabinet in the autumn. The aim will be to tackle environmental issues in packages costing around £15,000 or so a time. An initial request has been made, and supported by Cabinet, for £10,800 to purchase larger waste bins for the council's parks to remove the need to use wheelie bins to cope with the summer peak in activity, plus replacement bins adjacent to Imperial gardens to complement the re-paving scheme.
- 3.6 **Promoting Cheltenham** - £160,275, supplemented by £18,731 of unspent LAA performance reward grant, giving a total fund of £179,006, for economic development

purposes to help tackle the recession and promote the town as a place in which to do business, by sponsoring activities and events which will attract visitors and trade. It will include cultural activities such as the festivals and tourism activities.

- 3.7** Criteria for applying and administering these funds are being established and will be the basis for prioritisation and associated recommendations by officers. Funding is likely to be distributed in 2 phases during the year. A draft of the 'Promoting Cheltenham' bidding guidance and criteria is attached to this discussion paper (see Appendix A).
- 3.8** The environmental improvements fund will be subject to a bidding process by internal Council departments, with bids signed off by a member panel drawn from the Cabinet.
- 3.9** In respect of the Promoting Cheltenham fund, a panel including external business representation, cross-party member representation and the appropriate Cabinet portfolio holders for both economic development and culture and finance, will be established to sign off the bidding criteria and advise Cabinet on allocations and performance monitoring arrangements.

4. Next Steps

- 4.1** It is proposed that a report to Cabinet will seek approval for bidding and governance arrangements in relation to the two identified funds set up by Council, which are being resourced using the New Homes Bonus allocation for 2011-12.

Background Papers	Council report entitled 'Financial outturn 2010/11 and budget monitoring to May 2011' – 27th June, 2011
Contact Officer	Mike Redman, Director Built Environment, 01242 264160, mike.redman@cheltenham.gov.uk
Accountability	Steve Jordan, Council Leader

Promoting Cheltenham Grant Fund

Application Guidance

The Fund

The Promoting Cheltenham Grant Fund is a programme which will provide grant aid support to events, projects and initiatives that will stimulate economic and business growth to Cheltenham by attracting more visitors to the town.

The Grant

A maximum grant of £20k will be awarded to projects that meet one or more of the following themes.

- Increased visitor numbers;
- Increased business attraction, retention or expansion;
- Increased community engagement;
- Increased number of new residents.

What can the grant cover?

Those expenses **reasonably** incurred for the promotion of an approved project or activity will be considered.

How will applications be assessed?

Grant applications can be made throughout the calendar year and will be assessed by the Council biannually. Successful applications will be approved by the Council in September and March each financial year.

Application Criteria

1. The project supports one or more of the Grant's themes;
2. The project is intended to have lasting economic benefits for Cheltenham and the local community;
3. The project is existing or new, but must go beyond the routine activity of your organisation;
4. The project will involve participation by Cheltenham's community;
5. Your organisation is equipped to keep appropriate records and to submit reports in respect of the project or activity, including evidence of expenditure incurred on the project;
6. Other partners are actively being sought to assist in funding the project;
7. The project will have measurable economic results (e.g. the number of attendees, revenue generated for the organisation that will remain within the community, etc.)
8. The project has yet to incur any direct costs;
9. The project will take place in Cheltenham.

If you can answer “Yes” to **all** of the above-mentioned criteria, you may be eligible for funding to assist with the costs of your planned activity.

What can help to make your application successful?

Your application **MUST** clearly demonstrate the following:

- How your project focuses **on one or more** of the identified themes
- How your project is **consistent with your organisation’s aims and objectives**.
- How the **success of your project will be measured**. In what manner will the project produce economic results for Cheltenham and how will this be measured by your organisation?
- The degree of **community involvement and support**. The project should be one that generates excitement and support within the community, or that has the potential to create new and lasting economic benefits to Cheltenham.
- Your project’s **lasting benefits to the community**. Once the project’s life span has expired, what continuing benefits are likely to flow from the existence of the project?
- For **on-going projects**, can you demonstrate **sustainability** of financial support and organisation?
- How your project is **not solely reliant on public funding**. The project budget in your application should also illustrate how you plan to raise additional financial support to complement grant funding from the Council.
- If your project is eligible for other funding, how will the Promoting Cheltenham Grant Fund **complement and add value to** those other sources of funds?

Payment and Accounting

Large and small projects/events must properly account for expenditure and income. All receipts and invoices must be maintained. Cheltenham Borough Council reserves the right to audit any project for which grant funds were issued.

All payments will be made only **after** receipt of a claim form and final written report.

Within **two** months (60 days) of project completion, a project-end report and claim form **must** be submitted. The report must include information about whether the project’s goals were met, how its success was measured, the level of community engagement, sustainability of the project as well as any partnership and stakeholder involvement.

More details on what to include in the project-end report and claim form will be provided in a Letter of Agreement, which must be signed by a representative of your organisation. The final grant payment will not be issued until the above report and claim form is submitted and deemed complete and accurate.

Application Tips

1. If you answer all questions completely, we will be able to process your application faster. Missing or incomplete information will slow the processing of your application and may result in its rejection or delay until the next decision deadline. Attach additional typewritten or hand PRINTED sheets if you need more space.
2. It is the applicant's responsibility to ensure that the proposed project or activity complies with all relevant federal, provincial/territorial, and municipal laws. If applicable, attach a list of all permits required and standards known to apply to your project, and describe how your project complies with them.
3. Sign and mail or fax the original completed form and any supporting documents to:

Promoting Cheltenham project co-ordinator
Municipal Offices
Promenade
Cheltenham
GL50 1PP
4. Retain copies of all documents for your own records.

APPLICATION FORM

Section A:

Applicant Information

- 1) Full legal name of your organisation.
- 2) Mailing address (with postal code, telephone, fax, e-mail)
- 3) Aims & Objectives of your organisation
- 4) Contact information

Section B:

The Project / Event

- 1) Describe the Project or Event
- 2) Grant theme to which your project/event
- 3) When will this event take place (Date, Time and Location) or When is the expected completion date of the project.
- 4) The project or activity complies with relevant legislation Photocopies of permits (if applicable) are attached.
- 5) Attach a detailed description of the project or activity (use additional paper if you need more space).

Be sure to include information on:

- Goal(s) of the project/activity;
- How the project/activity relates to the grant themes;

- Target audience (who will participate, who will benefit);
 - Level of community support/involvement;
 - How the project/activity complements the objectives of your organisation;
 - How the project is intended to provide lasting benefits in promoting the community;
 - How results of the project/activity will be measure;
 - How the project/activity will be promoted and communicated, both in the community and outside the community.
- 6) Attach a detailed Marketing Plan

Section C: The Budget

- 1) Have you applied for funding from other sources for this project?
- 2) If yes, indicate the source and amount received (or expected to be received)
- 3) Attach a detailed budget projection for the ENTIRE Event or Project

Section D: Applicant Declaration

To be added

Signature of Treasurer (if applicable)

Cheltenham Borough Council

Economy and Business Improvement Overview and Scrutiny Committee - 18th July 2011

Cabinet – 26th July 2011

GO Shared Services

Accountable member	Cabinet Member for Corporate Services, Colin Hay
Accountable officer	Director of Resources, Mark Sheldon
Accountable scrutiny committee	Economy and Business Improvement O&S
Ward(s) affected	None
Key Decision	Yes
Executive summary	This report outlines the proposals from the GO Programme Board for the arrangements for shared service delivery for Finance, Procurement, Human Resources, and Payroll services.
Recommendations	<p>Cabinet is requested to:</p> <ul style="list-style-type: none"> a) Approve the revised GO Shared Services business case and appendices which reflect the provision of advisory and transactional services that will be delivered from GO Shared Services and which are expected to deliver an annual saving of £285k to Cheltenham Borough Council from 1 April 2013. b) Delegate to Cotswold District Council (CDC) its Finance, Procurement, HR and Payroll services (including the transfer of staff under TUPE) as set out in this report in accordance with s101 Local Government Act 1972 and s19 and s20 Local Government Act 2000. c) Delegate authority to the s151 Officer in consultation with the relevant Executive Director and Cabinet Member for Corporate Services to enter into the following agreements on terms approved by the Borough Solicitor, subject to all GO partner councils entering into similar relevant agreements at the same juncture: <ul style="list-style-type: none"> (i) Revised GO Programme collaboration agreement (ii) Agreement under s101 Local Government Act 1972 and s19 and s20 Local Government Act 2000 with Cotswold District Council (CDC) in respect of Finance, Procurement, HR and Payroll services as set out in this report. d) Nominate the Cabinet Member for Corporate Services as the elected member representative to the GO Shared Services Joint Monitoring and

Liaison Group (JMLG.)

e) Delegate authority to the s151 Officer in consultation with the relevant Executive Director and Cabinet Member for Corporate Services to enter into an agreement with Cotswold District Council (CDC) and Cheltenham Borough Homes Limited (CBH Ltd) under the Local Authorities (Goods and Services) Act 1970 for the provision of transactional services to CBH Ltd on terms approved by the Borough Solicitor.

<p>Financial implications</p>	<p>The implementation costs of the GO Programme were set out in the business case approved by the GO partner councils in the autumn of 2010. Although the contingency funding within the business case is now anticipated to be fully utilised, overall the Programme costs remain in line with the approved budget of £1.4m. Further expected savings have arisen as a result of the delivery arrangements proposed in this report, and are detailed in Sections 13, 14, 15 of this report and in Appendix C.</p> <p>Contact officer: Mark Sheldon, mark.sheldon@cheltenham.gov.uk, 01242</p>
<p>Legal implications</p>	<p>The legal implications are covered in Section 18 of this report.</p> <p>Contact officer: Shirin Wotherspoon shirin.wotherspoon@teWKesbury.gov.uk, 0168 272 017</p>
<p>HR implications (including learning and organisational development)</p>	<p>The HR Implications (in particular TUPE implications) are covered in detail in Sections 9, 10, 11 and 12 of this report.</p> <p>Contact officer: Julie McCarthy, julie.mcarthy@cheltenham.gov.uk, 01242 264355</p>
<p>Key risks</p>	<p>The GO Programme maintains a risk log of all risks. High level risks, ie those risks scoring 6 or above, are included at Appendix 1 to this report. This includes a description of the risks and the actions being taken to mitigate them. Risks that have high residual risk rating are also transferred to the each partner Council's Corporate Risk Register (CRR). The risk rating approach adopted by partners for the Programme differs from the Council's own method of scoring and rating risks, but where risks are transferred to CBC's CRR, they are re-scored.</p>
<p>Corporate and community plan Implications</p>	<p>Contributes to the corporate aim of delivering cashable savings, improved customer satisfaction overall and better performance through the effective commissioning of services.</p>
<p>Environmental and climate change implications</p>	<p>The overall impact of the programme as this stage is seen to be neutral in terms of energy, water, and transport. The move to one integrated computer system which replaces several may have a positive environmental impact. A further assessment may be needed post go-live.</p>

1. Background

- 1.1 For Cheltenham Borough Council, the GO Programme has its origins in that early work to holistically review support services – the Sourcing Strategy. Agreed in 27 October 2009, the Sourcing Strategy project was committed to supporting the delivery of excellent outward facing services recognising that good quality behind the scenes services were essential to support efficient and effective front-line services; additionally in the current financial climate driving out savings in support areas can help protect valuable front line services. The Sourcing Strategy objectives were agreed as cashable savings, customer satisfaction, effective performance underpinned by a *platform for excellence and partnership*. Cashable savings were seen as the most important objective - critical to securing the Council's long term financial future. These same objectives now lie at the heart of the GO Shared Services Programme.
- 1.2 The (implementation phase – v3.0) business case for the GO Programme was approved by each GO partner council in the autumn of 2010. The GO partner councils authorised the GO Programme Board to proceed with implementation of the ERP and to develop the proposals for sharing transactional and some professional services. At the same time, s101 delegation arrangements were approved to enable the creation of the IT & Hosting Centre of Excellence (CoE). It was stated that Member approval would be sought for the establishment of the two remaining CoEs covering Finance/Procurement and HR/Payroll once details had been worked up.
- 1.3 The ultimate vision of the GO Programme, as stated in the approved business case, was to share all finance, procurement and HR services but it was recognised this may not be 100% achievable due to local requirements of each GO partner council. The approved business case was based on sharing of transactional services and some professional services, called level 3.5.
- 1.4 Since approval of the GO business case, work has been proceeding on the system design and hardware procurement for the IT & Hosting CoE. In addition, two project teams were set up to manage the specification, selection process and approval of the Finance/Procurement and HR/Payroll CoEs.
- 1.5 The Local Government funding settlement announced in December 2010 resulted in higher than anticipated cuts in government grants over the next 2 years. This economic reality has resulted in the need to increase the savings anticipated from the GO Programme.

2. Development of the business case

- 2.1 In view of the requirement to increase savings from the GO Programme, Officers have revisited the decisions previously made about the services in scope for the GO Shared Services, and the concept and number of CoEs that would be required to deliver shared services across the partnership.
- 2.2 The GO Programme Board has taken into account the political aspirations for greater savings than projected in the original business case and has therefore considered the feasibility of moving the business case on from sharing transaction services plus some advisory services (referred to as level 3.5 in version 3 of the GO Programme business case) to sharing all transactional and advisory Services (level 4 and the ultimate aspiration in the version 3 business case).
- 2.3 Implementing three CoEs (Centres of Excellence), as originally planned, would require individual management structures to manage both the staff and the services delivered

to each GO partner council. In addition, lead authorities would need to be identified for each of the CoEs and separate delegation agreements prepared and approved. Moving to a combined shared service for Finance, Procurement, HR and Payroll will reduce the management overhead significantly. In addition, only one set of delegation agreements would be needed, reducing the complexity and time needed to prepare the necessary documents.

- 2.4** Many of the posts in current Finance, Procurement, HR and Payroll functions provide both transactional and advisory services. Sharing services at level 4 avoids the need to segregate out level 3.5 transactional and advisory services, the required restructuring to create level 3.5 shared services and advisory services, followed by a further reorganisation when moving to level 4 services. The revised business case (version 4.0), which includes the savings from sharing advisory services, is attached at Annex A to this report. The transactional, professional and advisory services to be provided by the GO Shared Services are shown in Appendix A of the Business Case. This Appendix also sets out details of strategic services which will remain the responsibility of each of the GO partner councils.
- 2.5** The GO Programme Board has concluded that savings can be increased by implementing a single combined Shared Service for Finance/Procurement and HR/Payroll, instead of two separate CoEs. The IT & Hosting CoE will still be needed owing to IT and infrastructure requirements.

3. Development of the governance arrangements

- 3.1** The current delivery model for the GO Shared Services, as approved by each authority in the autumn of 2010, is a s101 Lead Authority (employing council) delegated arrangement (as per the agreements for the IT Support & Hosting CoE) supported by a Collaboration Agreement between the councils.
- 3.2** The GO Programme Board is aware of the requirement to deliver further efficiency savings over and above the savings set out in version 4.0 of the Business Case. These savings will require further action to be taken either to market the GO Shared Services to attract new partners or to expand the scope of services provided by the partnership to include more Council services such as ICT, Internal Audit, Revenue and Benefits or other services. Following establishment of the GO Shared Services, which is expected to be completed by October 2012, an options appraisal will be carried out to explore the options for expanding the GO Shared Services with indications of the level of savings available. The options appraisal will include a review of the governance options.
- 3.3** At a meeting in January, SPMB members indicated a preference for a governance mechanism that would allow the GO Shared Services to trade with external bodies. As a result, the GO Programme Board has reviewed the governance options available for the GO Shared Services.
- 3.4** Discussions have taken place regarding the advantages and disadvantages of the different options and the GO Programme Board concluded that, for trading purposes, setting up a Local Authority Company (LAC) would be the most appropriate solution, subject to an assessment of potential procurement requirements. The GO Programme Board also considered various private sector and third sector models and has discussed whether these private sector and third sector models should be considered in more detail, but have concluded it would not be appropriate at this stage. The main reason for coming to this conclusion is the fact that these models require allocating some of the shareholding, and a degree of control, to outside bodies, whereas the LAC model meets the fundamental requirement of allowing the GO Shared Services to trade whilst being wholly owned by the GO partner councils.

3.5 The GO Programme Board is therefore recommending that the GO Shared Services is established using a s101 delegation arrangement for an initial two year period (1st April 2012 to 31st March 2014). During that time (by 31 October 2013), an options appraisal for developing the GO Shared Services will be carried out which will include a review of the governance options.

3.6 When April 2014 is reached, there are 3 potential scenarios:

a) The GO Shared Services becomes another legal entity

b) The GO Shared Services continues under the existing Lead Authority (employing council) and the s101 arrangement is extended

c) The GO Shared Services continues under a new Lead Authority (employing council) and a new s101 arrangement is implemented.

Scenarios a) and c) above would involve a second TUPE of staff.

3.7 It is the GO Programme Board's view that option c) above is a highly unlikely situation for the new GO Shared Services. The Lead Authority (employing council) will have been operational for two years by April 2014, and been subject during that time to regular monitor and review by the GO Joint Monitoring and Liaison Group (JMLG) made up of Members and Senior Officers of the GO partner councils. It would be difficult to envisage a set of circumstances that would justify a move away from the existing Lead Authority (employing council), but it must be acknowledged that the option does exist for the GO partner councils.

4. The Lead Authority (employing council) Relationship with the Joint Monitoring and Liaison Group (JMLG)

4.1 The role and responsibilities of the JMLG are set out in Appendix B of the GO Business Case at Annex A to this report, and more fully in the GO Collaboration Agreement.

4.2 The lead authority (employing council) will have the same representation on the JMLG as the other GO partner councils (one Member and one Senior Officer). Therefore, the lead authority (employing council) will have no greater say in the future development of the GO Shared Services than any other GO partner council.

5. The Delegated Responsibility for the Go Shared Services

5.1 Each GO partner council is being requested to delegate authority to enter into the s101 agreement to the appropriate Members and Officers.

5.2 The details of the functions to be delegated to the GO Shared Services are set out in Annex A of the GO Business Case at Appendix 2 to this report. Annex A also details the responsibilities that will remain with each GO partner council.

5.3 The JMLG will monitor the performance of the GO Shared Services using key performance indicators (KPIs) included within the finalised s101 agreement. The aim is to minimise the number of KPIs but ensure that they remain at a level that establishes the performance of the GO Shared Services (highlighting under or over delivery against

performance standards) and delivery of benefits as per the business case. Some illustrative examples of KPIs include:

- Costs to GO partner councils compared to benchmark
- Transactional costs for payroll, accounts receivable and accounts payable services
- No of days to pay non-disputed invoices
- The outcome of customer satisfaction surveys for advisory services

6. Selection of the Lead Authority (employing council)

6.1 As agreed by the SPMB a mutually agreed process was followed for the selection of the lead authority (employing council). The broad areas for the selection of the lead authority (employing council) were defined by the GO Programme Board as:

- Capacity; particularly the ability to provide strategic support for the GO Shared Services
- The ability, in the future, to be able to provide services to the new waste company being considered by some of the GO partner councils
- Policies which support and enable shared services
- Experience of shared services
- Demonstration of ability to deliver efficiencies from shared working
- Political support for the concept of shared services and this programme
- Effective member/officer relations
- Alignment with vision for the lead authority
- Alignment with other shared services
- An embedded risk management culture and processes
- A clear line of accountability and management of the GO Shared Services

6.2 Two authorities, Cotswold District Council and the Forest of Dean District Council expressed an interest in being the lead authority (employing council) for the partnership.

6.3 The Chief Executives of all the GO partner councils considered the expressions of interest on 11th May 2011 and it was mutually agreed to recommend Cotswold District Council as the lead authority (employing council) for the GO Shared Services.

6.4 In order to provide Members with some assurance over the selection of the lead authority (employing council), Audit Cotswolds, working in conjunction with the South West Audit Partnership, have carried out a due diligence review and concluded that Cotswold District Council in general meets the criteria for the due diligence and can be considered for the lead authority (employing council). This is based on the evidence identified and considered in the time available for the due diligence exercise. However, there were observations noted by Internal Audit that will need resolving prior to the appropriate milestone.

7. Lead Authority (employing council) Risks

7.1 Following the political approval of the GO Business Case in the autumn of 2010, each GO partner council entered into a Collaboration Agreement and a s101 agreement for the ICT Support and Hosting CoE. Within the Collaboration Agreement is a "hold harmless" clause. This effectively means that each GO partner council will not sue its partners over the negligent performance of the GO Shared Services. Instead, the GO

partner councils will work collaboratively in order to find a resolution to the problem. This gives the lead authorities for the Support and Hosting Centre of Excellence and the GO Shared Services some comfort regarding the level of risk that those Councils are being exposed to.

- 7.2** The key risks to the lead authorities for the Support and Hosting CoE and the GO Shared Services relate to being the employing authority. There is the potential for some financial risk should the funding level of the Gloucestershire Local Government Pension Scheme (LGPS) worsen. This risk has been minimised as the pension fund deficit contribution is now paid as a lump sum by each of the GO partner councils. Should pension fund contributions become a financial burden to the lead authorities in the future, this can be resolved using the charging principles which are discussed in the Financial Implications section of this report at section 13 of this report.

8. Risks to the GO Programme

- 8.1** Risks are reviewed by the Programme Board fortnightly, and significant risks are included on the corporate risk registers at each GO partner council. The programme significant risks at the date of this report are included at Appendix 1 of this report.

9. Delivery of the GO Shared Services

- 9.1** When considering how the GO Shared Services will be delivered, there are 3 levels of function envisaged that can be expressed as, Strategic, Tactical and Operational functional levels as follows:

- 9.2 Strategic Function** - the term "strategic" refers to the management of the GO Shared Services, not to any strategic professional advice from within the tactical or operational functional areas. Effective strategic leadership for the GO Shared Services needs to be in place during the tenure of the Lead Authority (employing council) for the interim period (April 2012 – March 2014) in order to provide clarity of accountability to the JMLG and to ensure delivery of key accountabilities during the period which are envisaged as:

- Construction and delivery of a business case during 2013 including options for future GO Shared Services governance arrangements (i.e. local authority limited company, continuation of s101 or other arrangement) and future savings/income targets
- Management of an effective transition to an agreed GO Shared Services governance structure beyond April 2014.
- Accountability for the delivery of the agreed savings targets for the period October 2012 – March 2014.
- Accountable to the JMLG for the GO Shared Services performance during the interim period as per the s101 agreement.
- Accountable for ensuring that the ICT Support & Hosting Centre of Excellence provides an effective service to the GO Shared Services in accordance with the s101 Agreement.
- Responsibility for leading the work on the definition of the future vision for the GO Shared Services and getting agreement from the JMLG for the same. This is likely to include assessing opportunities for additional business and engaging potential customers in order to ensure the business case delivered during 2013 is realistic and deliverable.
- Leading the development of the GO Shared Services as an entity, creating and then embedding a suitable culture for the service.
- Stakeholder engagement, communication and management (includes Cheltenham Borough Homes Ltd)

- Sound financial and business leadership of the GO Shared Services
 - Ensure JMLG is engaged and kept fully informed on a regular basis of GO Shared Services performance, risks, issues and benefits realisation.
 - Management of tactical functions – this will include line management and ultimate accountability for delivery.
 - Finalisation of costs, structures and arrangements for 1st April 2012. It should be noted that this element of the role is planned to be in place at the latest by end December 2011.
- 9.3** It is the view of the GO Programme Board that it is a key requirement for a single person to be accountable for the strategic functions, even if the workload is shared between more than one individual.
- 9.4** **Tactical Function** - this is the day to day management of the services, (also providing support for the strategic function) and includes:
- Management of operational functions (including responsibility for day to day performance, charging, client liaison with the Support and Hosting Centre of Excellence)
 - Driving the ongoing development of ERP system (including system upgrades)
 - Project management
 - Operational enhancements to GO Shared Services (e.g. common banking arrangements)
- 9.5** Strategic professional advice delivered by officers within the GO Shared Services, will sit within the tactical function backed up by operational and advisory resources. With regard to officers who currently undertake the role of deputy s151 officer, they will also sit within the tactical function but will be seconded back to their previous authorities to formally undertake that role.
- 9.6** It should be noted that elements of the Tactical functions will need to be provided from late 2011 and that the individuals performing these roles will need to be in post prior to April 2012 if a smooth and effective transition to GO Shared Services operations is to be achieved (see section GO Shared Services management below).
- 9.7** **Operational Function** - this comprises all the day to day operational and administrative support and includes:
- Transactional [what was called “level 3”] (e.g. Payroll, Accounts Payable, purchase ordering etc)
 - Professional & Advisory [what was called “level 4”] (e.g. HR Advisor, General accountancy)
- 9.8** It is the view of the GO Programme Board that in terms of actual resources required for the Tactical and Strategic functions above, the minimum will be the equivalent of 3 FTE (excluding any requirements for strategic professional advice provided by officers at the tactical level). Furthermore it is also considered essential by the GO Programme Board that the strategic resources are contained within the GO Shared Services and s101 arrangement.
- 9.9** The arrangements for the delivery of the strategic function has formed a key part of the due diligence process performed on the proposals of the intended Lead Authority (employing council).
- 9.10** As Cotswold District Council are proposing to split the role of an existing member of their Strategic Management Team it will be necessary to second the resource into a

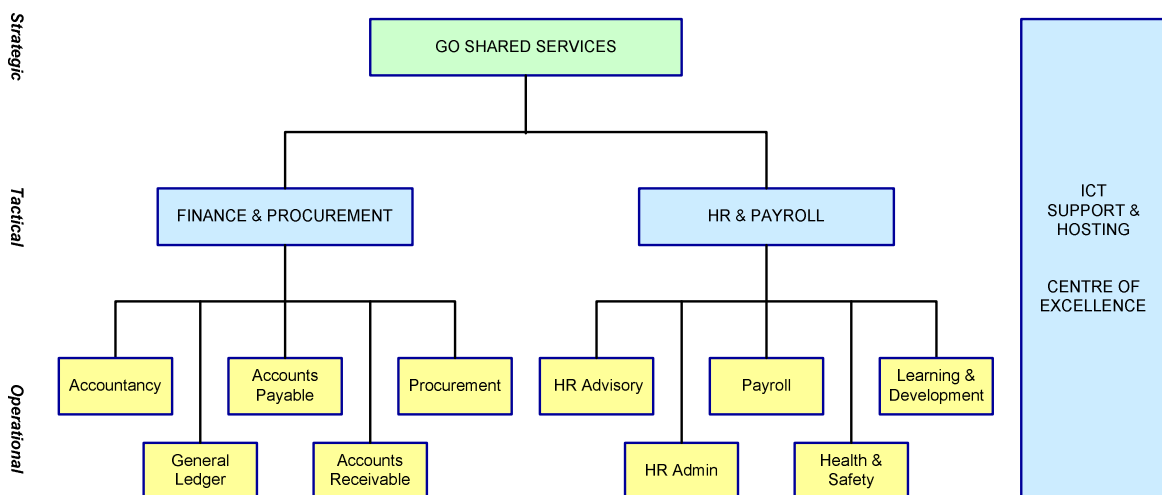
defined role within the GO Shared Services to meet governance requirements and to demonstrate separation from the Lead Authority (employing council) management structure. It should be noted that the individual concerned may, by virtue of employment law, in particular TUPE, acquire the right to transfer to a Local Authority Limited Company in 2014 if this is the direction that is agreed in 2013.

9.11 It should also be noted that due to the timescales involved, it is the working assumption of the GO Programme Board that the operational structures for April 2012 will be as defined by projects GOPA and GOPB (and thus having GO Programme Board approval). The due diligence process has reviewed the suitability of the strategic structure and some elements of the tactical roles to give an independent view of proposals.

9.12 The GO Shared Services is proposing to use a business partnering model for the advisory elements of the HR and Finance services. Details of business partners and which services and authorities they will support will be determined in the period between April 2012 and October 2012 when the full GO Shared Services will be implemented. In the period between “go-live” and the full GO Shared Services being in operation, officers at each authority will retain their existing access to HR and Finance officers. Administrative (transactional services) delivery arrangements will also be determined during the same period, with GO partner councils committed to ensuring best use is made of their collective accommodation going forward.

10. GO Shared Services management

10.1 There are a number of posts in the proposed GO Shared Services that it is proposed need to come into operation in advance of 1st April 2012 go live date to begin to help shape and create the new services. It is envisaged that 3 full time equivalent capacity is required at strategic (overall accountability for performance and leadership of the GO Shared Services) and tactical levels (key roles to lead the Finance & Procurement, and Human Resources & Payroll operational levels) as described below:



10.2 Cotswold District Council will provide capacity for the strategic leadership of the GO Shared Services. The strategic lead role will need to be supported by the tactical lead roles. It is recommended that capacity for these key roles is set in place as soon as possible after a decision is made on the governance arrangement in order to help lead arrangements for the new service, effect a smooth transition, plus provide some certainty for employees on the future management of the service. It is proposed therefore that the lead authority (employing council) moves as quickly as possible to

secure the required capacity and have this in place no later than end December 2011. If new roles are conceived, these will need to be described, evaluated, and recruited to, and ideally offered in the first instance to those within GO partner councils' existing employee base and potential TUPE ring fence.

11. Human Resource Implications – TUPE

11.1 The Transfer of Undertakings (Protection of Employment) Regulations 2006, are envisaged to apply in the creation of the GO Shared Services, as part of each GO partner council's business or undertaking will transfer as a going concern to the lead authority (employing council) under the s101 agreement.

11.2 Under TUPE all the employees who spend more than (as a guide) 50% of their work time on work transferring to a lead authority (employing council) will, unless they object, automatically transfer to the employment of the lead authority (employing council) under their existing terms and conditions of employment, along with continuity of service.

11.3 If any employees object to the transfer then they do not move across to the lead authority, but equally they do not stay - instead the transfer itself terminates their employment and they usually have no rights against anyone in consequence. A refusal to transfer will usually mean that the employee has in effect resigned, i.e. no entitlement to redundancy.

11.4 Work will need to commence to comply with TUPE regulations. Key steps to be taken are as follows:

a) Identify which employees will be affected by the transfer. This group includes not only all the transferring employees but also anyone whose work will be affected by the transfer (e.g. remaining employees who may be taking on additional work, those at CDC who will not transfer under TUPE but may be impacted the transfer of others into CDC employ). Impacted employees are currently estimated as follows for each authority:

b)

	No of employees	FTE
Cheltenham Borough Council	33	28.9
Forest of Dean District Council	20	14.0
West Oxfordshire District Council	25	20.2
<i>No TUPE transfer but impacted by the GO Shared Services:</i>		
<i>Cotswold District Council</i>	19	14.3
Totals	97	77.4

- c) There is a statutory requirement for full and proper consultation with employees, their representatives and any recognised trade unions. Consultation with representatives and employees impacted directly and indirectly needs to take place regarding the TUPE transfer. Consultation must take place in good time before the transfer, and is planned to commence towards the end of 2011, through to March 2012). Due diligence in passing employee information (see below) to the new employer must take place; any failure to carry out this step could cost up to 13 weeks' gross pay per affected employee. Note that it is no defence that full information or consultation would make no difference to the end result, or that the staff suffered no loss as a result. There is no specified minimum period over which consultations must be conducted prior to a transfer taking place and it is important to note that there is no link between TUPE and redundancy provisions.
- d) GO partner councils will need to give the lead authority (employing council) certain employee liability information about the transferring employees, essentially detailing the financial, legal and contractual information that comes with each. The information must be given no later than 14 days before the transfer and must include:
- each transferring employee's name, age, terms and conditions
 - information on any grievances they have lodged
 - any claims they have brought or disciplinary action taken against them.

This is legally required by TUPE (to ensure all possible cost liabilities are known pre-transfer) therefore there are no data protection issues as it is covered by the legal obligation exemption in respect of the disclosure of this information (see The Employment Practices Data Protection Code). Wherever practicable information handed over to the new employer will be anonymised. Employees will be advised that their employment records are to be disclosed to the new employer before transfer. Each council will need to obtain formal assurances regarding the use and safekeeping of the information and its return if the transfer does not in the event proceed.

There is a penalty of a minimum of £500 in respect of each employee for whom the required information was not provided or was defective, in addition to which the lead authority (employing council) can bring proceedings to recover any loss arising from its reliance on poor or incomplete information.

- e) It is worth noting that if any employee is dismissed for reasons connected to the transfer, this dismissal may be automatically unfair. The new entity may, however, dismiss them post-transfer from some other reason not connected with the transfer (e.g. for economic, technical or organisational reasons).
- f) All relevant employees will transfer into the new GO Shared Services with effect from 1 April 2012, the date that it is envisaged that the TUPE transfer will take effect, and will fall under the new management arrangements described above. No immediate staffing changes, with the exception of the management arrangements, are envisaged before this date, nor on transfer. Any variations to operational arrangements post 1st April 2012, for example to ensure the savings envisaged are realised, will be subject to separate discussions and consultation. The new ERP system will be implemented as per the planned programme, however it is envisaged that existing management arrangements will continue until the TUPE transfer is effected (which takes account of ERP implementation in two phases).

12. Accommodation

- 12.1** The GO Partnership aims to make best use of its collective accommodation across the partnership, locating services to best meet service needs and that is most cost-effective and efficient.

- 12.2** Overall the service needs to accommodate 97 individuals (77.4 FTE). An initial assessment has shown that no single GO partner council has sufficient accommodation to locate all services on one site. The types of services in-scope for GO Shared Services also indicates some services to be more fixed location dependent than others (e.g. accounts payable/payroll, versus advisory). There is the potential to provide some services across the GO partner councils corporately, whilst other services could work on a more geographic (East/West), or service group basis (e.g. advising all GO partner councils' community services or built environment). A key additional factor will be where employees are currently located, and that accommodation does not create unnecessary staff turnover which would destabilise the services in its first year of operation.
- 12.3** More work will need to be done to resolve the accommodation issues, working from the principles of ensuring the delivery model does not overly add to cost and reduce performance and capacity (e.g. redundancy, excessive travel).

13. Financial Implications

- 13.1** The implementation costs of the GO Programme were set out in the business case approved by the GO partner councils in the autumn of 2010. Although the contingency funding within the business case is now anticipated to be fully utilised, overall the Programme costs remain in line with the approved budget of £1.4m.
- 13.2** The general charging principle is that the GO Shared Services will recharge all costs on a cost recovery basis. In the interim period, up to 31st March 2014, costs will be recharged in proportion to the original baseline staffing position. This will ensure an equitable level of savings for all GO partner councils in line with the original Business Case. The long-term aspiration will be that transactional services will be recovered on a unit cost per transaction basis by April 2014 and other posts will be shared on an agreed equitable basis. For the period 1st April 2012 to 30th September 2012, while the GO Shared Services is being established, costs will be recharged to the pre-transfer authority on a full cost recovery basis.
- 13.3** Each authority will provide a baseline staffing position for each GO Shared Services area (Accounts Payable, Accounts Receivable, Payroll, Accountancy, HR transactional and HR advisory). This will reflect the full establishment of each service by person, post, grade and budget. The Baseline costs will be measured against the service costs once the GO Shared Services has been fully implemented, the difference being the savings to accrue to each respective authority.
- 13.4** It is anticipated that the savings from the GO Shared Services will increase from £394,456 per annum (as per the original business case) to £619,042 per annum. The Business Case at Appendix 2 has been updated to include additional savings of £224,586 per annum.

	Original	Revised
	Savings	Savings
Cheltenham Borough Council	131,632	221,856
Cotswold District Council	82,364	116,940
Forest of Dean District Council	74,300	113,495

West Oxfordshire District Council	106,160	166,751
Total	394,456	619,042

- 13.5** The additional savings generated from moving to a full shared service by 1st April 2012 are £90,224 when compared to the Business Case approved by Cabinet in September 2010. In addition to this figure, a saving of £16,300 has been realised in advance of the full shared service going 'live' through the deletion of the systems and business improvement manager post in 2011/12.
- 13.6** However, the medium term financial strategy already accounts for the deletion of the post of Assistant Director – Human Resources and Organisation Development from 1st October 2012 with assumed savings of £69,000 which therefore reduces the additional cashable saving from moving to a full shared service to £37,524. It does mean, however, that the organisation will retain access to strategic HR support which under the existing arrangements would have needed to have been 'bought in' as and when required with no base funding identified.
- 13.7** Any additional savings arising from any future restructures will be shared in proportion to the original baseline staffing position. Any new income generated by the GO Shared Services will be shared equally by the GO partner councils.
- 13.8** The programme payback period in the original business case was 5.5 years. Taking into account the revised savings figures the programme payback period has improved to 4.35 years. For this council, the payback period has improved from 4.98 years to 3.75 years.

14. Pension Liabilities

- 14.1** Advice to date from Gloucestershire's LGPS Actuary indicates that staff transferring to the lead authority (employing council) will transfer with fully funded pensions as any deficit on those staff will remain with their original employing body. This means that the councils who are not the lead authority (employing council) will have less employees to spread the recovery of that deficit over. However, this is not likely to have a significant impact on recovery rates given the relatively small number of staff transferred and the change by the Actuary to recover deficits as a fixed sum rather than as a percentage of total pensionable pay.
- 14.2** The possible move to a Local Authority Company (LAC) in the future would have different pension implications and will be appraised subject to a business case for this option. However, staff that transfer to a LAC must be offered protection for their accrued LGPS future pension rights going forward. On this basis the lead authority (employing council) may wish to caveat the s101 agreement to ensure that no GO partner council is disproportionately disadvantaged should the GO Shared Services change its operating vehicle (e.g. LAC) in the future.

15. VAT

- 15.1** The supply of GO Shared Services to the GO partner councils will be via a s101 agreement under the Local Government Act 1972. This enables the service to be provided as a non-business supply, which means that VAT is not chargeable from the lead authority (employing council) to its partners.
- 15.2** Each local authority is required to prepare a partial exemption calculation for VAT accounting purposes. The partial exemption calculation substantiates each local

authority's right to reclaim all VAT input tax back from HMRC. Although, there will be a small impact upon this calculation, it is not anticipated that any authority will be unable to fully recover VAT input tax as a direct result of the use of the delegated authority.

16. Other considerations / changes required

- 16.1** The Business Solution Design documentation for the ERP system has now been signed off by the GO Programme Board. A significant amount of work has been carried out to standardise processes to enable the GO Shared Services to deliver the maximum efficiencies. However, as a result of standardising processes, each GO partner council has identified changes that will be required to documents such as Financial Procedure Rules, Contract Procedure Rules, Constitutions, HR policies etc. that need to be approved by Members prior to the implementation of the new ERP system. Reports will be taken to each GO partner council during the remainder of 2011, to seek the necessary approval for any changes.
- 16.2** There is likely to be an impact on the retained organisation at the Council in terms of certain roles not identified as being in scope. These are – ICT training (0.5fte) which will need to be located on the retained organisation side, and the lead accountability for delivery of member training, which was taken on by Human Resources last year and which would return to Democratic Service. The s151 role will be retained by each partner council retained organisation, with those officers fulfilling the Deputy s151 role being seconded back to partner councils for the purpose of fulfilling this role.
- 16.3** A Joint Waste Local Authority Company (LAC) is intended to be established between Cotswold BC and Cheltenham Borough Council. It is envisaged that the HR, Finance, Procurement and Payroll services will be provided by the GO Shared Services to the LAC company. Work is currently underway to assess and cost the service requirements as part of a further report to Cabinet in the autumn.
- 16.4** The “client” interface between the Council and the GO Shared Services will need further exploration, as part of establishing the governance arrangements (Client Officer Group, and Joint Monitoring and Liason Group). It will be important to ensure that establishing an effective performance monitoring interface impacts positively on efficiency and does not negatively impact capacity and cost.
- 16.5** Significant process and behaviour change will be required across the Council to support the implementation of the ERP system (Agresso Business World), including management and employee self-service for certain processes. A £26k investment in business change has been allocated to support business change within the Council. Scoping for the programme overall has begun on this aspect. The Council's local implementation project (GO Project K) commences in July, with implementation for both Cheltenham and Cheltenham Borough Homes Ltd set for 1st April 2012.

17. ICT Implications

- 17.1** The GO Shared Services will be supported by the ICT Support and Hosting Lead Authority (Cheltenham Borough Council) to find a method of accessing ICT systems at all of the sites to enable staff, particularly in advisory roles, to perform their roles as efficiently as possible. For example, staff will need access to one system for accessing emails, electronic calendars etc. and will also need to access shared drives and intranets at all client sites.
- 17.2** More work will need to be done to resolve these ICT implications.

18. Legal implications

18.1 On 8 November 2010 the Council, together with the other GO partner councils entered into the following agreements:

- Collaboration Agreement
- S101 Support and Hosting Agreement with Cheltenham Borough Council (CBC) as the lead authority
- ERP System supply contract

18.2 In order to implement the next stage of the GO Programme as set out in this report it will be necessary to make some changes to the Collaboration Agreement and to enter into a new s101 Agreement for the delegation of the Finance, Procurement, HR and Payroll functions to CDC.

18.3 Although, in law, CDC will have these specific functions delegated to it, and the delegating councils will no longer undertake these functions, any decisions by CDC with relation to these functions will be governed by the Collaboration and s101 agreements. Therefore, in practice, CDC will effectively be an 'employing' body.

Collaboration Agreement

18.4 Members will recall that this is an overarching agreement between the GO partner councils to work together to deliver the GO Programme and to make the savings as set out in the business case. The main consequential changes arising from creating the single GO Shared Services are:

- References to Finance/Procurement and HR/Payroll Centres of Excellence will be deleted and replaced with references to GO Shared Services;
- Membership of the Client Officer Group (COG) will need to change. Membership is currently set out in the Collaboration Agreement as follows:
 - 1 Officer from each council with a Finance portfolio
 - 1 Officer from each council with an HR or Payroll portfolio
 - Heads of COEs (non voting)
 - 1 Officer with an audit portfolio (non voting).

For the GO Shared Services it is only necessary to have the following representation:

- 1 Officer from each council with (a Finance portfolio and/or HR and /or Payroll and/or IT Support portfolio)
- 1 Officer from Cheltenham Borough Homes Ltd
- 1 Officer with an audit portfolio (non voting)
- Head of GO Shared Services (non voting)
- Head of Support & Hosting COE (non voting).

Furthermore, as the GO partner council membership is 4, it would be appropriate to reduce the quorum from 5 to 4.

S101 Agreement

18.5 By entering into this agreement, the council delegates the services within the scope of the GO Shared Services to CDC. The Collaboration Agreement included a template s101 agreement. This template agreement will be used to draft the proposed s101 agreement but with the following changes:

- that the term will be 2 years not 10 years and
- unlike the s101 Support & Hosting COE, a number of staff will transfer to CDC as the Transfer of Undertakings (Protection of Employment) Regulations 2006 will apply. Therefore additional clauses will be added to reflect the operation of these Regulations.

19. Equalities Analysis

19.1 An Equalities Analysis will be completed prior to the start of the GO Shared Services. Indicative costings compiled for the business case suggest the GO Shared Services can be delivered at a lower overall cost. Once the GO Shared Services organisation is established it will need to consider how best to deliver the savings identified in the business case. Partner councils have been actively managing vacancies since 2009, wherever possible posts have been filled by agency or temporary staff.

20. Cheltenham Borough Homes Ltd

20.1 Cheltenham Borough Homes Ltd have joined the GO Shared Services as users of Agresso Business World under the Cheltenham Borough Council license arrangement. CBH Ltd will not be receiving the full range of services, as they are included in the governance arrangements as a "GO Organisation" to whom the GO Shared Services will deliver a level of service. A customised version of the full range of services (Business Case Appendix A) has been agreed with CBH Ltd, reflecting that they are taking transactional services only, not professional and advisory services. As CDC will be providing these transactional services, and not CBC, it will be necessary to enter into an agreement with CDC and CBH Ltd, under the Local Authorities (Goods and Services) Act 1970, for the provision of these services by CDC to CBH Ltd.

20.2 The governance structure in the Collaboration Agreement has been revised to reflect the arrangement, with CBH Ltd having voting representation on the COG (Client Officer Group).

21. Conclusion

21.1 The GO Programme Board proposes that Cotswold District Council is designated the lead authority (employing council) for the GO Shared Services partnership. The due diligence exercise carried out by Audit Cotswolds and South West Audit Partnership concluded that Cotswold District Council in general meets the criteria for the due diligence and can be considered for the lead authority (employing council). This is based on the evidence identified and considered in the time available for the due diligence exercise. However, there were observations noted by Audit Cotswold and South West Audit Partnership that will need resolving prior to the appropriate milestone.

21.2 It is proposed that staff from Cheltenham Borough Council, West Oxfordshire District Council, and the Forest of Dean District Council will transfer in accordance with the TUPE regulations to Cotswold District Council with effect from 1 April 2012. Consultation on the transfer will be carried out later this financial year and will be completed by the end of March 2012.

- 21.3** It is anticipated that the change from sharing transactional and some advisory services (level 3.5) to full sharing of services (level 4) will increase the savings to the GO partner councils by £224,586 per annum.
- 21.4** More work will be required to determine where employees will be located. No relocation of staff is planned as part of the proposed TUPE transfer arrangements. Further consultation would need to be carried out on any potential relocation after the TUPE transfer is complete. It is also envisaged that professional and advisory services will be provided by staff with an in-depth knowledge of the relevant GO partner council. These employees will forge strong and effective relationships with the relevant GO partner council.
- 21.5** The strategic and tactical roles need to be in place by the end of December 2011 to ensure a smooth transition to the new GO Shared Services and to undertake the TUPE consultation with affected staff.
- 21.6** Further work needs to be carried out on the ICT infrastructure to enable advisory staff to access systems which are essential for them to be able to deliver services as efficiently and effectively as possible. It is envisioned that staff in the wider organisation will communicate with the GO Shared Services by email, telephone, and work flow within the ERP system. Services will be provided with details of a named business partner in relation to advisory aspects of Finance and HR Services.
- 21.7** Performance of the GO Shared Services will be monitored by the JMLG against the performance standards contained within the s101 agreement.
- 21.8** Each GO partner council has committed to a hold harmless clause in the Collaboration Agreement. This means that the GO Shared Services will not be liable for negligent performance and in such circumstances the GO partner councils will use best endeavours to resolve performance issues by working collaboratively rather than by litigation.
- 21.9** The GO Shared Services will commence on 1 April 2012. Following this the GO Shared Services will consult on the structures necessary to enable financial benefits realisation from October 2012.
- 21.10** A timetable for TUPE consultation has been developed and will be used during staff information sessions.

22. Reasons for recommendations

- 22.1** That these proposals will realise further savings for Cheltenham Borough Council consistent with the approach approved in Autumn 2010.

23. Alternative options considered

- 23.1** Alternative options were considered as part of the Council's former Sourcing Strategy programme.

24. Consultation and feedback

- 24.1** E&BI were consulted on 23rd May 2011, with a further report on 18th July. Concerns were raised to ensure that business change was well managed, and anticipated benefits (including savings) were realised. These concerns have been addressed through the approval of a business case for the provision of £26k business change capacity funding within Cheltenham Borough Council, Programme business change

scoping work, and the development of a benefits realisation plan for the Programme. The performance reporting mechanism was also raised. The governance arrangements have been revised and updated in the GO Shared Services business case. Further work will be undertaken with the Client Officer Group to clarify the performance reporting process (e.g. what is reported where). E&BI reviewed this draft report on 18th July 2011. The Council’s Strategic Commissioning Programme Board has commented on the need to ensure learning is captured, and to ensure clarity over the role of “client” at CBC. For the GO Shared Services Programme, “lessons learned” will form part of Programme closure phase (Stage C). The Client function is outlined in the Collaboration Agreement, and work will be undertaken at CBC to ensure clarity over the client role interface.

24.2 An update has been provided to the Audit Committee.

24.3 The Trade Unions have been fully consulted throughout and employee briefings held. A GO Shared Services website has been developed and regular newsletters produced.

25. Performance management –monitoring and review

25.1 Performance and review of the GO Shared Services will be monitored via the Governance arrangements detailed in the revised Business Case 6.0 i.e. monitored by the JMLG (Joint Monitoring and Liason Group) and the COG (Client Officer Group) against the performance standards contained within the s101 agreement. The Council will have representation on the JMLG (Chief Executive, and if approved the Cabinet Lead for Corporate Services), and the COG (either Director of Resources or Director of Commissioning).

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Appendices	<ol style="list-style-type: none"> 1. Appendix A Programme Risk Assessment 2. Appendix B GO Business Case v6.0 3. Appendix C Detailed financial projection for Cheltenham Borough Council. (Exempt)
Background information	<ol style="list-style-type: none"> 1. Previous reports - <ol style="list-style-type: none"> i) Cabinet - Sourcing Strategy, 27/10/2009 ii) Council – GO Shared Services 11/10/2010 iii) Cabinet - GO – ICT Support and Hosting 27/7/10 2. Due Diligence Report 3. GO Collaboration Agreement

Appendix 1 Go Shared Services Programme – Significant Risks

Description	Gross	Residual	Target	Actions	Owner	Status
Resourcing : Availability of critical resources during the implementation and post implementation period Officers involved in project unable to provide day to day delivery of service to their authority	8	8	3	Project structure and reporting defines resource requirements and will highlight any issues. UPDATE Risk score has been increased (9/3/11) due to local workload in most partners increasing due to factors external to the programme but having the same net effect as original risk. Situation will continue to be monitored closely by Programme Board	RW	OPEN
Due to financial constraints it has been necessary to proceed without appointment of Business Change manager - There is a risk that necessary change (both within the retained organisations as well as within the shared service) does not take place to the required level, compromising the savings being delivered.	8	8	3	Programme Manager to maintain a close watching brief of Business Change tasks - Update (20/4/11) Risk raised from 6 to 8 as it is felt that mitigating action is insufficient for the task. Other possible mitigations are being investigated (1-Jun-2011) Business Change scoping document being prepared - local funding available (CBC and FoDCC)	RW	OPEN
Required data for process projects (including Interface data) is not made available in required timescale	8	8	6	To be monitored and actively managed through effective project management of process projects. Update(06/04/11) - Concerns exist about the (local) resource available for required data cleansing & preparation activities. No additional mitigation is possible at this stage. Risk raised from 6 to 8	RW	OPEN

CSR settlement efforts will consume resource required for GO Programme	7	7	3	Monitor on a regular basis	PP	OPEN
Inability to get required data link installed (either capacity or timescale) at FoDDC due to geographical communication infrastructure issues	5	8	3	Monitor situation - Update 28/4/11 - Delays in getting network contract signed delay implementation and reduce contingency if supplier estimates re Forest of Dean prove incorrect. RW to work with relevant individuals to progress - Risk raised to 8 (1-Jun-2011) Order placed with Virgin Media	SM	OPEN
Due to sickness there is a risk that there will not be enough resources to support necessary tasks regarding Payroll and ABW implementation at CBC	9	8	2	Situation will be monitored closely. A recruitment approval has been gained and is currently being recruited. Update (06/04/11): Sickness ended for 1 individual giving temporary assistance to the situation (Risk reduced from 9 to 8) (1-Jun-2011) Maternity leave - two payrolls to go. Out for recruitment - drawn blank externally and within local councils.	AA	OPEN
The Waste Project between some of the GO partners has potentially very significant effects on the GO programme from both Governance and operational perspectives.	8	8	3	A set of fact finding tasks has been initiated and a meeting arranged on 3rd May to progress the matter further - Update 12/5/11 Two meetings have been held to discuss the issues involved. Progress has been made, although challenges remain.	PP	OPEN
Demands on PMO are exceeding capacity due to unforeseen issues such as the Waste Project and a number of current challenges	8	8	3	Partners will investigate what temporary project management resources might be available.(1-Jun-2011) Short term support to GOPA & B from SRO; joint interfaces / data migration (GOPH/I); specific ICT support from Mike Brown	RW	OPEN



DOCUMENT COVER SHEET

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Programme Manager : Robert Wood
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Originator : Jenny Poole

Approval

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Document Control Sheet

Document Location

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Changes History

Release	Date	Description
0-01	28-Sep-2009	Initial draft for review and comment
0-02	29-Sep-2009	Additional sections completed and comments incorporated
0-03	30-Sep-2009	Final sections completed and comments incorporated
0-04	02-Oct-2009	Incorporate review comments from Project Board
1-00	05-Oct-2009	Approved by Project Board
1-01	13-Aug-2010	Updated to reflect changes to partner councils
1-02	16-Aug-2010	Incorporate review comments
1-03	20-Aug-2010	Correction of typographical errors and third party costs
1-04	20-Aug-2010	Amendments to gross and net programme savings
2-00	24-Aug-2010	Approved by Programme Board
3-00	26-Aug-2010	Correction of implementation dates
3-01	12-May-2011	Base document for v4 revision
3-02	25-May-2011	Incorporate comments from Programme Board
3-03	1-Jun-2011	Incorporate comments from Programme Board
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4-01	15-Jun-2011	Revision to Governance Models
5-00	15-Jun-2011	Approved by Programme Board
5-01	16-Jun-2011	Revision to Governance Models
6-00	16-Jun-2011	Approved by Programme Board

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Changes Planned

Changes in next issue will incorporate comments from review of this issue.

References

GO Shared Services Programme Business Case (v3.00), dated 26 August 2011

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1. Strategic fit

Business need

- 1.1. All Councils nationally have faced and continue to face relentless budget pressures. The impact on the Government spending plans over the coming years as a result of the worst economic global crisis in many decades will have a significant impact on Local Government finances for many years to come.
- 1.2. The 2006 Government White Paper "*Strong and Prosperous Communities*" which set out a new relationship for local government to work together to improve public services has now been enacted by the *Local Government and Public Involvement in Health Act 2007*. The government also stated that it would be looking for councils within two-tier areas, such as Gloucestershire, to operate at a financial level equivalent to that of unitary authorities.
- 1.3. The government stressed the importance of implementing effective working arrangements to deliver increased efficiencies and improved outcomes, and set as one of the goals for continuing two-tier areas "*to achieve shared back office functions and integrated service delivery mechanisms*".
- 1.4. The Government responded to the 2008-2010 recession with an unprecedented reduction in public sector funding. The Queen's speech of 25 May 2010, stated that the Government will implement '*A significantly accelerated reduction in the structural deficit over the course of a parliament, with the main burden of deficit reduction borne by reduced spending rather than increased taxes*'.
- 1.5. With the stated commitments to ring-fence health and education, town hall spending will bear the larger proportion of cuts. Indeed, the financial settlements for 2011/12 and 2012/13 have been announced and councils are facing cuts of up to 16.2% in 2011/12 and a further 14.2% in 2012/13.
- 1.6. The challenge facing all Councils is how to continue to provide good quality services to customers with ever decreasing resources. In this respect, it is well acknowledged that back office efficiencies can significantly reduce operational costs for frontline services.
- 1.7. The Chartered Institute of Public Finance and Accountancy (CIPFA) paper 'sharing the gain – collaborating for cost-effectiveness' sets out the major challenges in protecting frontline services while also dealing with budget reductions and spending restraint. Shared services and collaborative working provide many important opportunities. By introducing new business structures, improving processes and deploying new technologies and management systems, such approaches have a major role to play in improving cost-effectiveness and service quality.

GO Programme

- 1.8. The work of the GO Programme is critical because of the potential to benefit from cost savings through working together – benefiting from economies of scale that one council could not achieve alone. GO has the potential to provide better value for money for local council tax payers. Version 3.00 of the Business Case referred to four partner councils (Cheltenham Borough Council, Cotswold District Council, Forest of Dean District Council and West Oxfordshire District Council) working together. This Business Case has been updated to include the delivery of transactional services to Cheltenham Borough Homes Ltd (CBH Ltd) and move to full Shared Services for the four GO partner councils.
- 1.9. The concept of sharing services is not new to Local Government. There are many examples around the country of Councils working together to provide more efficient services. Recently the Lincolnshire Shared Services Partnership (LSSP) announced

the launch of new shared services including Procurement Lincolnshire, Legal Services Lincolnshire, ICT projects and customer service training. In June 2010, Havant Borough Council and East Hampshire District Council agreed a business case that outlined proposals for shared management arrangements across both councils. It is proposed that the management of functions (which include Finance, HR and procurement) will be fully implemented by October 2011. Once the shared management structures are in place, the new management teams will undertake service reviews in order to identify the most appropriate service design and mode of delivery. Further examples are provided later in Section 3 - Achievability.

- 1.10. Sharing of resources, particularly amongst support services will produce efficiencies and whilst more and more projects are coming together, successful partnership working has proved to be challenging.
- 1.11. The potential benefits identified for sharing services include:
 - (a) achieve cost savings
 - (b) deliver more efficient and resilient services
 - (c) provide improved, user-friendly IT systems

Strategic Drivers

- 1.12. The main strategic drivers for the GO Programme are summarised in the table below:

Name	Effect
Government White Paper <i>Strong and Prosperous Communities</i>	Sharper focus required from all services in the delivery of cost efficiencies, whilst maintaining service needs and standards required by customers. The increased need to move resources away from management and support into front line service delivery.
Changing role of Local Government (LGPIH Act 2007)	Moving from service provision to one of service facilitation and monitoring. Becoming more of a broker for community governance, and the provision of purely 'core' services.
Transformational and E-Gov agenda(s)	Requiring services to re-appraise the electronic systems and resources used in service delivery and how these can be further leveraged for customer and cost advantage. The more for less scenario, using ICT as the integrating capability. Allowing greater flexibility in work-life issues, home working whilst maintaining data security.

Table 1-1: Summary of drivers for change

- 1.13. The shared local drivers are:
 - (a) Efficiency and revenue savings
 - (b) Sharing scarce resources (people and money)
 - (c) Improved resilience
 - (d) Systems need improvement or upgrade
 - (e) Improved end user experience (i.e. for all managers and staff)
 - (f) Avoiding duplication of effort

Strategic Outcomes

- 1.14. The strategic outcomes are:
- Cost savings
 - Efficient and resilient service
 - Improved, user-friendly systems
- 1.15. The vision has 4 levels as illustrated in the diagram below.
- Level 1** refers to partners coming together to purchase an ERP system and so benefit from economies of scale.
 - Level 2** refers to the sharing of the system i.e. one GO partner council hosting the hardware and software, having one database and one Chart of Accounts. This will allow for more streamlined system administration and standardisation of reporting and auditing.
 - Level 3** refers to the sharing of data processing capabilities such as paying invoices, collecting debts, processing payroll and shared HR and purchasing. For example, this might mean one GO partner council paying all the invoices instead of having a payments team at each of the 4 GO partner councils. (CBH Ltd will be provided with services at this level only)
 - Level 4** this refers to the sharing of all accountancy and HR services including advice.

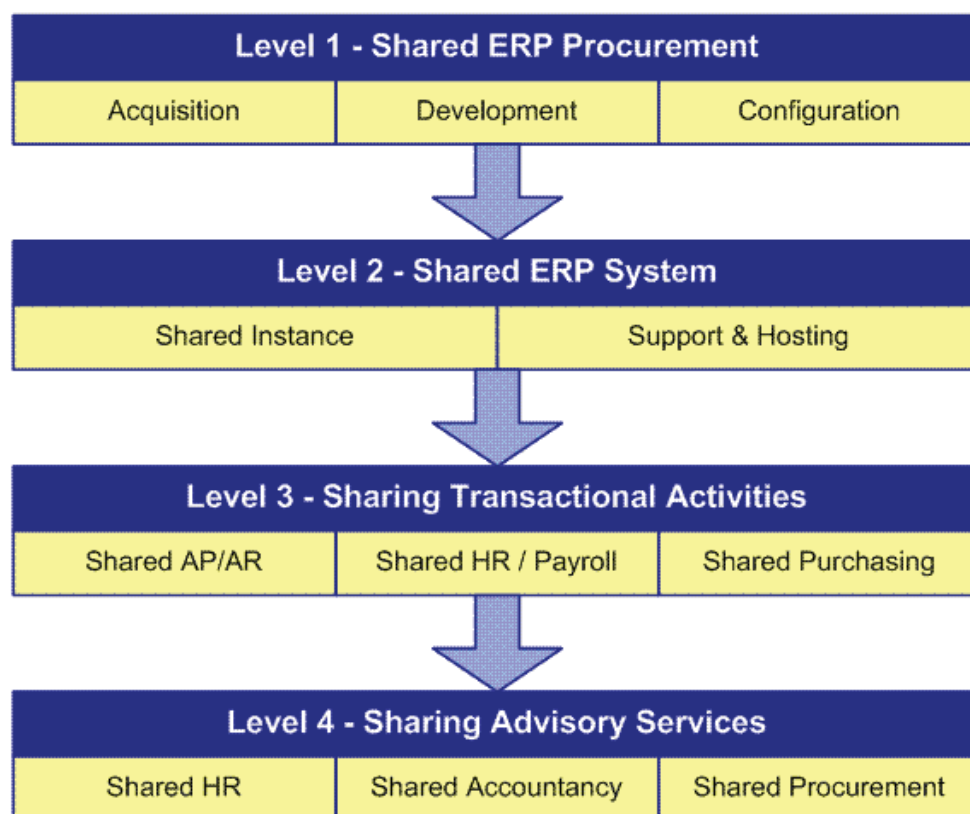


Figure 1-1: Level of Shared Services

- 1.16. In conclusion, the ambition for the partnership is to share all transactional and advisory functions (Level 4). However, each GO partner Council will retain its own Section 151 officer (Local Government Act 1972).
- 1.17. The shared service will be provided by:

- (a) A shared service providing HR, Payroll, Finance and Procurement transactional and advisory services, supported by
- (b) A centre of excellence which is providing the ICT support and hosting functions, based at Cheltenham Borough Council

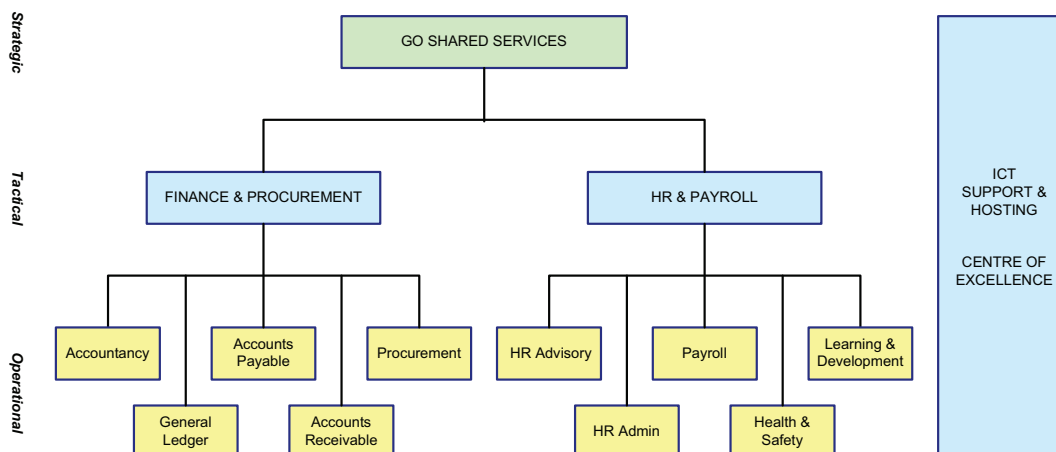


Figure 1-2: GO Shared Services

- 1.18. The transactional and professional & advisory services are detailed in Annex A: Services in Scope for Shared Service. The same annex also details the responsibilities which will be fulfilled locally at each GO organisation (not in scope for shared service).
- 1.19. Cheltenham Borough Homes Ltd have a separately scoped version of the Finance and Procurement, Human Resources and Payroll services listed in Annex A, to reflect that they will be using transactional (administrative) services only, and not professional/advisory services. Transactional services delivered to Cheltenham Borough Homes Ltd will be included in the contractual arrangements with the GO Shared Service.

Contribution to key objectives

- 1.20. The key objectives for the GO Programme are as follows:
 - (a) **Cashable savings** – All GO organisations have within their strategic aims and ambitions, the need to find solutions to budgetary pressures
 - (b) **Staff retention and opportunities** – It is essential to retain good staff in local government to meet the challenges currently being faced by councils
 - (c) **Service efficiencies** – All councils undertake similar work, thus creating duplication of effort and resources. Joint training, single sourcing and standardised documentation also provide opportunities for service efficiencies
 - (d) **Service resilience** – All councils lack capacity and resilience to respond to peaks in demand or absence of staff. The lack of capacity also leads to buying in external expertise which can be expensive
 - (e) **Enhanced reputation** – At a strategic level, the implementation of a shared ERP application and service across Gloucestershire and West Oxfordshire may provide a catalyst for future shared services. If the approach can deliver successful outcomes then it may well serve as a proof of concept that other potential shared services could adopt

Stakeholders

- 1.21. Work has been undertaken to establish the identity and basis of each stakeholder interest in the shared services. These stakeholders are key to the success of the Programme. Without continued consultation and their support the Programme will not succeed.

Name	Effect
Elected Members	<p>Have the authority to approve, reject or modify the shared services proposal.</p> <p>Elected members from all of the GO partner councils will have a leading and supporting role in the Programme and will be asked to approve the recommendations for the shared services. They will be required to contribute to the governance arrangements that will need to be in place to report on the potential impact on staff.</p>
Chief Executives, Board of Directors (in particular CBH Ltd) and senior management	<p>Will need to continue to promote the vision of the GO Programme and its implementation within their organisation. Will need to continue to make resources available to form the Programme team and backfill positions where necessary.</p> <p>Will be keen to obtain cost efficiencies and improved service resilience and service innovation.</p>
Employees (in scope of Programme)	<p>Will form the new shared services. Must be satisfied that their hopes, fears and ideas are being listened to and acted upon. Opportunity for wider skill use and development.</p>
Employees; ALMO ¹ / agencies (service users)	<p>The departments, and third parties, within the GO partner councils that use the finance, HR and procurement services. They will need to be satisfied that the new shared service is effective and affordable. They will also be concerned about any adverse effects to service during the transition period.</p> <p>Will also be keen to understand changes to them, for example the use of self-service tools and record keeping.</p>
Unions	<p>Concerned for the welfare of staff throughout the transition to the new service.</p>
Press / Media	<p>Due to the scope and scale of this Programme there is expected to be strong interest from the trade press.</p> <p>Local media will be interested to report an initiative that delivers better value for money for council taxpayers across Gloucestershire and West Oxfordshire. The press will also be keen to report on the potential impact on staff resulting from this Programme.</p>

¹ ALMO – Arms Length Management Organisation

Name	Effect
Joint Waste Company – Directors, Employees	<p>Should Cheltenham Borough Council and Cotswold District Council decide to establish a joint waste company; the assumption is GO Shared Services will provide services to the company. Officers that will have responsibilities within the waste company will need to become engaged in the build and testing of the ERP system and the establishment of the shared service.</p> <p>Directors and employees will need to be assured that the new shared service will be able to adequately support the new company, this is especially critical as the company is planned to be established at the same time as the ERP system is being implemented and the shared service is being created.</p>
Suppliers	<p>Relationships will need to be maintained with suppliers of existing business applications for availability of historic data, or for the development of interfaces with the ERP system.</p> <p>Any changes made to the way suppliers are paid must be to the benefit of this stakeholder group (e.g. electronic invoicing may be good for larger companies but must ensure the smaller businesses are not excluded).</p>
Public	<p>Will be interested in cutting down bureaucracy and keeping Council Tax as low as possible through cashable savings and efficiencies.</p> <p>Again, need to ensure payments made to the public, whilst made efficiently do not exclude any particular groups of people.</p>

Table 1-2: Stakeholder Analysis

Scope: minimum, desirable, and optional

- 1.22. The initial focus of the GO Programme was around a financial management system. This included general ledger; accounts payable; accounts receivable; bank reconciliation; purchase order processing and asset accounting.
- 1.23. The scope now also includes integrated HR, payroll and procurement systems, shared systems administration and for the system to be hosted at Cheltenham Borough Council.
- 1.24. Included within the first phase of the Programme are:
 - (a) The joint procurement of an ERP system (completed);
 - (b) The installation and build of a single ERP system which is shared by all GO organisations (in progress);
 - (c) The sharing of transactional and advisory services across all partner Councils;
 - (d) The provision of transactional services with Cheltenham Borough Homes Ltd;
 - (e) If it is decided that a joint waste company is to be created, the GO Programme will provide transactional and advisory services to the new company.

Constraints

- 1.25. The business case for the GO Programme contains a limited budget for contingencies. The partner Councils are all running change programmes in response to the level of cuts in central government funding. These change programmes require support from the same Officers that are also involved in the implementation of the GO ERP system and development of the shared service.
- 1.26. Some of the programmes running at the partner councils are introducing new constraints on the GO programme, for example, the potential establishment of a Joint Waste Company, means that the GO Programme will be required to develop a client within the ERP system for the joint waste company along the same timelines as the development of the clients for Cheltenham Borough Council, Cheltenham Borough Homes Ltd and Cotswold District Council.

Strategic benefits

- 1.27. Benefits can be identified from two different aspects of this Programme:
 - (a) The implementation of an integrated system
 - (b) Sharing services across the partnership
- 1.28. Implementation of an Enterprise Resource Planning (ERP) system will:
 - (a) Improve decision making by giving online access to up to date data.
 - (b) Save time by supporting e-enabled processes for day to day tasks such as ordering goods, claiming expenses and requesting annual leave.
 - (c) Allow the council to respond quickly to changes by bringing together all the data concerning human resources, finance and assets and supporting improved modelling and forecasting.
 - (d) Through co-ordinated procurement ensure the right goods and services are provided at the best possible cost. It will also play a role in stimulating and maintaining local economies.
 - (e) Allow managers to control and take direct ownership of their service costs removing the reliance on centralised corporate control.
- 1.29. Sharing services will:
 - (a) Produce cashable savings from shared implementation and ICT support & hosting costs, shared transactional processing costs and shared costs of advisory services. These savings could be used to protect frontline services.
 - (b) Improve capacity by bringing together staff resources from all the GO partner councils.
 - (c) Deliver increased resilience by standardising processes across all organisations and creating skilled teams which can support all of the shared service clients.
 - (d) Provide the opportunity for further partnership working supported by the shared data stored on the system, for example identifying shared procurement opportunities; streamlining policies and procedures which will generate further efficiency gains.
- 1.30. Benefits will be gained from:
Shared ERP system:
 - (a) Implementing integrated modules rather than a number of separate systems
 - (b) Installing a single, rather than multiple, ICT solutions
 - (c) Simplify the number of interfaces required, thereby potentially reducing costs
 - (d) Using a single set of resources to administer systems

- (e) New systems are more flexible to:
 - (i) Configure initially, and
 - (ii) To amend in line with both legislative changes, and
 - (iii) Organisational development (the cost of change)
- (f) Overall administration can benefit from economies of scale

Shared Finance:

- (a) Centralising and standardising Accounts Receivable (AR) and Accounts Payable (AP) and payroll transaction processing to reduce administration costs
- (b) Financial management can be decentralised and delegated to service managers

Shared Human Resources:

- (a) Human Resource (HR) management and record keeping can be delegated to individuals themselves
- (b) Efficiencies can be improved by moving progressively to a self-service regime for budget management, procurement management, HR and payroll.

Shared Procurement:

- (a) Sharing procurement information to improve procurement strategies and enable further efficiency savings to be delivered
- (b) Aggregating spend to achieve better prices
- (c) Rationalising suppliers to reduce the cost of procurement administration
- (d) Standardising specifications to help simplify purchasing aggregation
- (e) Reducing/eliminating rogue purchasing to help purchasing aggregation

Shared Advisory Services:

- (a) Improved and more effective management support and advice.

Strategic risks

- 1.31. The key strategic risks associated with this Programme can be grouped into three areas:
 - (a) Risks associated with the partnership
 - (b) Risks associated with the critical nature of an ERP system
 - (c) Risks associated with the level of change required by the Programme
- 1.32. Risks associated with the partnership arise principally from the fact that the Programme benefits are derived from aggregations of scale; any failure or reduction of the partnership would result in the benefits being reduced or, in the worst case, being lost. While all GO organisations are fully committed at the start of the Programme, the main benefits, particularly the cashable savings, will require some time before they materialise. The savings are planned to be delivered from October 2012. Keeping the partnership together over a number of years will require significant commitment at a senior level in each partner council. Failure to keep the partnership together will at best result in reduced benefits and at worst create an atmosphere which will make it difficult for the councils to work together in other areas.
- 1.33. Risks associated with the critical nature of an ERP system arise from the importance of finance and HR services to the councils. Any failure of the systems managing these resources, or of the processes associated with them, could have severe consequences for the councils concerned which will result at least in loss of money and effectiveness, or in the worst case loss of reputation and legal action.

- 1.34. Risks associated with the level of change required by the programme arise if the councils cannot realise the benefits identified above because stakeholders are unwilling or unable to change the way in which they work. Implementation of the ERP system will require nearly every member of staff to change the way they work, and will also affect suppliers and debtors.
- 1.35. The GO Programme Board operates an adopted Risk Management Strategy. The Programme Board monitor all risks on a fortnightly basis. Any risks with a mitigated score of 8 or above (red) will also be transferred to the Corporate Risk Registers of GO partner councils or shared service clients as applicable.

Critical success factors

- 1.36. The factors critical to the success of this programme are:
 - (a) The commitment of all GO partner councils to the programme
 - (b) The successful implementation of the ERP system to support the efficiency gains envisaged in this business case
 - (c) The successful realisation of the benefits of shared working to a level envisaged in the vision of the programme.(b) and (c) are both sensitive to benefits being eroded because new ways of working are not embraced.

Options Appraisal

- 1.37. Version 3.0 of the Business Case set out details of the options appraisal carried out for the GO Programme.

Opportunities for innovation and/or collaboration with others

- 1.38. The scale and size of the GO programme is already an innovative solution for collaborative working and shared services.
- 1.39. The GO programme has already provided the opportunity for Cheltenham Borough Homes Ltd to join as a client of the shared service. In addition, work is progressing on the opportunity to provide services to the possible new joint waste company which may be established in April 2012 by Cotswold District Council and Cheltenham Borough Council.
- 1.40. The governance arrangements set out in Annex B – Governance Models, provide for GO partner councils to delegate responsibilities (under s101 of the Local Government Act 1972) to lead authorities for the shared service and Support and Hosting Centre of Excellence. The lead authority for the shared service will undertake the responsibility for an initial two year period. During 2013, the governance arrangements will be reviewed in line with the vision for the shared service.

Service delivery options – who will deliver the programme?

- 1.41. During the implementation phase, the GO partner councils and Cheltenham Borough Homes Ltd will be incurring significant financial liabilities and contributing significant officer time. However the contractual relationships are clear and until the system is operational risk is limited to loss of finance.
- 1.42. Once the ERP system has been implemented and is operational it will become a critical part of each GO organisation's working and therefore each GO organisation will need to ensure it is managed and monitored carefully and it is robust and resilient. A shared system also requires the GO organisations to align their working

practices and agree on a number of issues from business processes; through to changes and developments on the system; and the governance structure will need to be flexible enough to support swift decision making on priorities in circumstances where there are urgent issues to be resolved.

2. Financial assessment

- 2.1. The following summarises the **overall** financial business case for the implementation of a shared ERP system and the creation of a shared service for the partnership.

Set up / Implementation principles

- 2.2. The partnership has agreed that the implementation of an ERP system needs to maximise the operational and financial benefits from sharing. Whilst transactions and ledgers for individual organisations will need to be maintained, the ability to look across the database for all organisations must be allowed for in the building of the system. This will facilitate the creation of an individual entity's set of financial ledgers for accounting purposes (budgeting and Statement of Accounts) and for reporting across all GO organisations (e.g. reporting total spend on supplies or by supplier) which could lead to a more collaborative approach to procurement of supplies and services across one or more GO organisations and further collaborative procurement savings. This approach to the implementation of an ERP system has been agreed between the Councils and Cheltenham Borough Homes Ltd. and is the most economic option for all involved since it avoids the cost of the replication of the system build process in 5 entities.
- 2.3. The maximisation of the savings derives from sharing all transactional and advisory functions (refer to Figure 1-1: Level of Shared Services). In order to achieve this, it is critical that a standard approach to processing is agreed amongst all GO organisations. As such, a common coding structure (allowing for local needs), standard chart of accounts, and procurement are critical to ensuring that the reporting and analysis opportunities are maximised. The ambition is to enable each GO organisation to produce its own management accounts using standard reports but also to automate the production of the Statement of Accounts, VAT returns, Government statistical returns, etc.
- 2.4. The business case financial projections over a 10 year period (typical life expectancy of an ERP system) are at Annex C – GO Programme Costs and Savings to this report.
- 2.5. In developing the business case, the partner Councils have agreed the principles of sharing both costs and the savings generated from an ERP system which form the basis of the business plan financial projections. The allocation of implementation cost is based upon the assumption that all GO organisations jointly procure a single system and share the costs and savings.
- 2.6. The charging principles, for the ongoing shared services, have been established as:
- The GO Shared Services will recharge all costs to the initial GO organisations on a cost recovery basis.
 - In the interim period, up to 31st March 2014, costs will be recharged in proportion to the original baseline staffing position. This will ensure an equitable level of savings for all GO partner councils in line with the original Business Case. The long-term aspiration will be that transactional services will be recovered on a unit cost per transaction basis by April 2014 and other posts will be shared on an agreed equitable basis.
 - For the period 1st April 2012 to 30th September 2012, while the Shared Service is being established, costs will be recharged to the pre-transfer GO partner council. Where staff will have transferred (TUPE'd) to the lead / employing authority but will still be providing a service to their pre-transfer GO partner council, all employee and related costs will be recharged to the employee's former employing council on a full cost recovery basis.

- Each GO partner council will provide a baseline staffing position for each Shared Service area (Accounts Payable, Accounts Receivable, Payroll, Accountancy, HR transactional and HR advisory). This will reflect the full establishment of each service by person, post, grade and budget. The Baseline costs will be measured against the service costs once the Shared Service has been fully implemented, the difference being the savings to accrue to each respective GO partner council
 - Any additional savings arising from any future restructurings will be shared in proportion to the original baseline staffing position. Any new income generated by the Shared Services will be shared equally by the GO partner councils.
- 2.7. There will be a formal review of all charging mechanisms and allocation basis to take into consideration all processes to provide specific services. Any changes would aim to be implemented for the start of April 2014. It is intended that data for such charging can be generated from within the new ERP system and will not create a complex administrative burden. However, the principle for charging is that it should be transparent and relative to individual partner usage.

Implementation costs

- 2.8. The cost of implementing a shared ERP system, based on an approach which realises the above aspiration for sharing of system and services includes the following components:
- (a) One off hardware and licence costs as per version 3.0 of the GO Business Case.
 - (b) Implementation team: In order to realise the benefits and maximise savings from sharing, all councils will work collectively on building the system. A core, multi specialist, implementation team has been created, drawing individuals from the 4 councils, which will implement the system in all GO organisations ensuring that the consistency in approach is maintained. The principle of gifting implementation team resource to the project was agreed in order to keep the project costs to an affordable level.
 - (c) The aim of the programme is the implementation of a shared ERP system, the creation of the ICT Support & Hosting Centre of Excellence and the establishment of a shared service providing Finance, Procurement, HR and Payroll functions. The establishment of the ICT Support & Hosting Centre of Excellence has required some initial set up costs which have been shared equally amongst all GO partner councils.
 - (d) The creation of the shared service should ultimately reduce the number of posts required to provide the functions in the GO partner councils. The future service delivery model has been considered and an estimate made on the likely impact on posts and a provisional sum has been allowed for to finance any 'one off' staffing costs.
 - (e) The change to include all professional and advisory services has increased the overall level of savings available, £112,000 of this has been set aside in 2012/13 to increase the provision for one-off costs. No one partner council will be disproportionately disadvantaged as a result of the cost of redundancy due to local arrangements. These costs have been netted off against savings generated in the earlier years of the programme in the financial projections but the phasing and amounts may change.
 - (f) A provisional sum has been assumed for the writing of interfaces with residual systems into an ERP system (e.g. bank files or retained systems). However, the intention is to minimise the number required since this removes the need

for systems support and reconciliation work. This should ultimately lead to less ICT support, although this has yet to be quantified.

Savings

- 2.9. The collective procurement of an ERP system is the most cost effective way of acquiring an ERP system. The cost for each GO organisation individually procuring its own acquisition of an ERP system would be more expensive and would not enable the partnership to access the operational efficiency saving which the business case identifies.
- 2.10. The financial modelling is based on a conservative assessment of savings over a 10 year period which can be used as indicative figures for forward planning in the individual councils Medium Term Financial Strategies.
- 2.11. The business case for GO (included at Annex C – GO Programme Costs and Savings) indicates that the overall investment required for the programme is £1,418,647. This is projected to generate annual savings of £52,046 in 2012/13 rising to annual saving of £672,752 by 2013/14 across all 4 partner councils. **Overall**, the gross programme savings are estimated to be £5.2m with savings, net of the investment, of £3.8m across all 4 partner councils over a 10 year period. This compares to the original Business Case that provided for gross programme savings estimated to be £3.4m with savings, net of the investment, of £2.0m. For each council, the savings delivered will vary depending on the current cost of annual licences, ERP modules being used and associated projects which are enabled as a result of the potential sharing of an ERP system.
- 2.12. Given the complexity of the programme, the timing of savings may vary from the projections above.
- 2.13. Savings will arise from 2 areas. The first being the anticipated saving in licence costs resulting from the replacement of many individual interfaced systems in individual councils (e.g. Finance, Accounts Receivable, Payroll and HR with one integrated package for all partner councils). The other area is staffing within the scope of the GO Shared Services.
- 2.14. There are likely to be further savings across the organisation resulting from introducing new processes and procedures which are typically available in an ERP system (e.g. electronic ordering and payment for goods and services). These are likely to have a significant impact across all 4 partner councils. The final business case assumes that each council will save one administrative post beyond those identified in the shared service as a result of streamlined processes. In reality, it is anticipated that these savings may be greater.
- 2.15. The implementation and sharing of an ERP system is likely to lead to a closer collaboration between the GO organisations which may ultimately drive out more savings beyond the existing parameters of the programme (e.g. combined banking contracts, insurance tenders, reduction in need for individual duplication of core Financial and Human Resources, systems audit work etc).
- 2.16. The financial projections do not currently assume any savings in residual ICT departments as a result of no longer having to manage several independent systems or the hosting and management of a single ERP system moving to a single council. Each GO partner council will manage the access to the shared ERP system for individual users up to the respective fire walls but that system management (e.g. upgrades and data base management) and administration (authorisation levels, access to ledgers etc.) will be managed in the Support and Hosting Centre of Excellence. The business case assumes additional staff and on-going revenue cost in the Support and Hosting Centre of Excellence to manage the systems on behalf of

all GO organisations but there is no assumption of savings elsewhere to offset these costs.

Investment Payback Period

- 2.17. The financial projections are based on these costs and savings and project cumulative savings over a 10 year period of £5.2m and indicate an overall project payback of circa 4 years. The payback period is considerably earlier than would normally be expected from the implementation of an ERP system (typically 10 years) as a result of the sharing of costs amongst the GO partner councils. The individual GO partner council payback period is likely to vary depending upon the starting position (i.e. the cost of annual licences and the age and quality of the existing Financial Management Systems and payroll systems).

Funding

- 2.18. The Funding for the GO Programme has already been agreed by the GO partner councils. At this point in time, costs are within the approved budget.

3. Achievability

Evidence of similar projects, where available

- 3.1. Private Sector companies have been sharing services for a number of years and have delivered significant benefits in terms of cost savings and efficient processes. Development of shared services in the public sector is more recent but the following examples show where the projects will (and have) achieved excellent results.
- (a) Nottingham and Leicestershire County Councils - The councils will generate estimated savings of £2 million a year sharing HR, payroll and finance services
 - (b) Bromsgrove and Redditch Councils - sharing management services and a chief executive has saved the councils an estimated £500,000 over the last 18 months
 - (c) East Kent District Councils – four councils have set up a joint management business to oversee the delivery of some back-office services and waste management. It aims to deliver 10 per cent savings on current costs.
 - (d) Huntingdonshire and Cambridgeshire District Councils - Since 2005 the councils have shared a call centre saving £71,000 a year.
 - (e) North and North East Lincolnshire – The councils have jointly saved more than £1.4 million since 2006 by joining forces to procure items like telecommunications, heavy vehicles, wheelie bins and furniture.
 - (f) South Hams and West Devon District Councils – sharing management teams and a chief executive has saved the councils £350,000 since the measures were introduced in 2009.
 - (g) Cambridgeshire County Council and Northamptonshire County Councils are merging various functions including IT and Human Resources and will be saving £1.3 million annually with a further £1 million predicted.

Programme plan

- 3.2. The table below details the key dates for the programme since the original business case was agreed:

Date	Activity
August 2010	Business Case approved by Programme Board
Sep 2010 – Oct 2010	Programme approved by GO partner councils
November 2010	Start of implementation
Nov 2010 – Aug 2011	Establish Support & Hosting Centre of Excellence
Nov 2010 – Oct 2011	Installation, implementation and configuration of ERP application
November 2011	First GO organisations “live” on ERP application
Nov 2011 – Apr 2012	Rollout to other GO organisations (see Table 3-2: Intended “Go-live” dates for each GO below)
April 2012	Start of GO Shared Services and staff TUPE to lead authority
Apr 2012 – Oct 2012	Establish shared service

Table 3-1: Implementation Plan – Key dates

Go-Live Date	Module		
	Finance	HR/Payroll	Procurement
November 2011	Forest of Dean West Oxfordshire	Forest of Dean West Oxfordshire	Forest of Dean West Oxfordshire
April 2012	Cheltenham Cheltenham Borough Homes Ltd Cotswold	Cheltenham Cheltenham Borough Homes Ltd Cotswold	Cheltenham Cheltenham Borough Homes Ltd Cotswold

Table 3-2: Intended “Go-live” dates for each GO organisation

- 3.3. The key programme milestones are included at Annex D – GO Programme Milestones.

Risk management strategy

- 3.4. Clearly a programme of this scale and nature will carry a number of significant risks and a comprehensive risk register is in place, along with accompanying risk strategy. These documents have been developed in compliance with a standard Risk management approach (PRINCE2 / Managing Successful Programmes (MSP)) for assessing and managing risk.
- 3.5. There are two main types of risk faced by the implementation of this programme:
- (a) risk involving the development and implementation of the GO partnership, and
 - (b) risk of the subsequent failure of the GO partnership
- 3.6. In compiling the programme risk strategy there are some fundamental questions that have been addressed, including:
- (a) what risks are to be managed
 - (b) how much risk is acceptable
 - (c) who is responsible for the risk management activities
 - (d) what relative significance time, cost, benefits, quality, stakeholders have in the management of risks
- 3.7. Possible risks to the success of the programme in meeting its time, cost and scope targets will be identified, assessed and managed. A risk log has been generated to register and track the programme risks in a simple and pragmatic way.

Benefits Realisation Plan (BRP)

- 3.8. The benefits realisation plan is indicative at this stage of the programme however, it will be compiled in order to track the realisation of benefits (outlined in paragraph 1.20 above) across the GO Programme as part of the implementation following the approval of this revised Business Case.
- 3.9. The outline arrangements for benefits management that will be applied to this programme are summarised below:
- (a) the Benefits Realisation Plan will clearly show what will happen, where and when the benefits will occur and who will be responsible for their delivery
 - (b) the plan for benefits needs to be integrated into, or co-ordinated with, the project plan and should be very clear about handover and responsibilities for

ongoing operations in the changed state (where the benefits will actually accrue)

- (c) there should also be a tracking process which monitors achievement of benefits against expectations and targets. The tracking process must be capable of tracking both 'hard' (e.g. cost) and 'soft' (e.g. reputation) benefits and operates alongside the changed operation
- (d) in addition, there should be evidence of realisation of actual benefits (through the tracking process). The benefits claimed should be defensible against independent (third party) scrutiny.

Shared Services Business Continuity Plan

- 3.10. Once committed to this programme, any delay or failure during the implementation phase has the potential to threaten business continuity to one, or more, of the GO organisations,
- 3.11. A Business Continuity Plan will be essential to summarise the outline arrangements for managing unexpected events, including a fallback position if the GO programme is delayed for any reason. It will be necessary to cover possible ways of ensuring the continuity of business services in the interim period.
- 3.12. The Business Continuity Plan for the ICT Support & Hosting Centre of Excellence is part of the implementation, and will be tested before the first GO partners are live.
- 3.13. The full Business Continuity Plan will be developed for the GO partnership during the next stage of the programme. This Business Case will be reviewed and revised, as appropriate, during the duration of the programme.

4. Annex A: Services in Scope for Shared Service

Transactional Services (Administrative experts) and Business Partners

Keeping the business running day to day, creating an efficient administrative infrastructure, with effective and efficient processes, re-engineering processes and where needed, providing shared services.

Working on the ground with services to deliver effective solutions to business problems, give advice and guidance, trouble shoot, effect on the ground improvements.

Finance and Procurement	
Finance	
1. Accounts Payable	<ul style="list-style-type: none">• Process invoices• Create payment batches from Creditors module and feeder systems such as: Housing Benefits, Council Tax, and National Non Domestic Rates as required.• Arrange for authorisation and submission of BACS payments.• Printing and dispatching cheques.• Manage enquiries from suppliers.• Printing and dispatching remittance advices (preferably e-remittances).• Cancelling out of date cheques• Produce management reports
2. Purchase ordering	<ul style="list-style-type: none">• Maintain Purchase Order module including closing down out of date orders• Produce management reports
3. Accounts Receivable	<ul style="list-style-type: none">• Raise debtor accounts, printing and posting invoices• Issue reminders• Apply income to debtor accounts• Negotiate and administer instalment arrangements• Liaise with service departments over recovery action• Pass non paid accounts to legal dept for recovery action• Manage queries from customers• Process cancellation and write offs• Production of management reports• Calculation of bad debt provision
4. General ledger management	<ul style="list-style-type: none">• Scoping of reports/changes to reports• Production of Trial Balance and confirming Ledger is in balance• Reconciliation of modules• Maintenance and balancing of management reporting budget views
5. Cash and Bank input	<ul style="list-style-type: none">• Import income files into ledger• Import cashed cheques into the ledger

- Manual cash posting
 - Management of Local Cash Receipting Systems (including system administration)
- 6. VAT**
- Preparation and submission of monthly VAT returns
 - Calculation and submission of partial exemption return where necessary
 - Preparation of VAT guidance/VAT Manual
 - Liaise with external VAT advisor to provide specialist advice as required
 - Advice on changes to VAT regulations and how changes need to be implemented
 - Preparation of ad hoc (returns such as Isle of Wight claims)
 - Support for any VAT disputes including referrals to VAT Tribunal
 - Produce monthly and year-end VAT working papers
- 7. Bank reconciliation**
- Monthly reconciliation of bank accounts to ledger
 - Analyse and correcting discrepancies
 - Produce year-end working papers
- 8. Cheltenham Box Office Reconciliation**
- Monthly reconciliation of Cheltenham Town Hall box office system (Infx) to financial ledger, to include transfer of ticket sales to council promotions
 - Analyse and correcting discrepancies
 - Produce year end working papers
- 9. Trust Funds**
- Treasurer to trust funds, providing advice and support to Trustees, Members and Tenants
 - Production of annual Charity accounts and presentation at the Annual General Meeting
 - Produce year-end working papers
- 10. Mortgages, Car Loans and Loans to Third Parties**
- Maintain records of mortgages, car loans and other loans to third parties
 - Preparation of car loan documentation
 - Reconcile new advances to general ledger
 - Reconcile mortgage, car loan and other loan instalments to ledger – including payments made through third parties (e.g. LAAMAC)
 - Administration of salary sacrifice schemes
 - Produce year-end working papers
- 11. Freedom of Information Requests (FOI)**
- Maintain records of FOI requests received by GO Shared Services
 - Allocate to relevant Financial Services officer to action
 - Co-ordinate response and liaising with FOI officer as necessary
- 12. Mayors / Chairmans Charity**
- Provide financial support to officers for charity fundraising activities
 - Maintain records of income and expenditure
 - Prepare annual Charity accounts
- 13. Leasing (Financial aspects) – Employee cars/pooled cars**
- Advice to officers regarding obtaining quotations for and ordering leased cars (where the employee is entitled to a leased car)
 - Completion of leased car contract

- Arrange for the contract to be signed by the as applicable
- Pay invoices for leased cars
- Complete year end working papers for leased cars

14. Leasing – Other Leases

- Keep up to date with accounting regulations applicable to leases and advising on any changes to be implemented – including impact upon budgets
- Maintain a register of leases
- Contribute to the final accounts production plan
- Account for leases in accordance with IFRS
- Provide advice on the accounting treatment of new contracts/leases – including impact on budgets
- Produce year end working papers for leases including information for the Asset Register, Balance sheet, Comprehensive Income and Expenditure Account etc.

15. Support services costing

- Contribute to final accounts project plan and budget preparation plan
- Prepare budgets for support services recharges
- Prepare and entering journals for management accounting purposes
- Complete year end working papers and journals to allocate support services costs to services

16. Journals

- Administer journal requests
- Entry of all Finance generated journals
- Complete all necessary year end journal entries including accruals and prepayments

17. Statement of Accounts

- Provide advice on any proposed changes to the accounting regulations, with impact assessment which include changes which need to be incorporated at the respective GO organisation(s)
- Prepare project plan for production of statement of accounts
- Prepare guidance notes for budget managers and management teams preparation for year-end
- Collate returns (e.g. year end creditors or debtors, petty cash, stock values) to enable year-end transactions to be posted to each general ledger
- Prepare statement of accounts in accordance with the IFRS and CIPFA Code of Practice
- Provide weekly updates on statement of accounts progress including details of any returns which have not been provided by, or have not been correctly completed, by GO organisations
- Statements to be prepared before 30th June each year
- Prepare working papers in accordance with requirements from external auditors
- Liaise with external auditors during audit of the statements
- Incorporate any changes agreed with the external auditor into the financial statements ready for approval by 30th September each year
- Carry out a review of the final accounts process and recommend any changes to improve the process

18. Collection Fund Accounting

- Keep up to date with accounting requirements for production of the Collection Fund accounts
- Advise of the impact of any changes to the accounting regulations
- Report details of any projected Collection Fund surplus or deficit to partner authorities for submission to appropriate precepting authorities by 15th January
- Contribute to the final accounts project plan
- Prepare Collection Fund accounts in accordance with the final accounts project plan
- Prepare working paper for external auditor review
- Liaise with the external auditors
- Incorporate any changes resulting from the external audit review into the final accounts to be approved at the end of September

19. Fixed Asset accounting

- Maintaining the asset register module for new assets, asset disposals, depreciation, impairments etc.
- Advise of the implications of any change to asset accounting regulations
- Contribute to the production of the final accounts project plan
- Complete fixed asset accounting entries in accordance with the final accounts project plan
- Check that appropriate journal entries have been completed to enable production of statement of accounts
- Provide fixed asset notes to statement of accounts in accordance with the final accounts project plan
- Provide working papers to support the accounting entries and notes to the statements
- Liaise with external auditors during audit of financial statements
- Incorporate any changes from the external audit into the final statements to be approved by 30th September

20. Financial Strategy/Budget Preparation

- Assist with development of Medium Term Financial Strategy by providing details of forecast interest and inflation rates and projected investment returns
- Prepare guidance notes for the update of the MTFS and Budget Preparation Process
- Prepare a project plan for budget setting
- Prepare returns (capital and revenue) for budget managers to complete and to assist with the development of the MTFS
- Collate returns from budget managers to assist with update of the MTFS
- Provide data to support the MTFS report
- Use data from update of the MTFS to prepare budgets for the next financial year.
- Prepare salary estimates and salary allocations
- Prepare budget book in electronic format by end of February each year

21. Business Partnering

- Assist budget holders and other officers with the development of business cases for changes to services
- Review reports for financial implications and advise report author accordingly
- Advise budget holders of changes to regulations that have a financial impact upon

budget

- Work with budget holders to review consultation documents to understand the financial implications of proposals and provide feedback to s.151 officer where there is a significant financial impact
- Prepare monthly management reports for budget holders
- Produce monthly Key Variance Report for Portfolio Holders
- Produce quarterly financial performance data for performance report to Cabinet
- Produce forecasts of budget outturn
- Provide assistance with budget monitoring, preparation of budget forecasts etc.
- Support budget holders with the process to be followed where budgetary pressure needs to be address – assist with finding solutions or escalate as per Financial Rules
- Support to budget holders and other officers for one off projects / capital schemes
- Support to third parties for ad-hoc requests
- Client financial support to third parties

22. Cheltenham Borough Homes Ltd

- Maintain the Cheltenham Borough Homes Ltd (CBH) holding account, held with Cheltenham's general ledger
- Raise of invoices between CBH and CBC
- Reconciliation of holding account
- Produce year-end working papers

23. Gloucestershire Airport

- Support Runway Safety Project in capacity of shareholder (e.g. attendance of monthly project boards, arranging for the release of funds, ad hoc queries etc.)
- Analysis of monthly management accounts and reporting back to Strategic Director.

24. Government returns – RO, RA,QRO, CO. etc.

- Complete statutory government returns in accordance with statutory timescales for approval by each GO organisation

25. Technical Accounting support

- To keep up to date with accounting regulations as they apply to local authority ALMO, company, charity, trust fund, joint committee etc. accounts
- Advise on any proposed changes to accounting regulations, including implications to enable each GO organisation to respond to consultation as appropriate
- Provide advice on all technical accounting issues as required including the development of policy
- Provide support to service managers upon s.106 developer contributions

26. Council Tax insert note

- Prepare the financial tables and narrative detail for inclusion within the council tax leaflet for approval by each GO partner council

27. Benchmarking

- Provide data to enable benchmarking of services
- Provide data to support the reporting of performance indicators in accordance with each GO organisation's requirement. Performance indicator data requirements to be submitted to the shared service before the end of March each year
- Liaise with auditors over the production of the performance indicator data as necessary

28. Statistical reporting

- Assist with the completion of statistical returns such as “CIPFA stats” or VFM data as required by each GO organisation

29. Treasury Management

- Keep up to date with the latest Treasury Management Rules and Regulations
- Advise GO organisations on any proposed changes to rules and regulations together with impact assessments
- Carry out competitive procurement exercises for external Treasury Management advice on behalf of the GO organisations, as required.
- Work with any external advisor to develop the annual Treasury Management Strategy including Prudential Indicators and Minimum Revenue Provision policy
- Maintain a cash-flow forecast for each GO organisation, to feed into budget setting process
- Carry out daily cash management
- Negotiate investment in accordance with the appropriate Treasury Management Strategy
- Arrange borrowing in accordance with the appropriate Treasury Management Strategy
- Ensure that each GO partner council maintains bank balances in accordance with its Treasury Management Strategy and Financial Rules
- Produce quarterly Treasury Management Performance Reports
- Monitor new investment opportunities and advise each GO organisation on the risks, opportunities and legality of entering into such investments
- Provide support to Treasury Management Panels (or similar Member groups) at each GO partner council as required
- Maintain Treasury Management Practices and Policies
- Produce statutory reports as required for each GO organisation.

30. Insurance support and advice

- Collate information for tendering of insurance services, as required
- Prepare tender documentation for approval by GO organisations, as required
- Advertise the tender in accordance with Procurement Rules
- Agree evaluation criteria with GO organisation
- Carrying out evaluation of responses
- Make recommendation on supplier
- Post tender work – notifying successful/unsuccessful bidders
- Claims processing
- Preparation of insurance budgets for each GO organisation
- Allocation of insurance premium charges within finance system for each GO organisation
- Insurance and risk management advice to service managers for each GO organisation

31. Collate Precept data from Parish Council, Upper Tier Authorities, Police Authorities

- Obtain council tax base data per parish and for district as a whole
- Write to all Parish Council to request details of the value of the parish precept and banking details for the following financial year

- Collate feedback from Parish Councils
- Collate precept data from upper tier authorities, police authorities, as appropriate
- Ensure all Parish Councils have submitted precept requests
- Provide details of all Parish Council and other precepts to each GO partner council by the end of the first week of February

Procurement

1. Common Procurement Strategy, reflecting local flexibility

- Write GO Procurement Strategy, incorporating agreed local information

2. Common Contract Rules

- Write GO Contract Rules, incorporating agreed local information

3. Common suite of Standard Documentation

- Write GO Standard Procurement Documentation, incorporating agreed local information

4. Standardised procurement web pages

- Facilitate GO Website

5. Common Contract Register

- Responsibility for maintaining contract register
- Include all current contracts

6. Full tender / quotation process

- Research Suppliers/collaborative opportunities/frameworks. Undertake Internet Research
- Provide incumbent supplier details
- Develop advertisements
- Advertising (GO website/e-portal/supply2gov/OJEU): Publish Advertisement on website and through e-portal
- Legal: Send Instruction Memo to appropriate legal team. Sending regular updates.
- Draft Invitation To Tender: Use common standard documents for ITT
- Specification: Provide common outline template, advice and guidance
- Evaluation documentation: Provide common outline template, advice and guidance
- Evaluation Criteria: Provide common outline template, advice and guidance
- Tender Returns (all tenders to be returned to Shared Service): Undertake formal receipting process
- Tender evaluations: Facilitate evaluation meetings/scorings from a compliance view.
- Supplier References/Due Diligence reports: Apply for appropriate references/undertake snapshot financial checks/facilitate due diligence checks, deciding on outcome of report
- Supplier presentations: Facilitate the process. Providing advice and guidance
- Site visits: Facilitate the process, provide common template, advice and guidance
- Contract Award process: Inform winning supplier/s. Debrief losing suppliers
- Legal Terms & Conditions: Liaise with appropriate legal team to formulate the contract, provide all necessary documentation and clauses specific to this contract, relevant legal team to provide closing memo for entry in the contract register

7. Contract Management

- Provide advice to GO partner councils if any issues arise

- Day to day contract monitoring will be undertaken on a GO partner council basis
- Report for all contracts placed by Shared Service (current contracts placed by authorities will be reported locally)

8. Contract Monitoring

- Overview of all contracts will be a role for the Shared Service. Collating feedback and end of contract report before starting the process again
- Liaise with Procurement if there are any specific issues that need raising
- Report for all contracts placed by Shared Service (current contracts placed by GO partner council will be reported locally)

9. Spend Analysis, Reporting and identification of procurement savings

- Provide current spend data and supplier information as requested

10. Common Work plan

- Developing work plan from contract register and authority requirements

11. Supplier Adoption on E-portal, where in use

- Maintain the e-portal

12. Category Management

- Collate individual contract information from each GO partner council to enable category management technique to be utilised.

13. Purchase Order Management

- Monitoring of Purchase Order process

14. Purchase Cards

- Administration

15. Procurement Training provided by Shared Service

HR and Payroll

Human Resources (HR)

1. Workforce Intelligence

- Production of workforce intelligence reports direct from system, downloaded to relevant media: e.g. word/excel
- Analysis of information and conversion into formats for publication: e.g. reports/intranet, etc.
- Standard monthly/quarterly reports
- Cabinet/Committee reports & workforce planning
- Analysis and recommendation for performance monitoring, responding to request, benchmarking, etc

2. Recruitment

- Recruitment approval form and check that it is an established vacant post
- Advert , JD and person spec – post advert on intranet – external advertising if applicable
- Online applications forms or paper – receive applications – record equal opportunities monitoring stats
- Short-listing for interview (Admin process), invite to interview letters, receipt and storage of interview notes / test results, reject letters
- Authorisation to appoint form and offer letter for successful person
- Clearances to include: proof of right to work; CRB if applicable; references; medical; qualifications; benefit check

- Update establishment list
- Terms and conditions document (contract) and other welcome paperwork
- Signed paperwork received back and bank details etc
- Advise relevant parties of new starter e.g. training and ICT
- Advice and guidance on resourcing and recruitment
- Interview support and Interview testing

3. Leavers

- Termination form, including leave calculations
- Exit questionnaires (if not line manager function)
- Exit Interviews (by phone or in person) and any follow up actions
- Analysis of Exit interviews/questionnaires
- References

4. Induction

- Paper
- Health & Safety
- Government Connect Training
- Corporate Induction
- Arranging Security Pass

5. CRB, Vetting and Barring Scheme, Independent Safeguarding Authority

- Train / Coach Managers & employees
- Send out paperwork to new employee
- Monitor ERP system and send out renewal reminders & paperwork to existing employee
- Receive completed CRB form & check against original ID documents – (If check not done at interview by local advisory “Level 4” professional)
- Add info to ERP system
- Pass completed form to counter signatory for approval
- Liaise with third parties and umbrella organisations

6. Employee Relations/Case work

- To be the first point of contact to provide basic advice to managers and staff about conditions of employment, HR policies and HR systems, employee relations, employee welfare
- Detailed advice to managers and staff about conditions of employment, HR policies and HR systems, employee relations, employee welfare and restructures including attending meetings and briefing managers

7. Grievance, Disciplinary & Capability

- Admin (Prepare Evidence Pack, Letters etc)
- Note taking at meetings (if required)
- Updating ERP system
- Advice and guidance
- Train / coach managers & employees
- Advice on investigations
- Support and advice at Hearings / Appeals
- Absence Management
- Train / coach managers & employees
- Advice and guidance

- Support and advice at Hearings / Appeals
- Home Visits (Visit and note production) and follow up

8. Absence Management

- Monitoring trigger points
- Admin (Prepare Evidence Pack, Letters etc)
- Note taking at meetings (if required)
- Updating ERP employee file
- Occupational Health referrals (all admin)
- Home Visits (Letter production)

9. Change Management

- Admin support (e.g. letter production and distribution) as required
- Advice and guidance
- Train / coach managers & employees
- Advice and guidance on restructures
- Consultation Support

10. Redundancy

- Admin support (e.g. letter production and distribution) as required
- Redundancy calculations
- Advice and guidance
- Train / coach managers & employees
- Consultation Support

11. Job Evaluation

- Admin support (e.g. letter production and distribution) as required
- Updating ERP employee file
- Advice and guidance
- Train / coach managers & employees
- Grading Panels
- Any required board approvals

12. HR Procedure & Policy Development

- Research, write, consult, agree and publish operational procedures whose content solely relates to the transactional workings of the HR/Payroll Shared Service.
- Publish all approved HR/Payroll Policies and Procedures
- Research, write, consult and agree (including committee approval) HR policies
- Train / coach managers & employees

13. Health, Fire and Safety

- Develop, update and implement H&S policy, fire risk assessments, ensuring compliance with H&S legislation, Construction Design Management, regulations compliance, Legionella assessment, input to H&S aspects of contracts and procurement, working with buildings managers re health and safety issues, H&S communications and updates, advice to managers on public health and safety (events management).
- Accident, incident and near miss reports entered into ERP
- Maintain fire warden list on ERP system
- Maintain First Aid list
- Manage and administer first aider training arrangements. Process on ERP system
- Manage and administer eye testing arrangements. Process on ERP system

- Manage and administer VDU/Workplace assessment arrangements. Process on ERP system. Co-ordinate Annual review & returns.
- Publish information relating to above items
- Advice and guidance
- Review of accident, incident and near miss reports and RIDDOR reporting to HSE
- Investigation support into accidents, incidents and near misses, and investigations where needed, and HSE liason
- Health, Fire and Safety audits and monitoring
- Train / Coach managers and employees in all Health, Fire and Safety matters (**except** First Aid, Eye Testing and VDU/Workplace safety)
- Risk management and assessment
- Fire Evacuations & Fire Marshall training
- Violent Persons Register
- Advising manager re any issues identified as part of VDU/Workplace assessment

14. Benefits

- Manage and administer Nursery vouchers/Childcare scheme
- Manage and administer Cycle scheme
- Manage and administer Staff Loans

15. Employee Job Cycle

- Address Change
- Name Change
- Changes to grade of post
- Changes to line manager reporting
- Changes to where post sits in organisation
- Changes to hours worked
- Changes to days worked
- Changes to car mileage allowances
- Changes to Rota

16. Maternity / Paternity

- Pay calculations
- Record details on ERP system
- Advice and guidance
- Train / coach managers & employees
- Maternity interviews

17. Pensions

- Management of employee records in respect of LGPS membership: joiners/leavers/ hour changes
- Completion of associated forms/paperwork for joiners/leaver/changes
- Annual Banding of employees contributions
- Periodic re-banding of employee contributions following salary changes
- Maintenance of employers contributions following changes/re-valuations of the scheme
- Provision of estimates in respect of retirement/redundancy (including associated employers costs)

18. Long Service Awards

- Administration / Letters

- Award ceremony organisation (in conjunction with local advisory “Level 4” professionals)
- Gift purchase

19. Retirements & Flexible Retirements

- Calculations
- Record details on ERP system
- Advice and guidance
- Train / coach managers & employees

20. Death in Service

- Pension information
- Record details on ERP system
- Advice and guidance
- Support to line manager, family, employees

21. Annual Leave & Flexi Leave

- Monitor & process on ERP system (where not a self service function)
- Process and forward for approval by line management requests to Buy and Sell leave
- Calculations of leave entitlement

22. Performance & appraisals

- Record details on ERP system
- Advice and guidance
- Training and coaching appraisal process (where appropriate and required)
- Monitor and update the appraisal process and documents
- Retain Investors in People (where appropriate and required)
- Design and develop, review and update competency frameworks
- Monitor appraisal statistics, reports to management

23. Reward & recognition

- Recording details on ERP system and processing of any payments/gifts
- All functions except recording details on ERP system and processing of any payments/gifts
- Advice and guidance on reward and recognition

24. Apprenticeships, future jobs fund, backing young Britain

- Undertake scheme administration activities
- Promote schemes and benefits
- Acquire & maintain funding for schemes
- Mentor and monitor apprentices progress and development

25. Structure Charts

- Preparation
- Distribution

26. Periodic staff communications

- Collation and distribution of internal communications (e.g vacancies, newsletters), with input from local advisory “Level 4” professionals
- Ensure communications are maintained to individuals on long term sickness or maternity leave.

27. Organisational HR Strategy

- Advice and guidance

- Research, consult, develop strategy
- Agree and deliver strategy, monitor, review and report on outcomes

28. Learning & organisational development, learning skills, knowledge, behaviours

- Learning management system and e- learning
- Training needs analysis
- Design and delivery
- Evaluation
- Monitoring of expenditure
- Commissioning external training providers
- Facilitation of events (where appropriate/required)
- Team building away days, focus groups Professional development
- Leadership skills and knowledge development
- Elected Member development (where appropriate and required)
- Talent management - any programmes to support development of talent
- Succession management and planning

(NB recording of completed training on ERP system and Induction, CRB, first aider, eye testing and VDU/Workplace assessment are covered by transactional service)

29. Other

- Government Employment Statistical Returns
- Work Experience Co-ordinator
- Work Experience Paperwork/H&S
- Maintain Casual register

Payroll

1. Payroll Function

- Maintenance of employee records: New starters, transfers, post amendments, hours/grade changes, fixed allowances & leavers
- Maintenance of employee records and dealing with enquiries in respect of Tax & NI: e.g. P45/P46/P38(S)
- Maintenance of employee records in respect of car users (casual, regular & essential) and vehicle information. Generation and electronic submission of forms
- Input of temporary pay information: Overtime claims, expenses, temporary allowances, car mileage payments
- Manage allowances (Mileage Allowances, Evening Meeting Allowances, Overtime, Casual hours, Unpaid leave, First Aid Payments)
- Maintenance of records and calculation of entitlements for occupational and statutory sick pay, maternity, paternity and adoption leave
- Calculation of pay for both monthly and weekly payrolls: Including calculation of gross & pensionable pay and the deduction of Tax, NI, Pension Contributions and other deductions
- Reconciliation of costing information and transfer to FMS systems
- Reconciliation of deductions from payroll and the payment and distribution of monies to 3rd parties: HMRC, Pensions, Trade Unions and other internal accounts
- Generation and distribution of relevant tax forms to employees and transfer of periodic returns to HMRC
- Year end reconciliations and transfer of appropriate returns/forms to HMRC & employees: e.g. P35, P14, P60 & P11D

- Ad-hoc reporting
- Completion of periodic questionnaires, statistical returns and correspondence from employees and others. e.g.: Mortgage applications & insurance claims
- Salary sacrifice advice and scheme maintenance
- Processing pay awards, calculating backpay and updating tables
- BACS processing (Physical file transmission may need to remain a local function)
- Set up and maintenance of new elements/schemes
- Advice and guidance
- Management information and reporting
- Research, develop and implement improvements

Services Not In Scope for Shared Service

Strategic Partner

Aligning business and strategy, a change agent role working to improve, transform and develop the organisation.

The finance roles are anticipated to be carried out by the Section 151 Officer or designated deputy.

Finance & Procurement

Finance

1. Approve and submit statutory government returns, where statutory section 151 officer (or designated deputy) approval is required
2. Approve budget table and narrative for inclusion within council tax leaflets
3. Use advice from shared service to communicate to Members and develop responses to consultation documents
4. Support strategic programme management (e.g. Briding the Gap at CBC, One Team at CDC)
5. Liaison with actuary on pensions including negotiations in respect of triennial revaluation / revised pension contribution rates and development of pension fund strategy
6. Client role in relation to Housing Revenue Account/Cheltenham Borough Homes
7. Approve award of insurance contracts
8. Approve award of contracts for advisory services (Treasury Management, VAT/Tax etc.)
9. Receive the proposed Treasury Management Strategy from the shared service, review draft and present to Council for approval
10. Production and presentation of the Medium Term Financial Strategy report and Budget Strategy for approval by Council
11. Presenting the Council Tax setting report to Council for approval.
12. Development of Corporate Plan, Corporate Performance Indicators
13. Section 151 (or designated deputy) statutory, strategic and performance roles including:
 - Attendance at Senior Management Team (or equivalent) meetings

- Attendance at Treasury Management Panel meetings (or equivalent) and liaison with Members on treasury matters
- Attendance at informal cabinet/portfolio holder or other Member briefings

Procurement

1. Full tender / quotation process

- Specification. Provide authority specific detail to complete the specification
- Evaluation Documentation. To be populated by individual GO partner councils.
- Evaluation Criteria. To be agreed between procurement and individual GO partner councils
- Tender Evaluation. Nominated officers from individual GO partner councils undertake actual evaluation process. Scoring etc.
- Supplier presentations. Attendees required from individual GO partner councils. Complete scoring, as necessary.
- Site visits. Attend site visits if required. Complete scoring, as necessary.

2. Contract Management

- Report for contracts placed by GO partner councils prior to creation of Shared Service

3. Contract Monitoring

- Report for contracts placed by GO partner councils prior to creation of Shared Service

4. Purchase Cards

- With appropriate GO partner councils

5. Purchase Order Management

- Requisitioners at each authority responsible for day to day raising of orders and receipting.

HR and Payroll

Human Resources (HR)

1. Member Development

2. ICT training

5. Annex B – Governance Models

Phase 1 – Stage A (Up to 1st GO Organisation “live”)

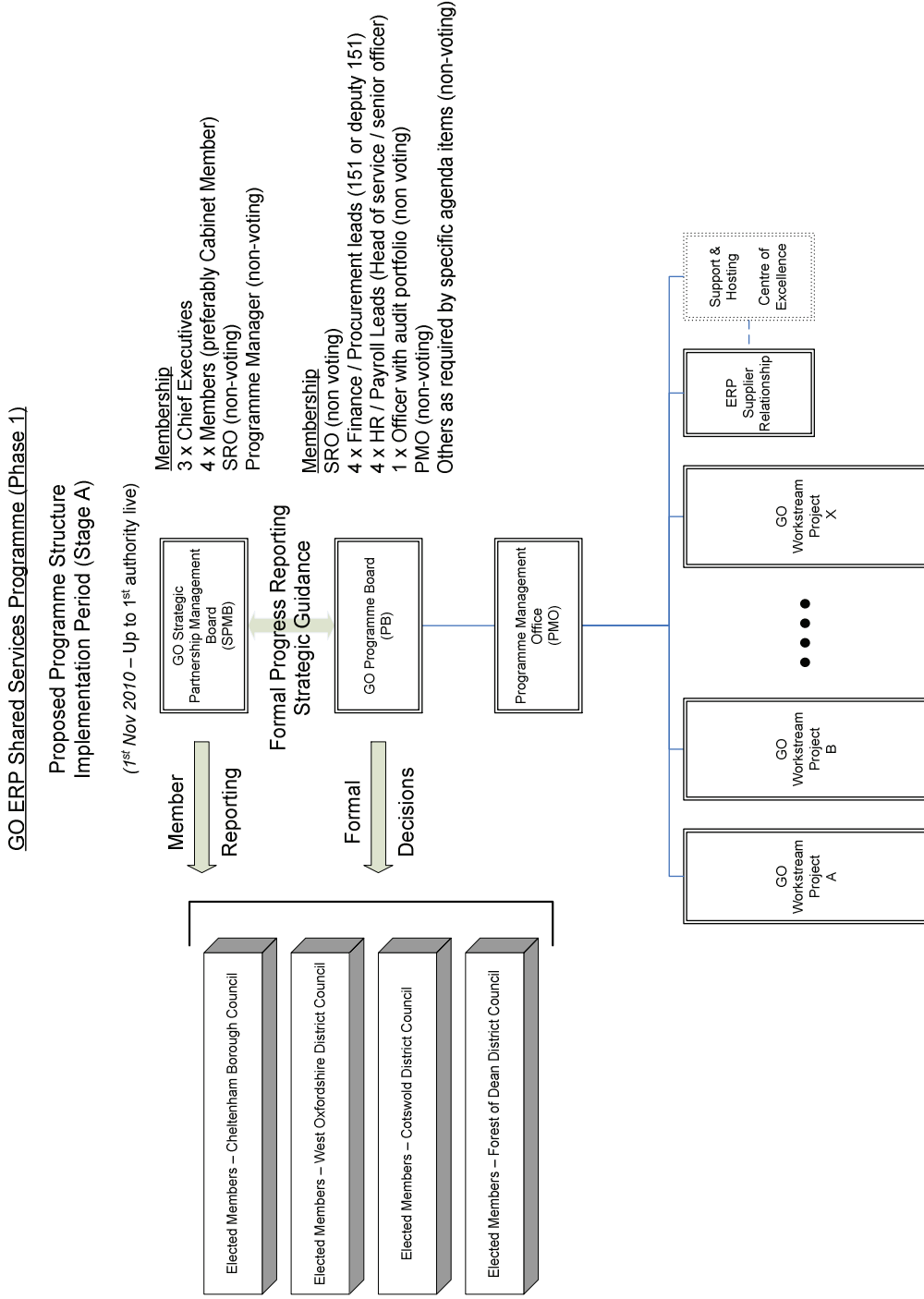


Figure 5-1: Programme Structure – Development of business case

Phase 1 – Stage B (1st GO Organisation “live”)

GO ERP Shared Services Programme (Phase 1)

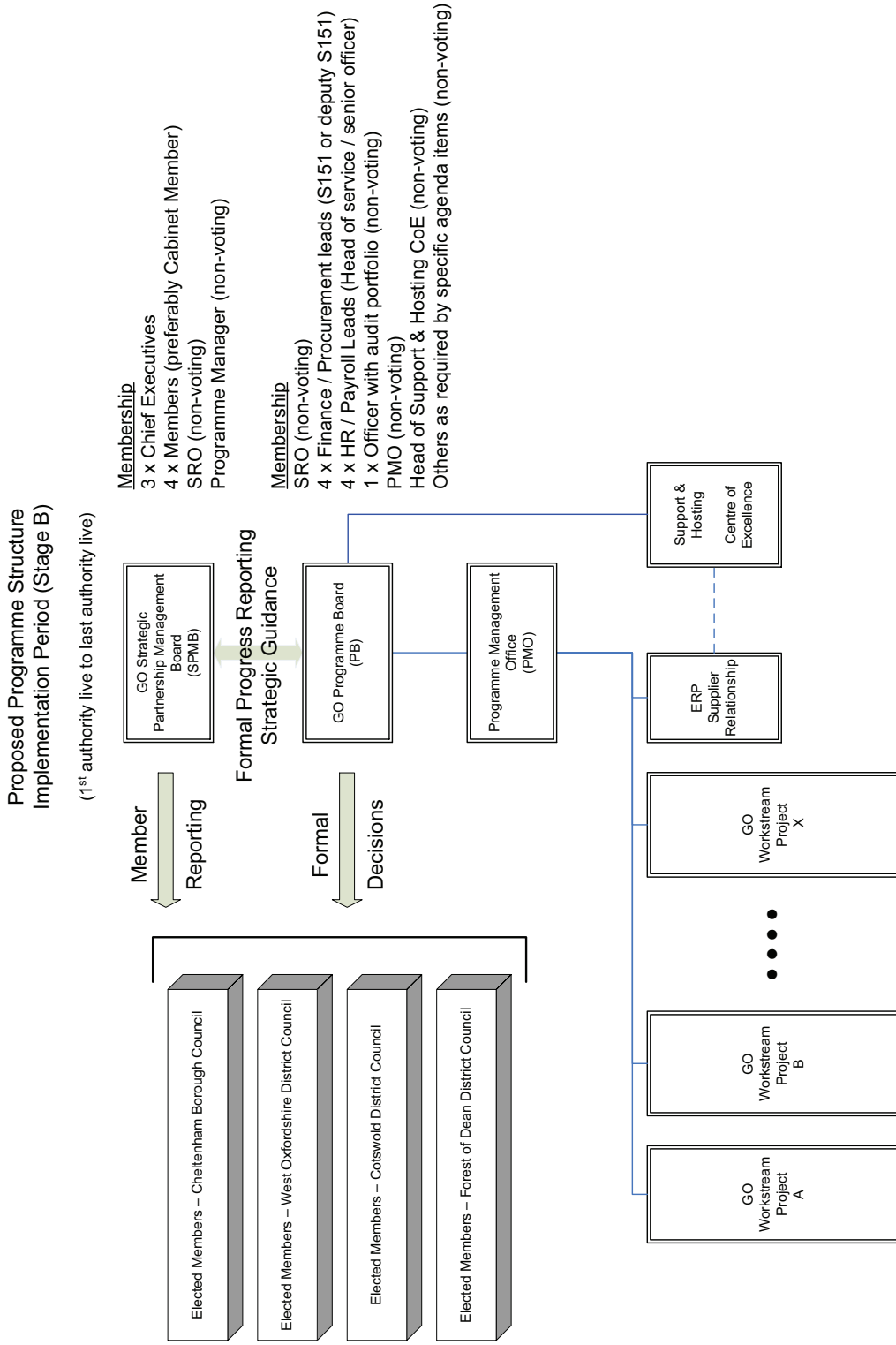


Figure 5-2: Programme Structure – Implementation

Phase 1 – Stage C (After all GO Organisations “live”)

GO ERP Shared Services Programme (Phase 1)

Proposed Programme Structure (Phase 1) Post Implementation Period (Stage C)

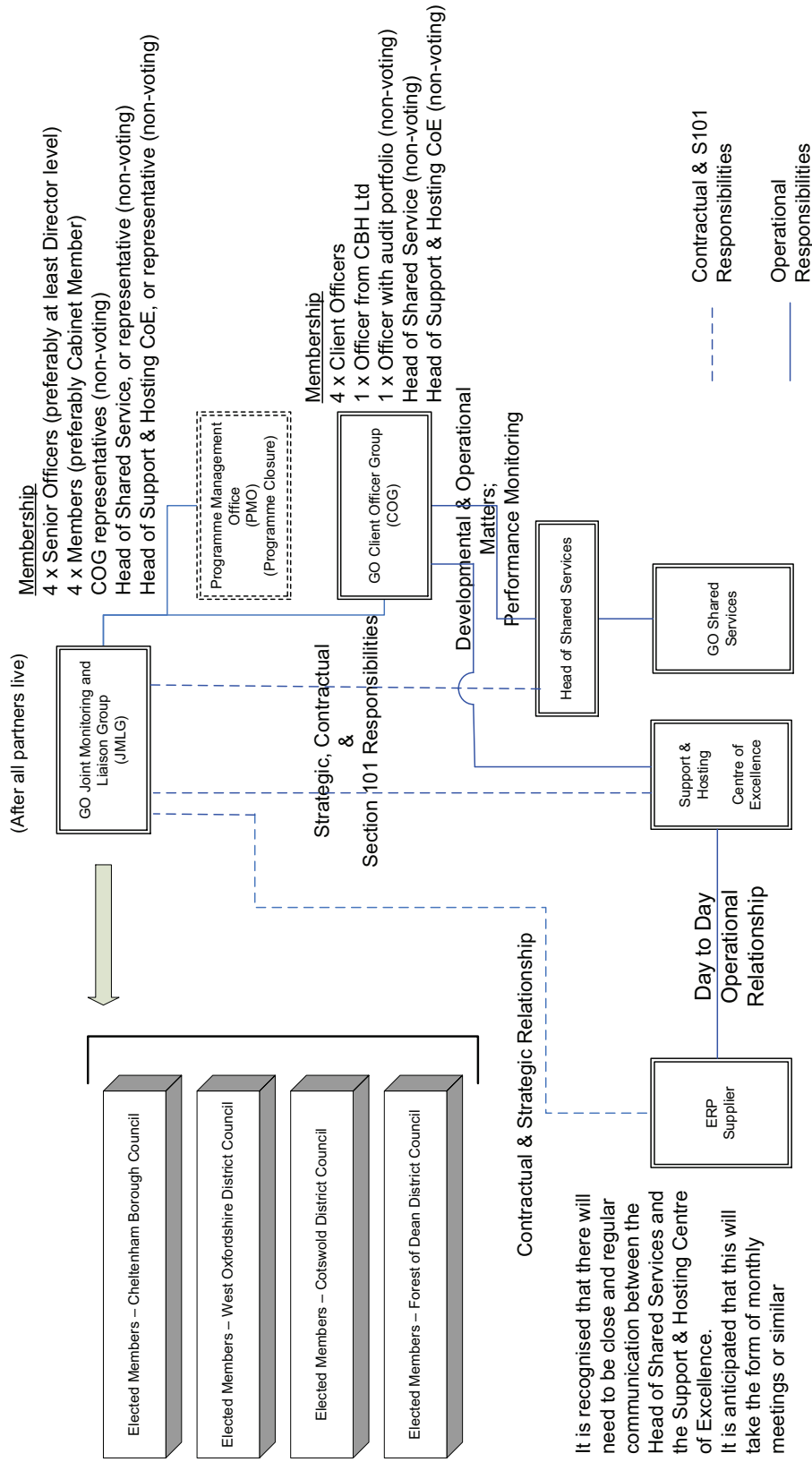


Figure 5-3: Programme Structure – Operations

Programme Governance – Organisation Roles

GO Strategic Partnership Management Board (SPMB)

- Receive monthly (and major exception) reporting for the Programme.
- Take responsibility for any further periodic dissemination of reporting to other elected members (i.e. cabinet or scrutiny) or directors (i.e. council leadership teams). The Programme Board via the Programme Management Office will retain responsibility for specific operational or exception communications.
- Act as an important (but informal) strategic source of advice and guidance relating to major decisions, issues or disputes.

Programme Board (PB)

- Responsible for the delivery of the Programme to the agreed business case (timescales, costs and performance).
- Responsible for the monitoring of Programme risks and issues
- Responsible for day to day decisions with the limits of its delegated authority
- Responsible for escalation of key decisions to the Cabinet committees of the GO partner councils.

GO Joint Monitoring and Liaison Group (JMLG)

- Responsible for the ongoing strategic delivery and governance of the GO Shared Services to the required standards
- Responsible for decisions within the limits of its delegated authority
- Responsible for monitoring risks & issues
- Responsible for the ongoing enhancement of the system and shared service arrangements, including the identification of new partnership opportunities

GO Client Officer Group (COG)

- Responsible for performance monitoring of the GO Shared Services with regards to target service levels and customer satisfaction. Provide periodic (and exception) key performance summaries to JMLG
- Discuss operational issues and escalate to the JMLG for any key decisions (i.e. those with a legal, cost or significant performance impact)
- Identify opportunities for improvement of the system or service to JMLG

6. Annex C – GO Programme Costs and Savings

Classification	Year Financial Year	Revised Business Case (4) Summary											
		0 10/11	1 11/12	2 12/13	3 13/14	4 14/15	5 15/16	6 16/17	7 17/18	8 18/19	9 19/20	10 20/21	
		£649,235	£684,412	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Capital Investment		£0	£60,000										
Centres of Excellence Project Team Advice (Legal etc)	Revenue	£3,225	£21,775										
Total Revenue Investment		£3,225	£81,775	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Internal Hosting - Maintenance	Revenue	£12,267	£35,092	£35,092	£35,092	£35,092	£35,092	£35,092	£35,092	£35,092	£35,092	£35,092	£35,092
Support Centre of Excellence	Revenue	£0	£95,091	£106,299	£106,299	£106,299	£106,299	£106,299	£106,299	£106,299	£106,299	£106,299	£106,299
Data Communications / Network Connectivity	Revenue	£0	£66,975	£66,975	£66,975	£66,975	£66,975	£66,975	£66,975	£66,975	£66,975	£66,975	£66,975
Software Lic 3rd Party - Quick Address&Org	Revenue	£2,960	£4,500	£4,500	£4,500	£4,500	£4,500	£4,500	£4,500	£4,500	£4,500	£4,500	£4,500
Licence / IT savings	Revenue		-£68,907	-£68,907	-£68,907	-£68,907	-£68,907	-£68,907	-£68,907	-£68,907	-£68,907	-£68,907	-£68,907
One-off employment costs	Capital / Revenue		£191,184	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Procurement Savings	Revenue		-£77,668	-£77,668	-£77,668	-£77,668	-£77,668	-£77,668	-£77,668	-£77,668	-£77,668	-£77,668	-£77,668
Indirect savings from service sharing	Revenue		£0	-£77,668	-£77,668	-£77,668	-£77,668	-£77,668	-£77,668	-£77,668	-£77,668	-£77,668	-£77,668
Total savings from service sharing	Revenue		£0	-£309,521	-£120,000	-£120,000	-£120,000	-£120,000	-£120,000	-£120,000	-£120,000	-£120,000	-£120,000
Total Revenue Impact (saving)		£15,227	£201,657	-£52,046	-£672,752	-£672,752	-£672,752	-£672,752	-£672,752	-£672,752	-£672,752	-£672,752	-£672,752
Cumulative impact													
Cumulative investment	Capital	£649,235	£1,333,647	£1,333,647	£1,333,647	£1,333,647	£1,333,647	£1,333,647	£1,333,647	£1,333,647	£1,333,647	£1,333,647	£1,333,647
Cumulative investment	Revenue	£3,225	£85,000	£85,000	£85,000	£85,000	£85,000	£85,000	£85,000	£85,000	£85,000	£85,000	£85,000
Total cumulative investment		£652,460	£1,418,647	£1,418,647	£1,418,647	£1,418,647	£1,418,647	£1,418,647	£1,418,647	£1,418,647	£1,418,647	£1,418,647	£1,418,647
Cumulative savings	Revenue	£15,227	£216,884	£164,838	-£507,914	-£1,180,665	-£2,526,169	-£3,198,920	-£3,871,672	-£4,544,424	-£5,217,176	-£5,890,928	-£6,562,680
Net Cumulative Total		£667,687	£1,635,531	£1,583,485	£910,733	£237,982	-£1,107,522	-£1,780,273	-£2,453,025	-£3,125,777	-£3,798,529	-£4,487,081	-£5,175,309
Payback													
ROI													
NPV 5%													
Net Cost / (Saving)		£667,687	£967,844	-£52,046	-£672,752	-£672,752	-£672,752	-£672,752	-£672,752	-£672,752	-£672,752	-£672,752	-£672,752

7. Annex D – GO Programme Milestones

M/S ID Mxxx	Milestone Name	Project / Workstream	Notes	Due Date	Expected Date	RAGB
M001	ABW Software Installed	GOPC		16/03/2011	16/03/2011	B
M002	ABW SD Sign Off (Finance)	GO PD	Finance SDDs signed off.	28/03/2011	18/04/2011	B
M003	ABW SD Sign Off (Procurement)	GO PG	Procurement SDDs signed off.	28/03/2011	18/04/2011	B
M004	ABW SD Sign Off (HR)	GO PE	HR SDDs signed off.	05/04/2011	17/05/2011	A
M005	ABW SD Sign Off (Payroll)	GO PF	Payroll SDDs signed off.	04/05/2011	27/05/2011	B
M006	Process / Regulation Gap & Impact Analysis (Finance)	GO PD	Agreed revised milestone date	04/05/2011	13/05/2011	B
M007	Process / Regulation Gap & Impact Analysis (HR)	GO PE	Agreed revised milestone date	04/05/2011	13/05/2011	B
M008	Process / Regulation Gap & Impact Analysis (Payroll)	GO PF	Agreed revised milestone date	04/05/2011	13/05/2011	B
M009	Process / Regulation Gap & Impact Analysis (Procurement)	GO PG	Agreed revised milestone date	04/05/2011	13/05/2011	B
M010	Shared Service Paper (Fin & Proc elements)	GO PA	Agreed revised milestone date	12/05/2011	25/05/2011	G
M011	Shared Service Paper (HR & Payroll elements)	GO PB	Agreed revised milestone date	12/05/2011	25/05/2011	G
M012	Regulation & Policy changes paper complete (FoD)	GO PH		30/05/2011		G
M013	Regulation & Policy changes paper complete (WO)	GO PI		30/05/2011		G
M014	Regulation & Policy changes paper complete (CDC)	GO PJ		30/05/2011		G
M015	Regulation & Policy changes paper complete (CBC)	GO PK		30/05/2011		G

M/S ID Mxxx	Milestone Name	Project / Workstream	Notes	Due Date	Expected Date	RAGB
M016	Regulation & Policy changes paper complete (CBH)	GOPL		30/05/2011		G
M017	Solution Build Sign Off	GOPC		27/06/2011	04/07/2011	A
M018	User data collection complete (FoD)	GOPH		29/06/2011		G
M019	User data collection complete (WO)	GOPI		29/06/2011		G
M020	Network Installation Complete	GOPC	Delays in procurement	04/07/2011		A
M021	IST Phase 1 Sign Off	GOPC		22/07/2011		G
M022	Data migration specification complete (FoD)	GOPH		25/07/2011		G
M023	Data migration specification complete (WO)	GOPI		25/07/2011		G
M024	BC Test Sign Off	GOPC		02/08/2011		G
M025	Deployment plan sign off (FoD)	GOPH		25/08/2011		G
M026	Deployment plan sign off (WO)	GOPI		25/08/2011		G
M027	IST Phase 2a Complete (FoD)	GOPC		26/08/2011		G
M028	IST Phase 2a Complete (WO)	GOPC		26/08/2011		G
M029	User data collection complete (CDC)	GOPJ		30/09/2011		G
M030	User data collection complete (CBC)	GOPK		30/09/2011		G
M031	User data collection complete (CBH)	GOPL		30/09/2011		G
M032	UAT sign off (FoD)	GOPH		04/10/2011		G
M033	UAT sign off (WO)	GOPI		04/10/2011		G
M034	Go Live (FoD)	GOPH		01/11/2011		G
M035	Go Live (WO)	GOPI		01/11/2011		G
M036	Data migration specification complete (CDC)	GOPJ		28/11/2011		G
M037	Data migration specification complete (CBC)	GOPK		28/11/2011		G

M/S ID Mxxx	Milestone Name	Project / Workstream	Notes	Due Date	Expected Date	RAGB
M038	Data migration specification complete (CBH)	GOPL		28/11/2011		G
M039	Deployment plan sign off (CDC)	GOPJ		20/12/2011		G
M040	Deployment plan sign off (CBC)	GOPK		20/12/2011		G
M041	Deployment plan sign off (CBH)	GOPL		20/12/2011		G
M042	IST Phase 2b Complete (CBC)	GOPC		23/01/2012		G
M043	IST Phase 2b Complete (CDC)	GOPC		23/01/2012		G
M044	IST Phase 2b Complete (CBH)	GOPC		23/01/2012		G
M045	UAT sign off (CDC)	GOPJ		14/03/2012		G
M046	UAT sign off (CBC)	GOPK		14/03/2012		G
M047	UAT sign off (CBH)	GOPL		14/03/2012		G
M048	Go Live (CDC)	GOPJ		02/04/2012		G
M049	Go Live (CBC)	GOPK		02/04/2012		G
M050	Go Live (CBH)	GOPL		02/04/2012		G
M051	Shared Service Benefits Realisation	Programme / All		01/10/2012		G

RAGB Status	G	LOW – No issues exist that will delay the delivery
	A	MEDIUM – Progress is delayed, and mitigating actions are in place
	R	HIGH – Will not meet end date without management intervention
	B	COMPLETE - Milestone has been completed

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Item	Purpose	Outcome	What is required?	Lead Officer
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Meeting Date: Monday 18 July 2011
Chairs Briefing: Tuesday 28 June 5 pm 2011 **Deadline for Papers: Wed 6 July 2011**

Economic Development plans (20 mins) (requested by the Leader)	Scrutiny	Update to the committee on latest economic development plans (to include an update on the process for New Homes Bonus application process – promoting Cheltenham)	Verbal update/Report	Mike Redman, Director Built Environment
Annual Performance Report (20 mins)	Standard item	Six monthly review	Report	Richard Gibson, Policy and Performance Manager
GO Programme –Shared Service Delivery (20 mins)	Scrutiny	To inform, invite challenge and Q&A session	Report going to Cabinet	Mark Sheldon, Chief Finance Officer
Imperial Gardens – business case (40 mins)	Scrutiny	To respond to the committee's request for more information on the business case relating to use of the gardens and to review the economic information requested at the March meeting.	Discussion paper and Cabinet Member in attendance to respond to questions	Rob Bell, Director Operations Adam Reynolds

Meeting Date: Monday 19 September 2011
Chairs Briefing: Tuesday 23 August 2011 5 pm **Deadline for papers: Wed 7 September 2011**

Corporate Risk Register (20 mins)	Standard Item	Regular review before going to Cabinet 27 September	Report	Bryan Parsons, Policy and Performance Officer
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Item	Purpose	Outcome	What is required?	Lead Officer
Ensuring Best Value from Mobile Communications	Scrutiny	A request from the May meeting	Report	Mark Sheldon, Director Resources
Information Strategy	Scrutiny	Requested at the May meeting following a review of the Corporate Risk Register	Report	Jane Griffiths, Director of Commissioning
New Homes Bonus – promoting Cheltenham	Scrutiny	To scrutinise the process for determination of funding but not to look at individual bids	Report	Sonia Phillips, Director of Wellbeing and Culture
Cheltenham partnership structures and arrangements	Scrutiny	A review of latest partnership structures including CSP and the decision making process	Presentation supported by report	Richard Gibson, Policy and Performance Manager
Glos Integrated Economic Strategy	Scrutiny	David Owen from GFirst be invited to explain their restructure, update on LEP and progress in the implementation of the action plan	Presentation supported by report	Wilf Tomaney, Acting Economic Development Manager
Meeting Date: Monday 28 November 2011				
Chairs Briefing: Tuesday 8 November 2011 5 pm				
Quarterly budget report	Standard item	Quarterly review requested by the committee	Report	Paul Jones, Head of Financial Services
GO Programme – Financial and Contract Rules	Scrutiny	To review the report going to Cabinet in September	Report	Mark Sheldon, Director Resources
Commissioning programme – a general update	Scrutiny	A six monthly update requested by members for an overview of the programme with a focus	Report	Jane Griffiths, Director Commissioning Ken Dale, Business Development Manager

Item	Purpose	Outcome	What is required?	Lead Officer
Budget consultation 2012-13	Scrutiny	on costs and future savings Review interim budget proposals 2012-13 and comment	Discussion paper	Mark Sheldon, Director Resources
Localism Bill (timing to be confirmed)	Scrutiny	To understand the potential impact of the Bill on Economic Development and local development strategy	Discussion paper	Economic Development Strategic Land Use
Meeting Date: Monday 23 January 2012				
Chair's Briefing: Tuesday 3 January 2012 5 pm				
Corporate Risk Register (20 mins)	Standard Item	Regular review before going to Cabinet 8 February	Report	Bryan Parsons, Policy and Performance Officer
Performance Report	Standard item	Six monthly review	Report	Richard Gibson, Policy and Performance Manager
Absence Management	Scrutiny	Update requested at the May meeting - report of position at the end of 3Q	Report	Julie McCarthy, HR operations Manager
Budget proposals 2012-13	Scrutiny	Review final budget proposals 2012-13 prior to Council (10 February)	Discussion paper	Mark Sheldon, Director Resources
Meeting Date: Monday 5 March 2012				
Chairs Briefing: Tuesday 14 February 5 pm 2012				
DRAFT Corporate Strategy 2012-13	Scrutiny	Review DRAFT strategy for 2012-13 prior to Cabinet (13 March)		Richard Gibson, Policy and Partnership Manager
Meeting Date: Monday 11 June 2012				
Chairs Briefing: Tuesday 15 May 2012 5 pm				
Deadline for papers: Tuesday 29 May 2012				

Item	Purpose	Outcome	What is required?	Lead Officer
Corporate Risk Register (20 mins)	Standard Item	Regular review before going to Cabinet	Report	Bryan Parsons, Policy and Performance Officer
Gloucestershire Airport Business Plan	Scrutiny	Review the business plan 12 months after the start of the drawdown of the loan	Report	Pat Prately, Executive Director
Chair's Briefing: Tuesday 26 June 2012				
Meeting Date: Monday 16 July 2012				
Deadline for papers: Wed 4 July 2012				
Quarterly budget report	Standard item	Quarterly review requested by the committee	Report	Paul Jones, Head of Financial Services
Annual Performance Report	Standard item	Six monthly review	Report	Richard Gibson, Policy and Performance Manager
Items to be added at a future date				
Budget Working Group		Inform the committee about the working of the budget working group	Update	Mark Sheldon, Director Resources