



LGSS JOINT COMMITTEE

Date: Friday, 24 November 2017

Democratic and Members' Services

Quentin Baker

LGSS Director: Law and Governance

Shire Hall

Castle Hill

Cambridge

CB3 0AP

14:30hr

Civic Offices, Milton Keynes Council, Saxon Gate, MK9 3EJ

AGENDA

Open to Public and Press

- | | | |
|----------|---|----------------|
| 1 | Apologies for absence and declarations of interest | |
| | <i>Guidance on declaring interests is available at</i> | |
| | http://tinyurl.com/cc-conduct-code | |
| 2 | Minutes - 28th September 2017 | 5 - 12 |
| 3 | LGSS Budget Monitoring Report - September 2017 | 13 - 28 |
| 4 | LGSS Annual Report and Statement of Accounts | 29 - 32 |
| 5 | Agresso (Unit4 Business World) Implementation | 33 - 64 |
| 6 | Proposed LGSS Revenues and Benefits Joint Committee | 65 - 68 |

8 Exclusion of Press and Public

To resolve that the press and public be excluded from the meeting on the grounds that the agenda contains exempt information under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and that it would not be in the public interest for this information to be disclosed information relating to the financial or business affairs of any particular person (including the authority holding that information)

9 New Business Development

Presentation - slides to be circulated separately

The LGSS Joint Committee comprises the following members:

Councillor Robin Brown (Chairman) Councillor Robert Middleton (Vice-Chairman)

Councillor Ric Brackenbury Councillor Keith McLean Councillor Bill Parker and Councillor Bob Scott Councillor Chris Boden Councillor Paul Raynes and Councillor Graham Wilson

For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact

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The County Council is committed to open government and members of the public are welcome to attend Committee meetings. It supports the principle of transparency and encourages filming, recording and taking photographs at meetings that are open to the public. It also welcomes the use of social networking and micro-blogging websites (such as Twitter and Facebook) to communicate with people about what is happening, as it happens. These arrangements operate in accordance with a protocol agreed by the Chairman of the Council and political Group Leaders which can be accessed via the following link or made available on request: <http://tinyurl.com/ccf-film-record>.

Public speaking on the agenda items above is encouraged. Speakers must register their intention to speak by contacting the Democratic Services Officer no later than 12.00 noon

three working days before the meeting. Full details of arrangements for public speaking are set out in Part 4, Part 4.4 of the Council's Constitution <https://tinyurl.com/CCCprocedure>.

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LOCAL GOVERNMENT SHARED SERVICES JOINT COMMITTEE: MINUTES

Date: Thursday, 28th September 2017

Time: 2.00pm – 4.00pm

Place: Room 214, Angel Square, Northampton

Present: Cambridgeshire County Council (CCC): Councillors Ian Bates, Paul Raynes and Graham Wilson

Milton Keynes Council (MKC): Councillors Ric Brackenbury, Keith McLean and Robert Middleton.

Northamptonshire County Council (NCC): Councillors Robin Brown and Bill Parker.

Others in attendance:

Mark Ashton (LGSS Director of Business Services, Systems and Change), Matt Bowmer (LGSS Director of Finance), Martin Cox (LGSS HR Director), Ian Farrar (LGSS Director of IT Services), Justine Hartley (LGSS Head of Business Planning and Finance), Jon Lee (LGSS Head of Strategic Finance), Don McLure (Service Director Milton Keynes Council), Daniel Snowdon (Democratic Services Officer) and Jeremy Wright (LGSS Law).

Apologies: Councillors Chris Boden (Councillor Ian Bates substituting) and Bob Scott.

13/17 DECLARATIONS OF INTEREST

None.

14/17 MINUTES – 1ST JUNE 2017

The minutes of the meeting held on 1st June 2017 were agreed as a correct record and signed by the Vice-Chairman subject to the amendment of the recommendations contained within minute 12/17 that removed reference to the District Council.

A concern was raised that the Joint Committee had not received notification outside of the Committee that further delays in the implementation of ERP Gold were likely.

15/17 LGSS ANNUAL STATEMENT OF ACCOUNTS UPDATE

Members were presented the LGSS the annual statement of accounts and annual report. The Committee was also provided an update in respect of the external audit. This was the first annual report and statement of accounts that included Milton Keynes

Council's LGSS transactions. Members were reminded that LGSS Law was no longer incorporated into the LGSS accounts following a review of the tests for consolidation that simplified the accounts.

Officers informed Members that due to the statutory accounts and audits of the partner Local Authorities, the presentation of the LGSS accounts to the Joint Committee had been delayed and would therefore be presented at the November meeting, including the auditor's report from KPMG.

During discussion:

- It was noted that the Annual Report would be amended to reflect changes and Member comments.
- Members confirmed that the objection to the LGSS 2014/15 accounts had been resolved and the objection had not been upheld.
- A Member drew attention to the redundancy costs of the LGSS Director of People, Transformation and Transactions and expressed concern that the officer was employed as a consultant by LGSS. Officers explained that the business plan required rationalisation of senior managerial positions in order to deliver savings. The former Director had been involved in the ERP Gold programme from the beginning and the programme required her skills at that time.
- It was proposed by Councillor Brown and seconded by Councillor Parker that a report be presented to the next meeting of the Joint Committee that sought to appoint a Lead Member for the partner authority that was not currently occupying the Chair or Vice-Chair position. On being put to the vote the proposal was carried. The Democratic Services Officer agreed to present a report at the next meeting of the Joint Committee. **ACTION**

It was unanimously resolved:

To note the update on the LGSS Statement of Accounts and to provide any comments or feedback on the LGSS Annual Report 2016/17 for consideration

16/17 LGSS BUDGET MONITORING REPORT – JULY 2017

Members received the LGSS Budget Monitoring report for July 2017. The overall forecast outturn variance was an overspend of £789k on LGSS Services. The position had remained broadly static throughout financial year. There were certain forecast outturns and pressures that would be met by the partnering authorities detailed in paragraph 2 of section 2 of the report that were highlighted to Members.

Attention was drawn to the capital budgets, in particular the re-scheduling of the implementation of ERP Gold which would result in additional costs for example £400k of Fujitsu licences for the Oracle system that would need to be extended.

The budget monitoring report for August was in the process of being finalised and would be circulated to Members of the Joint Committee when completed.

A Member drew attention to the budget savings tracker contained at paragraph 5 of the report and questioned if it was known whether the £1.477m savings marked as amber would be delivered. Officers explained that the status was often amber because the saving was part delivered but not yet delivered in full. The level of savings at risk was included to give a clearer picture of how much might not be delivered in year. The status of savings was closely monitored, however some were dependent on the delivery of ERP Gold.

It was unanimously resolved to:

1. Note the financial monitoring position as at 31 July 2017.
2. Note the summary position on carry forward balances.
3. Note the capital monitoring position regarding LGSS capital projects.

17/17 LGSS LAW ANNUAL STATEMENT OF ACCOUNTS UPDATE

The Joint Committee received an oral update regarding the draft LGSS Law Statement of Accounts. The audit of the accounts was being undertaken by ENSORS. The projected turnover for LGSS Law was £8.5m with a profitability of around £500k. There would therefore be a dividend paid to Cambridgeshire County Council and Northamptonshire County Council of approximately £130k and £13k paid to Central Bedfordshire Council. A remaining £125k would be held as reserves ring-fenced to the current shareholders.

Members requested that a written report be presented in future rather than an oral update.

It was unanimously resolved to note the update provided.

18/17 ERP GOLD UPDATE

The Joint Committee received an update regarding progress on the implementation of the Agresso (Unit4 Business World) system. Members were informed that the ERP Programme Board had given its agreement to a further delay the implementation of the system to 1st April 2018. Data migration and regression testing was being undertaken and significant issues had been encountered regarding reconciliation. A third party company, Agilisys that had considerable experience of implementing the Agresso system had been invited to complete a review of the plan and assess the viability of the revised launch date. Discussions were due to take place with Fujitsu regarding providing additional resource to assist with the extraction of data from the legacy system.

During discussion of the report Members:

- Expressed disappointment that the project was further delayed and sought assurance regarding the resourcing of the project. Officers informed Members that a review of the project took place in December 2016 and additional resources were provided. There was confidence in the product and feedback received from user testing had been positive. Issues had arisen regarding data migration and therefore a more rigorous 3 stage reconciliation process had been instigated. Agilisys would be conducting interviews with senior officers involved in the project and provide a report by week commencing 16th October 2017. Once the report had been received officers agreed to share it with Members of the Joint Committee. **ACTION.**
- Drew attention to section 2 of the report that detailed the main issues with the project and queried that the reasons presented in the report that did not relate to problems regarding data migration. Officers explained that there was a combination of reasons as to why the project was experiencing delays. The legacy systems had been in place for some time and there had been some in house programming identified that had added complexity to the data migration and some data had been corrupted that required remedial work.
- Requested that LGSS identified resources within its own budgets that could be allocated to address the additional costs of the project before a request was made to the partner Local Authorities for additional funds.
- Noted that the Project Board met on a fortnightly basis and the S151 officer of each partner Local Authority attended the meeting together with business leads from Human Resources, Payroll and Transactions.
- Noted that staff training for the new system had been provided through a variety of means such as webinars and e-learning modules. Training that had been provided by an external trainer would be provided by LGSS in the future in order to reduce cost. There would also be floor walkers and “super-users” that would support new users when the system was launched.
- Emphasised the importance of communication with Members; requesting that they be kept informed of deadlines and requested regular briefings from S151 officers that attended the Project Board. **ACTION**
- Questioned whether the work priorities of LGSS required re-evaluation in order that the ERP project be supported effectively. Officers explained that there were no other resource issues for I.T. and that the testing was being conducted alongside “business as usual” tasks which was essential.
- Confirmed that the final costs of the delay would be presented to the Committee at its November meeting. Officers explained that it was likely an additional £1m in costs would be incurred due to the delay.

- Noted the role of internal audit in the review of the project once completed and highlighted the role of the LGSS Joint Overview and Scrutiny Working Group.
- Welcomed the implementation of a 3 stage reconciliation process but expressed concern that it had not been implemented sooner and emphasised the importance of the Project Board considering the Agilisys report promptly.
- More comprehensive report to come back with clear timelines and cost implications. What concerns me is how long it has been red.

It was unanimously resolved to:

- a) note the progress on the implementation of Agresso (Unit4 Business World) and the revised Go Live date of 1st April 2018
- b) note that there will be an additional funding requirement, the final figure of which is to be finalised.

19/17 LGSS JOINT OVERVIEW AND SCRUTINY WORKING GROUP UPDATE.

Members of the Joint Committee were presented an update regarding the work of the LGSS Joint Overview and Scrutiny Working Group.

It was unanimously resolved to note the update provided.

20/17 LGSS JOINT COMMITTEE AGENDA PLAN

Members received the LGSS Joint Committee Agenda Plan and noted that the next meeting of the Joint Committee would include a Business Planning Workshop and officers would canvass Members regarding timings.

It was unanimously resolved to note the update presented to the Joint Committee.

21/17 EXCLUSION OF PRESS AND PUBLIC

It was unanimously resolved to exclude the press and public from the meeting for the following item on the grounds that the item contains exempt information under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and that it would not be in the public interest for this information to be disclosed: information relating to the financial or business affairs of any particular person (including the authority holding that information).

22/17 LGSS NEW BUSINESS OPPORTUNITIES REVIEW

Members were informed that the Partnership and Delegation Agreement with a District Council was close to being agreed formally and would have no impact on the delivery of ERP Gold.

Members were also provided an update regarding discussions that had taken place with a County Council. It was anticipated that the provision of any services would not take place until approximately September 2018.

It was unanimously resolved to note the update provided.

23/17 PROPOSED SHARED SERVICES WITH PARTNERSHIP AND DELEGATION AGREEMENT

Members received a proposed shared services arrangement with a partnership and delegation agreement.

It was unanimously resolved to:

- i) Note the proposals for the establishment of a collaborative Partnership Delegation Agreement (PDA), between a Borough Council and Northamptonshire County Council (NCC), Cambridgeshire County Council (CCC) and Milton Keynes Council (MKC), for the provision of IT Services as set out in the body of this report.
- ii) Note the content and benefits to LGSS of the underlying proposals and confirm its approval of:
 - a. the proposed model for the collaborative partnership, (the PDA), and
 - b. any changes to the staffing structures and budgets within LGSS as necessary or incidental to the implementation of the arrangement.
- iii) Delegate to the LGSS Managing Director and other relevant LGSS Directors in consultation with the Chair and Vice Chair subject to agreement of appropriate PDA terms:
 - a. the proposed provision of IT Services to a Borough Council under the auspices of delegation by the Borough Council to the LGSS Joint Committee on the basis of the recommended model,
 - b. to negotiate and agree appropriate PDA terms and conditions with the Borough Council under which the arrangements will operate, and
 - c. to prepare, approve and complete all necessary legal documentation for the final PDA.

24/17 PROPOSED SHARED SERVICES WITH PARTNERSHIP AND DELEGATION AGREEMENT

Members received a proposed shared services arrangement with a partnership and delegation agreement.

It was resolved to:

- i) Note the proposals for the establishment of a collaborative partnership (PDA) between a County Council and Northamptonshire (NCC), Cambridgeshire County Council (CCC) and Milton Keynes Council (MKC), for the provision of IT Services as set out in the body of the report.
- ii) Note the content and benefits to LGSS of the Outline Business Case underlying the proposals and confirm its approval of:-
 - a. the proposed model for the collaborative partnership, (the PDA), and
 - b. any changes to the staffing structures and budgets within LGSS as necessary or incidental to the implementation of the arrangement.
- iii) Delegate to the LGSS Managing Director and other relevant LGSS Directors in consultation with the Chair and Vice Chair subject to agreement of appropriate PDA terms:-
 - a. the proposed provision of IT Services to a County Council under the auspices of delegation by a County Council to the LGSS Joint Committee on the basis of the recommended model.
 - b. to negotiate and agree appropriate PDA terms and conditions with a County Council under which the arrangements will operate.
 - c. to prepare, approve and complete all necessary legal documentation for the final PDA.

25/17 FUTURE LGSS EMPLOYMENT MODEL UPDATE

The Joint Committee received a presentation regarding the current employment model of LGSS and the potential models for the future.

It was unanimously resolved to note the presentation.

Chairman

LGSS Joint Committee

24 November 2017

Subject: LGSS 2017-18 Budget Monitoring

Actions: LGSS Joint Committee are asked to:

- 1. Note the financial monitoring position as at 30 September 2017 (Section 2, para 1)**
- 2. Note the additional in year savings ask from NCC (Section 2, paras 4 and 5)**
- 3. Note the capital monitoring position regarding LGSS capital projects (Section 2, para 9)**
- 4. Note the summary position on carry forward balances and reserves (Appendix 2)**

Section 1 - Overview

- 1 This report is the combined LGSS financial monitoring report consolidating the delegated budgets from the three partner authorities.
- 2 LGSS services are run in the majority of cases as integrated operations. The financial reporting for LGSS therefore combines the resources from each authority in order to provide an overall position for LGSS Operational Services.
- 3 Section 2 and Appendices 1 of this report show the summary and detailed financial position for LGSS Operational. The benefits to the partners are embedded within the budgets and a zero outturn position would mean that all benefits have been met with regard to each authority's budget proposals for 2017-18. There is an additional savings ask in 2017-18 affecting NCC only, details of which are set out in paras 4 and 5 of section 2.
- 4 At the end of the year the LGSS Operational outturn variance will be considered by Joint Committee for reinvestment and future commitments. In the event of a deficit and no other reserves it would be split between partner authorities on the basis of net budget, as per the partnering agreement.
- 5 The Budget Savings Tracker enables service managers to give a monthly update on the delivery of 2017-18 savings and benefits. A summary of this information is given at paragraph 3 of Section 2. This is monitored and reviewed on a monthly basis with LGSS Directors, the Finance Director and the Managing Director.
- 6 Appendix 2 sets out the carry forward balances of LGSS in two separate schedules, first those that are ring fenced to CCC and NCC prior to 1 April 2016 when MKC joined the partnership and secondly those held jointly by all three partners for activities post 1 April 2016. Appendix 3 sets out the current and forecast LGSS reserve balances for the year.
- 7 LGSS also manages budgets on behalf of each authority and performance against these budgets is separately reported within each of the authority's monthly monitoring processes. As any under or overspends on these budgets are directly attributable to the individual authority, they do not form part of the partnering/sharing arrangements. However, for information purposes, the latest forecast outturn for budgets managed by LGSS on behalf of others is provided at Appendix 4. This information is also sent on a monthly basis to the CFO of each authority.
- 8 Appendix 5 of this report shows the detailed financial position for LGSS capital projects 2017-18.

Section 2 - LGSS Operational – September 2017

	Previous Forecast Variance £000	Full Year Budget £000	Full Year Forecast Variance £000	Transfers from reserves £000	Net Full Year Forecast Variance	
					£000	£000
					Partner authorities	LGSS
Finance Services	35	14,132	270	-185	0	85
Human Resources	567	8,961	731	-184	504	47
Business Services, Systems & Change	0	12,993	400	-400	0	0
Information Technology Services	272	14,818	272	0	82	190
LGSS Law & Governance	0	1,435	0	0	0	0
Managing Director & Support	100	280	100	0	0	100
Total LGSS Services	974	52,618	1,773	-769	586	418
Trading Account	0	-17,317	217	-217	0	0
Total LGSS Operational	974	35,301	1,990	-986	586	418

Revenue position

- The overall forecast outturn variance is an overspend of £1,004k on LGSS Services. However, £586k of this is Milton Keynes and Northamptonshire County Councils' responsibility to address as set out in paragraphs 3 and 5 below, leaving a net balance of £418k for the LGSS Management Board to take the necessary actions to manage. We are continuing to manage vacancies and reviewing the application of LGSS reserves to address this balance.
- Further detail and commentary on the joint LGSS Operational outturn position is provided at Appendix 1. The £100k adverse variance within Managing Director & Support is due to an undelivered saving with regard to hosting of the new pensions payroll system. This will now be delivered in 2018-19.
- There are certain forecast outturns and pressures (in total £649k) that will be met by the partnering authorities, as they are known unfunded issues.

MKC

- Underfunding of HR/Payroll targets - £217k
Historical unrealistic income budgets set via MKC MTFP process.
- Unachievable IT non schools income target - £52k
Historical unrealistic income budget set via MKC MTFP process.
- Historical grant income budget, grant is no longer received - £30k
- Total MKC £299k**

NCC

- Loss of NCC schools income for Payroll Services delivered by LGSS through schools sourcing recruitment directly. £350k

- In addition, NCC have asked for the delivery of an additional £500k of one off savings in 2017-18. These savings can only arise from reduced service or increased income generation related to NCC and cannot impact on the delivery of services to CCC and MKC. The following amounts have been agreed to meet this target:

Savings from LGSS budgets:

- Audit – reduction in the 2017-18 NCC audit plan £55k
- HR – cap on NCC HR advisory support, any additional support on a pay as you go basis £63k
- Procurement – charge to be made to successful bidders for NCC tenders £65k
- Reduce NCC admin support £12k
- Total savings from LGSS budgets £195k**

Capitalisation of NCC ERP programme costs £102k

Savings from NCC budgets managed by LGSS

- Rationalisation of Wide Area circuits £66k
- NCC managed budget consolidation £25k
- Reduction in NCC Printers and Recharging for Colour Prints £40k

Savings from NCC budgets

- Demand management and gatekeeping arrangements put in place to reduce NCC Adult Social Care legal spend £72k

Total savings £500k

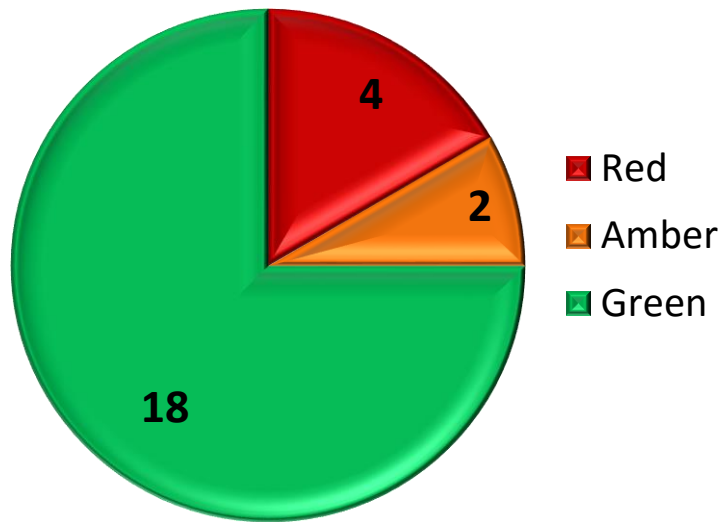
5. Of the £195k of NCC additional savings from LGSS budgets, the £63k saving from the HR budgets has been secured to date and is reflected in the forecasts in this report.
6. There will be slippage on the delivery of the MKC partnership savings due to the jointly agreed revised go live date of ERP gold. It is anticipated that the impact will be mitigated by the use of the contingency, set aside for this purpose.
7. There is a £217k pressure on trading which will be offset through the Smoothing Reserve, which has been purposely built up in previous financial years to address potential trading risk. The trading position is highlighted in the LGSS Strategic Plan, and is being managed to come into balance by the end of 2018-19.

Savings delivery

8. The budget savings tracker shows current savings at risk totalling £1,280k of which £870k is as a result of the revised go live date of the new ERP system. Mitigating savings will need to be found to offset non deliverable savings to deliver services to budget. A summary of the current RAG rating of budget proposals by Directorate is shown below:

Directorate Summary of Savings Proposals	Summary Proposal By Value and Directorate				
	No. of proposals	Total Savings	Red	Amber	Green
Human Resources	6	633	235	0	398
Law and Governance	2	57	0	0	57
Business Services, Systems and Change	7	773	400	0	373
Information Technology	3	575	0	375	200
Finance Services	6	928	445	0	483
Total	24	2,966	1,080	375	1,511

RAG Assessment of Savings Proposals (Number)



Capital position

9. The table below summarises the capital projects within LGSS. LGSS projects are all fully funded from either external funding sources or by the individual authorities discretionary funding. There is a forecast overspend of £1,167k on capital with the majority of this being due to the revised implementation date of Agresso Gold Build and additional specialist support being required. Appendix 5 gives further detail on a scheme by scheme basis.

Authority	Expenditure Profile							Funding Profile		
	Exp Budget	Prev Year's Exp	Actuals 2017-18	Forecast 2017-18	Forecast Future Years	Total Life of Project	Over / (Under) Spend v Approved Exp	External	Discretionary	Total Funding of Project
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
NCC	20,991	18,836	1,917	538	46	21,402	346	753	10,208	10,402
CCC	1,428	1,107	0	508	0	1,615	187	0	1,428	1,428
MKC	6,204	3,952	-368	2,604	650	6,838	634	0	6,204	6,204
TOTAL	28,623	23,895	1,549	3,650	696	29,855	1,167	753	17,840	18,034

Appendix 1

2017-18 Monitoring Detail – LGSS Operational Budgets

Finance Services Directorate

	Previous Forecast Variance £000	Gross Exp Budget £000	External Income Budget £000	Internal Income Budget £000	Full Year Budget £000	Actual to Sep £000	Pressures £000	Full Year Forecast Variance £000
Finance Services Directorate:								
Professional Finance								
CCC	0	1,742	-50	-248	1,445	631	105	0
MKC	0	1,861	-53	-64	1,744	730	0	0
NCC	0	1,427	-57	-243	1,128	767	105	0
LGSS Director of Finance	0	172	0	0	172	211	0	0
Premature Retirement Costs	0	133	0	0	133	55	0	0
Financial Operations	0	5,003	-312	-62	4,628	2,467	235	235
Integrated Finance Services	0	2,164	-578	-525	1,060	619	50	0
LGSS Business Planning & Finance	35	422	0	0	422	172	35	35
Audit & Risk	0	2,261	-492	-122	1,647	1,011	70	0
Pensions Operations	0	6,551	-6,551	0	0	1,398	0	0
Norwich	0	1,002	0	0	1,002	485	0	0
NBC	0	756	-5	0	751	258	0	0
Total Finance Services Directorate	35	23,493	-8,098	-1,264	14,132	8,803	600	270

The Directorate is forecasting a £270k variance.

There is a pressure of £210k within the professional finance teams. This relates to the original strategic plan saving for 2017-18, which has been superseded by the Milton Keynes partnership savings. The £210k will be absorbed in 2017-18 by NCC and CCC and either addressed as part of their budget setting process for 2018-19 or savings identified to achieved this on an on-going basis.

There are pressures within Financial Operations due to the jointly agreed rescheduled Go Live date of ERP gold, and due to potential redundancy costs. These pressures are currently estimated at £235k but will continue to be reviewed until the project is complete. It is anticipated that part of the pressure will be mitigated through vacancies, and met in service, with the remaining pressure being met through use of the partnership contingency.

The Integrated Finance Service is managing a pressure of £50k as a result of the need to use agency staff to cover key roles in respect of the year end statutory accounts due to staff turnover. Permanent recruitment to these roles will be completed in the next couple of months. The vacancy factor built into the budget is also causing a pressure for the service. The income target from schools is forecast to be achieved and if exceeded will also help to mitigate this pressure.

There is a pressure of £35k on the LGSS Business Planning and Finance team due to the vacancy factor built in to the budget, additional cost of agency staff and additional travel by staff whilst posts were vacant.

There is a pressure of £70k within Audit due to redundancy & pension strain costs. The deletion of this post was a decision that was made during the business case stage of the partnership with MKC, it is currently being reviewed as to whether MKC or LGSS should fund these costs. If these are LGSS costs then it will result in the service overspending.

The actual to September expenditure is behind profile in MKC Professional Finance due to year end accruals for redundancy and pension strain costs. In NCC & Audit recharges and income will be received during the second half of the year. There is expenditure relating to NBC within LGSS Director of Finance which will be moved. Income budgets within Integrated Financial Services need to be reprofiled to reflect when the income will be received. Pensions Operations has a zero net budget, therefore throughout the year the actual to date expenditure will always exceed the budget.

Human Resources Directorate

	Previous Forecast Variance £000	Gross Exp Budget £000	External Income Budget £000	Internal Income Budget £000	Full Year Budget £000	Actual to Sep £000	Pressures £000	Full Year Forecast Variance £000
Human Resources Directorate:								
HR Central Management	0	150	0	0	150	87	0	0
Policy & Strategy	0	1,911	-113	-170	1,629	751	0	0
HR Business Partners								
CCC	0	1,178	0	-97	1,081	561	0	-131
NCC	0	1,158	0	0	1,158	499	0	-169
MKC	0	914	0	-55	859	3,836	10	10
NCC Schools Income	0	0	-250	0	-250	-115	0	0
MKC Schools	0	111	-197	0	-86	-105	0	0
Learning & Development	0	5,610	-2,107	-214	3,289	1,529	150	150
Transactional Services	0	2,288	-383	-162	1,743	1,227	304	304
NCC – loss of advertising income	350	0	-350	0	-350	0	350	350
MKC- undeliverable trading Schools targets	217	0	-262	0	-262	0	217	217
Total HR Directorate	567	13,320	-3,662	-698	8,961	8,270	1,031	731

The Directorate is forecasting a £731k overspend. £567k of this is due to being underfunded, as outlined directly below, and these pressures will be met by the individual partnering authorities. In addition, £63k of forecast underspend is in accordance with agreed reductions in service for NCC. £184k of overspend arising from the revised implementation date for the ERP system is anticipated to be met from the partnership contingency. The anticipated overspend to LGSS is therefore £43k.

NCC funded its Payroll Services using income from a schools portal that charged for advertising on it. A policy decision was taken by NCC to improve recruitment for teachers in Northamptonshire by offering this service to schools for free, at a loss of £350k. This has been accepted as underfunding by NCC.

MKC set trading targets for schools (via MKSP) that were not deliverable. This was accepted at the point the LGSS Partnership started and suggested mitigations were not accepted so this has been accepted as an MKC responsibility for their MTFP. The underfunding within this trading is 217k.

The CCC HR Business Partner team is underspending due to staff vacancies, which the service is currently looking to fill.

There is a planned underspend on the NCC HR Business Partner team due to delays in the implementation of the new proposed staff structure for 2016-17 to meet an NCC request for £63k in year savings. Services are being reduced and if demand is not manageable a PAYG offer is being made with wider HR resources.

Learning & Development will incur development costs in 2017-18 relating to the launch of the national apprenticeship scheme, however this will enable income to be generated in future years.

MKC have requested the corporate training budget and supporting role for the council within Learning and Development be returned to the council. This is a budget of £140k with associated savings of £14k for 2018-19 and beyond, and includes 1.5FTE posts. In addition, it has been agreed that from the 1st December 2017 the CCC Traded Services administration team will return to CCC. This will equate to a budget transfer of £92k for a full year with an impact in 2017-18 of £31k. Change request forms have now been completed for both transfers and these changes will be reflected in budgets in future reports.

There are pressures of £305k within Transactional Services due to the jointly agreed revised go live date of ERP Gold and continued use of agency staff. It is anticipated that this overspend will be partially offset by the use of the £184k partnership contingency. The forecast may reduce if there is further capitalisation to the ERP project.

The actual to date expenditure is greater than the full year budget within MKC Business Partner team as £3.5m of expenditure has been coded there in error and will be moved. Expenditure is incurred in advance of income being received within Transactional Services.

Business Services, Systems & Change Directorate

	Previous Forecast Variance	Gross Exp Budget	External Income Budget	Internal Income Budget	Full Year Budget	Actual to Sep	Pressures	Full Year Forecast Variance
	£000	£000	£000	£000	£000	£000	£000	£000
Business Services, Systems & Change Directorate:								
BSSC Leadership	0	159	0	0	159	82	0	0
Procurement	0	1,471	-141	-22	1,308	575	0	0
Insurance	0	643	-24	-552	67	798	0	0
LGSS Business Systems & Change	0	4,120	-24	-160	3,936	2,768	400	400
Customer Engagement	0	402	0	0	402	224	0	0
Language Service	0	629	-680	-65	-116	8	0	0
Business Development	0	131	0	0	131	117	0	0
Revenues & Benefits (MKC)	0	4,740	-962	0	3,778	1,936	0	0
Revenues & Benefits (NBC)	0	4,079	-737	-15	3,328	1,710	0	0
Total BSSC Directorate	0	16,374	-2,568	-814	12,993	8,218	400	400

The Directorate is forecasting a £400k overspend.

There is a £400k pressure within Business Systems, due to the revised jointly agreed go live date of ERP gold. It is envisaged that this slippage in delivery of the 2017-18 saving will be mitigated by the partnership contingency.

For the LGSS Business Systems & Change service the actuals are ahead of the profile because there is a timing difference in respect of the transfer of certain costs to capitalise expenditure in year.

For the Language service costs are billed in arrears, and there is unbilled income at the end of September. Once processed this additional income will bring the position back in line with the budget and indicating a potential surplus at year end.

Information Technology Directorate

	Previous Forecast Variance £000	Gross Exp Budget £000	External Income Budget £000	Internal Income Budget £000	Full Year Budget £000	Budget to Aug £000	Actual to Aug £000	Pressures £000	Full Year Forecast Variance £000
IT Directorate:									
Cambridgeshire County Council	0	2,204	0	-887	1,317	492	998	150	150
MKC IT	82	3,245	-103	-50	3,092	1,128	715	82	82
MKC IT Schools	0	496	-562	0	-66	-238	195	0	0
Northamptonshire County Council	0	3,259	-39	-618	2,602	1,084	1,098	0	0
Norwich	0	2,508	-250	0	2,258	1,034	1,233	0	0
NHFT	0	3,324	-253	0	3,072	1,280	2,133	0	0
Strategy & Architecture	0	879	-16	-100	763	315	348	0	0
Digital Services	0	1,857	0	-970	887	343	974	120	0
Service Delivery	0	1,290	0	-397	893	420	648	0	0
Service Improvement	40	0	0	0	0	0	40	40	40
Total IT Directorate	122	19,062	-1,223	-3,022	14,818	5,858	8,382	392	272

The Directorate is forecasting an overspend of £272k.

There are pressures within the CCC IT operational Budgets of £150k in this financial year. These stem primarily from the current funding model within CCC, with a high level of internal trading/cross charging and significant IT expenditure budgets still held outside of IT, as well as the increased costs from implementing the Platform Stability Plan. Work with colleagues in the IT & Digital Service is underway to review the overall IT budget and propose a new model for the funding of IT within CCC from next financial year.

There are pressures of £82k within the MKC IT budget, £52k unachievable income target in MKC non schools trading, and a historical £30k grant income budget which is no longer received. The £64k 17-18 & £98k 16-17 savings target regarding the Data Centre move, can not be met from the IT budet, but will be realised as a result of moving from Saxon court, and the savings will be received directly by MKC, therefore a budget adjustment from MKC needs to offset this target.

The £120k pressure within Digital Services is mitigated through recovery of costs through recharging.

There is a forecast overspend of £40k for unfunded costs involved in developing a new front end for the "Let's Go Direct" self-service solution which are shown as Service Improvement costs.

The actuals may appear slightly out of sync due to recharging that hasn't been processed.

LGSS Law and Governance Directorate

	Previous Forecast Variance £000	Gross Exp Budget £000	External Income Budget £000	Internal Income Budget £000	Full Year Budget £000	Actual to Sep £000	Pressures £000	Full Year Forecast Variance £000
LGSS Law and Governance Directorate:								
Democratic Support Services	0	1,489	-137	-19	1,333	601	0	0
CCC Corporate Legal Budget	0	102	0	0	102	14	0	0
Total LGSS Law and Governance Directorate	0	1,591	-137	-19	1,435	615	0	0

The Directorate is forecasting a nil variance.

Although LGSS Law Ltd. is now a separate entity, LGSS budgets for the payment of a dividend which then reduces the net cost to the original partner authorities.

Appendix 2

Summary Position on LGSS Carry Forwards (pre MKC)

Directorate	Service Area	Title	Total Carry Forward	Re-assigned	2017-18 Forecast Drawn Down	Needed 2018-19
			£000	£000	£000	£000
HR	Learning & Development	Infrastructure investment for the development of the Learning Pool – the online training system for all LGSS customers.	95	0	-95	0
BSSC	Revenue & Benefits	LGSS R&B OBC / new systems development	325	0	-325	0
Finance	Strategic Assets	Asset Management Database	58	0	-58	0
BSSC	Customer Engagement & Business Development	Website development to support new business	34	0	-34	0
Cross-Cutting		Smoothing of planned trading income 17-18	318	0	-217	-101
Total			829	0	-728	-101

Note:

A provision of £284k was created in 2013-14 for benefits share negotiations. £209k was drawn down from this provision in 2014-15, but there were no draw downs in 2015-16 or 2016-17, leaving a current balance of £75k.

Summary Position on LGSS Carry Forwards (post MKC)

Directorate	Service Area	Title	Total Carry Forward	Re-assigned	2017-18 Forecast Drawn Down	Needed 2018-19
			£000	£000	£000	£000
IT		Service Desk Replacement solution	120	0	-120	0
IT		Central Operations Programme and Resource Management	85	0	-85	0
IT		The LGSS Digital Service	110	0	-110	0
IT		The adoption of “Cloud” Services	85	0	-85	0
Finance	Integrated Finance Service	Critical Short Term Resourcing Pressure to Deliver the Statutory Accounts to the LGSS Partners and NBC	30	0	-30	0

Finance	Finance Operations	Increase debt recovery capacity	50	0	-50	0
HR	Learning & Development	Learning Pool and Evolve	30	0	-30	0
BSSC	Procurement	Implementation of strategic sourcing approach	100	0	-100	0
BSSC	Revenues & Benefits	Benefit Recovery Funding	240	0	-240	0
BSSC	Customer Engagement and Business Development	Website development to support new business	15	0	-15	0
Cross Cutting		MKC PDA Savings 2016-17	292	0	-292	0
Total			1,157	0	-1,157	0

Total of carry forwards pre and post MKC

Directorate	Service Area	Title	Total Carry Forward	Re-assigned	2017-18 Forecast Drawn Down	Needed 2018-19
			£000	£000	£000	£000
Total			1,986	0	-1,885	-101

Appendix 3

Summary Position on LGSS Reserves

Reserve	Opening balance 1 April 2017	Forecast Movements in year		Forecast Closing balance 31 March 2018	Commentary on expected movements
		Transfers to reserves	Transfers from reserves		
	£000	£000	£000	£000	£000
Reserve for reinvestment in services	1,376	0	-1,376	0	Transfers to reinvest in services as set out in Appendix 2
Trading reserve	318	0	-217	101	Forecast movement as planned in the approved Strategic Plan
Partnership contingency	292	477	-769	0	Forecast movements to offset pressures arising from revised ERP implementation date
Total	1,986	477	2,362	101	

Appendix 4

2017-18 Monitoring Detail – Budgets managed by LGSS on behalf of others.

	Previous Forecast Variance £000	Gross Exp Budget £000	External Income Budget £000	Internal Income Budget £000	Full Year Budget £000	Actual to Sep £000	Full Year Forecast Variance £000
Cambridgeshire County Council:							
Insurance	0	2,074	0	0	2,074	0	0
External Audit	0	141	0	0	141	106	0
Members Allowances	0	1,032	0	0	1,032	448	0
Finance	0	295	-318	0	-23	557	0
Information Technology	68	4,573	-200	-2,088	2,285	2,851	68
Total	68	8,115	-518	-2,088	5,508	3,962	68
Milton Keynes Council:							
Human Resources	0	209	0	-30	179	115	0
Revenue & Benefits	0	0	-1,727	0	-1,727	-1,222	0
Information Technology	0	1,325	0	-666	659	401	0
Total	0	1,534	-1,727	-696	-889	-706	0
Northampton Borough Council:							
External Audit	0	260	0	0	260	0	0
Information Technology	0	1,271	0	0	1,271	769	0
Insurance	0	754	0	26	781	98	-87
NBC Managed Income	0	0	-2,312	0	-2,312	0	0
Total	0	2,285	-2,312	26	0	867	-87
Northamptonshire County Council:							
External Audit	0	244	0	0	244	17	0
Pensions	90	0	0	0	0	0	90
Policy and Strategy	0	382	0	-17	365	128	0
Information Technology	167	3,891	0	-46	3,845	4,668	167
Democratic Services	-15	1,360	0	0	1,360	574	-40
Total	242	5,877	0	-63	5,814	5,387	217

Cambridgeshire County Council

There is a forecast over spend of £68k due to an increase in cost of corporate telephony with CCC IT due to the end of the contract.

Milton Keynes Council

There are no reported variances on the budgets managed by LGSS on behalf of Milton Keynes.

Northampton Borough Council

The forecast underspend of £87k on insurance is the result of the recent tender.

Northamptonshire County Council

There is a £90k forecast variance with regard to unfunded pension costs for LGSS Law within NCC.

IT are forecasting a pressure of £167k which is due to overspends on paper and land lines. In order to reduce the overspend on paper the budget needs to be centralised. In terms of land lines there are 3 sites remaining to migrate which will reduce the costs. There is a forecast underspend on Chairman's and Member's Allowances within Democratic Services.

Section 3 - LGSS Capital Budget Monitoring – September 2017

Appendix 5

Approved Capital Programme 2017-18 onwards

LGSS Jointly funded schemes are:

Next Generation ERP (NCC, CCC, MKC)

Civica ICON (NCC CCC MKC NBC)

NCC	Expenditure Profile							Funding Profile		
All Figures in £000's										
Scheme Name	Exp Budget	Prev Year's Exp	Actuals 2017-18	Forecast 2017-18	Forecast Future Years	Total Life of Project	Over/ (Under) Spend v Approved Exp	External	Discretionary	Total Funding of Project
Project Angel & NGW IT	5,500	5,355	490	-229		5,616	116	0	5,500	5,500
Microsoft ESA & ECI 2014-17	1,525	1,266	0	259		1,525	0	0	1,525	1,525
Next Generation ERP	1,368	545	1,270	-260		1,620	187	100	1,268	1,368
Date Centre Refurbishment	994	860	49	85		994	0	94	900	994
Civica ICON	267	221	8	38		267	0	0	267	267
Next Generation / Model Office	383	151	31	202		384	1		232	232
Other Schemes – 2017-18 budget less than £200k	10,954	10,438	69	443	46	10,996	42	559	516	516
Total	20,991	18,836	1,917	538	46	21,402	346	753	10,208	10,402

- The IT Infrastructure capital expenditure outturn for 2017-18 stands at £2,455k.
- The Project Angel & NGW IT project is forecast to overspend by £116k.
- The ERP (Agresso Gold Build) go-live date has been moved, initially to the start of October, and together with the need for more specialist support has resulted in an overrun on the project budget. A £1,008k forecast overspend is being reported of which the NCC share is £187k. It has since been announced that there is a further ERP Gold go-live delay to April 2018, additional costs and their split between the Partners is to be agreed. The expenditure to date is in excess of the budget due to the need to recharge costs to CCC.

CCC	Expenditure Profile							Funding Profile		
All Figures in £000's	Exp Budget	Prev Year's Exp	Actuals 2017-18	Forecast 2017-18	Forecast Future Years	Total Life of Project	Over/ (Under) Spend v Approved Exp	External	Discretionary	Total Funding of Project
Next Generation ERP*	1,428	1107	0	508	0	1,615	187	0	1,428	1,428
Total	1,428	1,107	0	508	0	1,615	187	0	1,428	1,428

- The ERP (Agresso Gold Build) go-live date has been moved, initially to the start of October, and together with the need for more specialist support has resulted in an overrun on the project budget. A £1,008k forecast overspend is being reported of which the CCC share is £187k. The project is not currently showing any 2017-18 actual spend to date as expenditure is to be recharged from within NCC accounts in March. It has since been announced that there is a further ERP Gold go-live delay to April 2018, additional costs and their split between the Partners is to be agreed.
- Civica ICON is currently being reported as part of a Corporate Scheme called 'Citizen First'.

MKC	Expenditure Profile							Funding Profile		
All Figures in £000's	Exp Budget	Prev Year's Exp	Actuals 2017-18	Forecast 2017-18	Forecast Future Years	Total Life of Project	Over/ (Under) Spend v Approved Exp	External	Discretionary	Total Funding of Project
Data Hosting	3,557	2254	-221	1,524	0	3,557	0	0	3,557	3,557
ERP Gold	1,600	1,551	0	683	0	2,234	634	0	1,600	1,600
Revenue and Benefits System	900	0	0	250	650	900	0	0	900	900
Civica Icon #	147	147	-147	147	0	147	0	0	147	147
Total	6,204	3,952	-368	2,604	650	6,838	634	0	6,204	6,204

- The ERP Gold go-live date has been moved, initially to the start of October, and together with the need for more specialist support has resulted in an overrun on the project budget. The overall costs and split have been agreed with the respective S151 officers at £634k for MKC (total £1,008k), additional funding has been requested and is progressing for approval. It has since been announced that there is a further ERP Gold go-live delay to April 2018, additional costs and their split between the Partners is to be agreed.
- The Civica Icon project is complete, awaiting invoice. £3k of funding has been returned to source.

LGSS Annual Report and Statement of Accounts

To: LGSS Joint Committee

Date: 24 November 2017

From: LGSS Finance

Purpose: To present the Joint Committee with the final 2016-17 LGSS Annual Report and Statement of Accounts for approval.

Recommendation: That the Joint Committee approves the 2016-17 LGSS Annual Report and Statement of Accounts.

1. Background

- 1.1 LGSS produces an Annual Report which includes the annual Statement of Accounts for LGSS (the Statement). The LGSS accounts are therefore produced in addition to the statutory accounts of each partner authority. The LGSS accounts encompass LGSS income and expenditure from within each of the host authorities. Whilst the single entity accounts of each council include the proportion of LGSS attributable to each authority, the LGSS Statement shows the combined position across all of the LGSS operational budgets (in other words excluding the managed budgets that LGSS manages on behalf of the host authorities).
- 1.2 The LGSS Statement presented as an appendix to this report covers the period up to 31 March 2017 and for the first time includes Milton Keynes Council, which became an LGSS shareholder authority on 1 April 2016.
- 1.3 From 1 April 2015, the implementation of the Local Audit and Accountability Act 2014 has meant that joint committees are no longer required to have their accounts separately prepared and audited. Consequently, for the 2015-16 financial year and onwards, production of formal accounts by LGSS is no longer statutorily required. However LGSS has decided to continue to produce accounts as it is committed to accountability and transparency. As these are not statutory accounts they sit outside of the requirements of the Accounts and Audit Regulations 2015, and therefore there is no statutory deadline for publication.
- 1.4 The relevant sections of the founding authority constitutions delegate responsibility to the LGSS Joint Committee for the approval of the LGSS Annual Report, which includes the Statement of Accounts.

2. Audit of the 2016-17 LGSS Statement

- 2.1 The LGSS Statement is externally audited by independent auditors. KPMG have been appointed to undertake this work. This audit has now been completed and KPMG's audit findings are set out in their report to those charged with governance (the Joint Committee). This is known as the ISA260 report.
- 2.2 As per the update provided to the Joint Committee on 28 September 2017, the audit fieldwork on the 2016-17 accounts by KPMG was in progress. The audit did start later than originally timetabled as the audit of the partner authorities' accounts had to take precedence due to their statutory deadline of 30 September 2017. This did require continued officer time and it was therefore agreed with KPMG that the start of the LGSS audit be deferred until the audit of the partner's accounts had been completed and officers were in a position to provide KPMG with all of the required working papers for the audit.
- 2.3 The audit of the 2016-17 Statement has now been concluded with KPMG due to present their audit findings to the Joint Committee. The final 2016-17 Statement is presented to the Joint Committee as part of the LGSS Annual Report in Appendix 1. The Statement does incorporate a number of changes from the draft Annual report, which are set out in Section 3.

3. Changes between the draft and final Statement of Accounts

- 3.1 As part of the final Statement a number of audit adjustments and other changes have been made, which can be summarised as follows:
- a) **Branding.** The branding/design of the document has been updated to incorporate the latest LGSS branding and colour scheme;
 - b) **Comprehensive Income and Expenditure Statement (CIES).** The format/layout of this core statement has been amended to more fully comply with the requirements of the CIPFA Code of Practice and with LGSS Accounting Policies. Whilst this has seen a movement in the income and expenditure figures, it has had no impact on the net position (a £331k deficit), which remains the same as those included within the draft accounts;
 - c) **Trading Account Note.** An additional note to the accounts has been included in order to help provide the reader of the accounts with further information relating to the trading accounts line in the CIES; and
 - d) **Transactions with Related Parties.** This disclosure has been expanded to show the value and nature of intercompany transactions between LGSS and LGSS Law Ltd.

4. Recommendations

- 4.1 The Joint Committee is recommended to approve the LGSS Annual Report 2016-17, including the Statement of Accounts and Annual Governance Statement.

Appendices

Appendix 1 – LGSS Annual Report 2016-17

Agresso (Unit4 Business World) Implementation

To: LGSS Joint Committee

Meeting Date: 24 November 2017

From: LGSS Director of Business Services, Systems and Change

Electoral division(s): All.

Forward Plan ref: For key decisions *Key decision:*
Democratic Services can provide this reference **No**
(See Appendix 1 for Guidance)

Purpose: To update Joint Committee on the progress of the programme to implement the Agresso (Unit4 Business World) ERP system

Recommendation: That Joint Committee note:

- a) progress on the implementation of Agresso (Unit4 Business World);
- b) additional funding requirement being requested of the partner councils; and
- c) recommendations in the Agilisys report and the LGSS responses.

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1. BACKGROUND

- 1.1 Joint Committee received an update on 28th September 2017, outlining the reasons for a revised target implementation date of April 2018 and a resulting increase in the forecast cost of the implementation project.
- 1.2 Northamptonshire and Cambridgeshire signed off the business case for the replacement of their shared ERP (Enterprise Resource Planning – large scale business system integrating HR, Payroll and Finance) Oracle system in May 2015, followed by a procurement process and planned implementation for April 2017. During the second half of 2015 LGSS began working on a joint business case for an extended shared service with Milton Keynes Council (MKC). MKC were also in the process of considering their options to replace their old SAP system which was out of support from July 2017. It was jointly agreed between the three Councils that there are major business benefits from a common ERP systems implementation, so the project was expanded to include the ERP systems for all three councils which included an updated ERP business case delivering £9.86m of cumulative savings over 7 years (excluding the £4.2m of shared services saving benefits from the jointly agreed business case for all three councils resulting from MKC joining). In addition, the replacement of SAP afforded MKC additional savings within their retained budgets. At the time and despite the additional complexity of adding a third Council and a SAP system migration requirement, it was agreed to still re-plan and resource but to try hold the original 'Go-Live' date of April 2017 (which was primarily driven to help mitigate the July 2017 MKC SAP out-of-support service constraints at that time).
- 1.3 Over the past two years a number of factors have contributed to make the original April 2017 'Go- Live' date become progressively unrealistic. With MKC joining the ERP Gold programme and factoring in their SAP replacement requirements into the programme since October 2015, it is clear that the project was made more complex than originally envisaged and subsequently put additional pressures on LGSS Business Systems development resources. Implementing across three partners has been a greater challenge given the need to be migrating three legacy data sets from two very different legacy ERP systems (i.e. SAP for MKC and Oracle for CCC and NCC). This was somewhat exacerbated by the lack of any inherited, in-house SAP expertise from MKC which necessitated LGSS to seek alternative external SAP support for MKC as a more cost effective interim arrangement for MKC. In addition, the ERP project has had to accommodate unforeseen major changes in Northamptonshire County Council's organisation for its newly formed federated vehicles, and this has added very significant new demands onto the existing LGSS ERP 'business as usual' resources. And for CCC the already stretched LGSS IT resources had to be prioritised during late 2016 / early 2017 to stabilise core IT Infrastructure problems affecting all existing CCC systems and services during the October 2016 to April 2017 period.
- 1.4 There has also been some change to the scope of the project since its inception, which although limited did place an additional burden on delivery and cost for an already very aggressive original go-live of April 2017, which when all taken together with hindsight was perhaps too challenging to have held the original April 2017 go live date for so long.

2 CURRENT PROGRAMME UPDATE

- 2.1 The latest programme highlight report reflects an improving situation, with progress being made following the re-planning activity undertaken. The overall status of the programme has been reduced from red to amber.
- 2.2 A most recent positive step forward has been that the 'Payroll parallel running' (PPR) testing of the system started as planned on Monday 13th November, a significant milestone in particular considering its reliance on data migration which had caused so many issues preventing this from being undertaken successfully before. Progress has been promising in the first week and whilst too early to take any significant indication on the whole outcome, the first payroll run (although one of the smallest) completed in less than the planned time and with an accuracy level higher than the target set for successful completion of the first parallel run.
- 2.3 Data migration from the Oracle ERP system has continued to prove extremely challenging due to its complexity, although again significant progress has been made. Additional specialist external support from Fujitsu has been engaged recently in order to supplement existing resources. All data sets have now been migrated and reconciled for all clients with the exception of open AR transactions for the NCC clients which is still underway at the time of writing. Full user testing is now underway for all system modules. This testing started later than planned due to issues with specific data sets, but the most challenging migration has now been successfully completed and reconciled. Individual data transformation or migration issues are being identified, including issues with data quality from legacy systems but this is expected and they are being prioritised, investigated and resolved.
- 2.4 An upgrade of the ERP system to the latest version has also been incorporated in to the revised programme plan, this update has been released during the period of the implementation. This will prevent the need for the upgrade to be undertaken after the system has gone live and also resolves a functional issue for which a workaround was planned and should now no longer be required.

3 REVISED COST FORECAST

- 3.1 The revised forecast cost of the programme has now been finalised for discussion with the individual partner authorities to approve the required funding.
- 3.2 Additional work has been undertaken to analyse the impact that the implementation of ERP Gold will have on the Finance Operations and Payroll teams. This further analysis, completed with greater understanding as to how the system will eventually work, means that a further £75k of previously undisclosed annualised savings is available to each of the three Partners with effect from 2019.
- 3.3 For both Cambridgeshire and Northamptonshire County Councils, additional capital costs will continue to be part mitigated by in-year LGSS revenue savings. The LGSS Business Systems team is currently fully budgeted for but will become more efficient after the new system has gone live and will be reviewed, as previously reported. This will give rise to savings in future years which will be embedded in the LGSS Strategic Plan.

- 3.4 In June 2017 the forecast total cost of the programme through to the October 2017 was £7.138m. As a result of the further rescheduling, the latest forecast of the total costs of the programme taking it to April 2018 is £8.709m. This is an increase of £1.572m. LGSS has identified some mitigating factors and through further revenue contributions of £268k and other capital funds of £28k, the remaining shared pressure is £1.275m.
- 3.5 The table below sets out the current forecast and how this is shared between the three authorities. The revised capital budgets include the increase in relation to previous requests for additional capital funding of £187k for both CCC and NCC, and £634k for MKC, and £28k from other ERP/eform schemes. The CCC and NCC forecasts include £164k of specific costs in relation to extended support on the current Oracle ERP system. Also shown are the significant revenue contributions from CCC and NCC arising from the utilisation of the LGSS business systems and change team on this project. This results in a net capital cost of £6.767m which results in a variation on the plan of £1.275m (shared as shown across the three councils).

	Revised Capital Budget	Current Forecast	Revenue Contribution	Net Capital Cost	Variation
	£k	£k	£k	£k	£k
Cambridgeshire	1,615	2,959	935	2,024	410
Northamptonshire	1,643	2,959	935	2,024	382
Milton Keynes	2,234	2,791	72	2,718	484
Total	5,492	8,709	1,942	6,767	1,275

- 3.6 The additional savings referred to in 3.2 and 3.3 above to offset the additional capital costs will pay back the forecast project overspend in five years.

4 EXTERNAL IMPLEMENTATION REVIEW

- 4.1 In order to provide a level of assurance as to the achievability of the revised delivery plan, an external organisation was engaged to undertake an independent review. Agilisys are an organisation with significant experience of similar ERP system implementations and were given open access to programme documentation and carried out a number of interviews with key programme employees and contractors.
- 4.2 The Agilisys report and findings are included in Appendix A to this report. Included in the report are LGSS responses to the findings and recommendations. As would be expected in a report of this type considering a 'snapshot' view of a long and complex programme, LGSS do not always completely agree with all of the detailed points made. However, we do concur with the overall findings of the report and have welcomed this constructive review. Agilisys have recognised the 'incredibly complex' programme which LGSS is undertaking and the fact that this has not been seen before.
- 4.3 The approach to detailed project planning was criticised in the report, in that this was being held across a number of detailed project plans for different elements of the programme, brought together in to a single high-level programme plan to outline the approach and critical path. It was recommended that for a programme of this scale and complexity, a

single detailed project plan should be maintained and this is something which was already under review. A single detailed project plan has now been developed, fully reviewed, updated and baselined. A dedicated Senior Project Manager has overall ownership of the plan and is supported by a further dedicated resource to ensure that individual tasks are checked and updated on a daily basis. Further administrative resource has also been allocated to ensure that a single view of the availability of all resources identified as supporting programme tasks is updated, so that any conflicts or issues with availability can be identified and action taken.

- 4.4 Programme management resources were also discussed in the report, where it was also highlighted by Agilisys that individuals with the type of skills and experience required for a programme such as this are rare and very difficult to secure.
- 4.5 Additional Programme Management capacity and support was identified in 2016 following the inclusion of MKC in to the implementation programme. A second Programme Manager was engaged and when an employee resigned in spring 2017, an experienced external ERP Project Manager already working on our programme was moved in to that role to maintain the increased capacity, with additional resources engaged at a Project Manager level. The recent end of the contract of one of our Programme Managers coincided with the Agilisys review. A specific recommendation was made to appoint a 'seasoned programme manager to oversee the programme'. Unfortunately Agilisys were unable to source such an individual, but LGSS has managed to successfully engage someone and a new Senior Programme Manager has been contracted to start on 27th November. This individual comes with very significant ERP and other large system implementation experience, including in a shared service environment, and with excellent references.
- 4.6 The adequate resourcing of the programme has been under continual review throughout the programme and actions have been taken to address this as appropriate. For example, additional independent external resources were engaged during 2016, following disappointing experience and performance of consultancy services from the software supplier. Since the beginning of 2017, 19 additional resources have been either engaged or diverted to support the programme.

Appendix A - Agilisys LGSS ERP Gold implementation review



LGSS ERP GOLD implementation review

Document control

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1 Introduction

1.1 Background

LGSS are in the midst of implementing the Unit4 Business World software for Northamptonshire CC, Cambridgeshire CC (NCC and CCC) and Milton Keynes Council (MKC) which I will collectively refer to as 'the Councils'.

It is understood that the original business case was approved by the LGSS Joint Committee, CCC and NCC in May 2015, for the replacement of an aging and expensive Oracle ERP systems, being supplied and hosted by Fujitsu. The original business case and its investment costs and savings were to be replaced no later than November 2017 to coincide with the ending of the primary Fujitsu contract and as a consequence a go-live date of April 2017 was planned into that original programme.

During the period of November 2015 to March 2016 a jointly developed and agreed business case was produced by senior officers of LGSS and MKC for them to join LGSS with effect from April 2016. This jointly developed business case involved replacing the MKC SAP system by no later than July 2017 and this additional MKC requirement was subsequently planned into the ERP Gold programme with its inherent additional resource demands, risks and complexities. These plans were jointly agreed by all parties in the revised ERP Gold programme and collectively agreeing to still aim for an April 2017 go-live date.

In early January 2017 it was generally recognised that the original April 2017 go-live date was not achievable and the go-live date was subsequently re-planned and approved by the ERP Programme Board in February 2017, for September 2017.

This has since been revised again to a go-live date of April 2018.

2 Executive summary

2.1 Report findings

Agilisys were asked to review the revised plan and go-live date and the resources available to achieve such a date, with a view to giving an opinion on:

- whether or not the plans are robust and achievable; and
- whether or not the resourcing allocated to accomplish the plan are adequate.

Agilisys found that the plans and related documentation that exist are inadequate to manage a programme that with the addition of Milton Keynes Council joining the programme subsequently became more complex. During our review we found out that the programme was effectively undertaking 9 migrations across 3 ERP Platforms (2x Oracle and 1 x SAP), something which we have not seen before and therefore incredibly complex and carries a high degree of potential risk.

LGSS does not currently have an adequate overarching programme plan that allows the leadership of the programme to:

- establish clear dependencies between tasks and work streams
- understand fully how resources are being utilised and what resource constraints the programme is working to
- calculate a critical path for the programme to know whether or not it can hit the current go-live date of April 2018.

Agilisys also found that the current project/programme management in place are of mixed abilities. Some resources are potentially in the wrong roles and some of the resources are too inexperienced to manage a programme of this magnitude. That said, finding resources of the calibre necessary to deliver this programme is very difficult - there are not many resources with the right mix of experience available in the market.

It is the conclusion of the author of this report that LGSS do not currently have robust enough plans as yet, that identify whether or not the programme could go-live in April 2018, with a sufficiently high degree of certainty.

Based on the documentation Agilisys have seen and the interviews conducted it is difficult to see how the programme will go-live in April 2018 with a high degree of certainty at this stage.

It is also not possible for a revised go-live date to be suggested by Agilisys without further analysis being done, which was outside the scope of this work package.

Agilisys recommend that the LGSS leadership team review the findings and implement the recommendations in this report in the shortest time possible. Implementing these recommendations will serve the programme and enable it to re-plan the programme and will either provide a higher degree of comfort around the April 18 date or will provide an alternative go-live date it can have much more confidence in.

If the April 18 date is to be achieved, Agilisys strongly recommend that as a minimum a single baselined project plan is produced covering all areas of activity necessary to achieve the go-live date – which LGSS then manage the programme to day by day and task by task.

2.2 Scope of work package

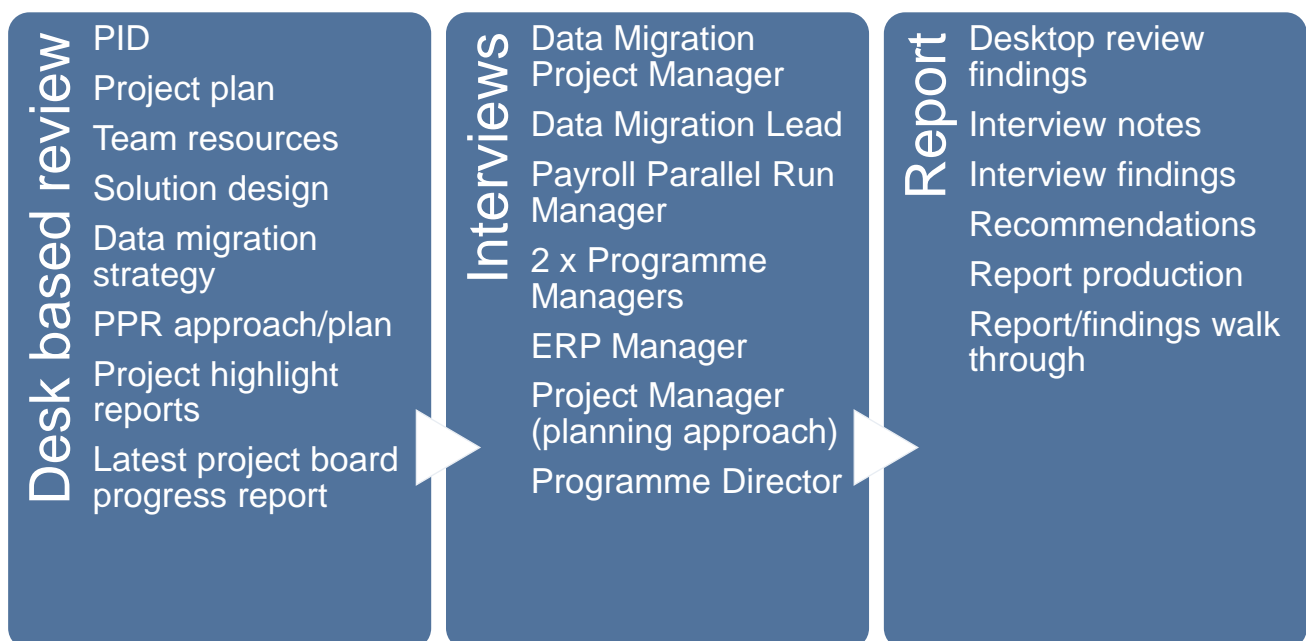
LGSS have asked Agilisys to review the revised April 18 go-live date and to provide assurance to senior stakeholders in the Councils, as to risks associated with achieving it.

We have reviewed the plans and resourcing for LGSS's implementation of ERP GOLD (Unit4 Business World) with a view to giving an opinion on:

- whether or not the plans are robust and achievable; and
- whether or not the resourcing allocated to accomplish the plan are adequate.

2.3 Approach to be adopted

The approach Agilisys adopted to deliver this work was in 3 stages as depicted in the diagram below:



2.4 Agilisys personnel involved in the review

Agilisys personnel	Experience
Nicky Cox, Managing Partner	Agilisys employee since 2006 – oversees all consulting and system implementation projects in Agilisys. 20+ years' experience in ERP projects including SAP, Oracle, NGA, Midland iTrent and Unit4 Business World. Specialties include HR/Payroll, Data Migration, Cutover, Planning, Project and Programme Management.
Ravinder Johal, Technical Lead	Agilisys employee since 2003 – oversees all data migration and integration ERP projects. 20 years of experience designing and implementing solutions for data integration/migration and business analytics.
Martin Spellman, Data Migration Consultant	Agilisys employee since 2003 – is lead consultant on all data migration projects. Experienced database architect, designer and developer with over 15 years of experience of database systems including Oracle, SQL Server and DB2 databases.

Full bios for Agilisys staff included in Appendix A: Agilisys personnel.

3 Desk based review

3.1 Review

Agilisys reviewed the documentation that was provided by LGSS via Huddle – this is listed in Appendix B: Desktop review of this document. This review and the interviews prompted the request for additional documentation to be supplied including copies of the most recent plans that were being used to manage the programme.

3.2 Quality of documentation

Whilst programme documentation did exist, the overall quality was not of a standard that Agilisys would expect to see or produce for a programme of this scale and complexity. There was evidence of documents not always being kept up to date. Reviewing the Programme Initiation Document (PID) we found examples such as:

- does not have enough content contained in it for a programme of this scale. It states on the front page that the "...PID is not necessarily a single document; it is usually a collection of important project documents." - but nowhere in the PID is the reader sign-posted to any of these other important project documents.
- only has NCC and CCC in scope (section 4) – since the production of the PID the scope of the programme has significantly changed with Milton Keynes coming on-board.
- has been issued as version 0.4 on 12th May 2015 (yet states version 0.3 in the footer). The PID refers to Go Lives in December 2016 (section 10). These and other important milestones have been missed and as such the programme should have issued an updated version of the PID.

- has roles and responsibilities that are out of date (section 11)
- is designed to let all of the project/programme members, including new team members, know how the programme is being run. It should also be used to get the business to sign-up to the approach and be used to remind the business of their commitments to the programme

3.2.1 Recommendations

Agilisys recommends:

1. that the programme leadership produce an updated version of the PID and present this to programme board for agreement. All programme resources (either dedicated or loaned by the business) should 'sign-up' to what the programme is now trying to achieve;
2. that the programme leadership conduct a review of its RAID log to ensure it is up to date and being used (although not seen we think this would be a prudent action on the programme leadership);
3. that the programme pulls together the various functional design documents into one overarching solution design document that includes the non-functional/system elements of the solution. This document can be used by the support service and design authority to manage the ongoing development of the solution; and
4. that the programme reviews all data migration related documents for completeness and considers producing a data migration strategy that can be signed-off by the programme board. The strategy should contain acceptance criteria (including the role that Audit will take in the reconciliations)

Whilst addressing these issues is best/good practice they are not immediately pertinent to your ability to hit the April 2018 date. Agilisys recommends LGSS should make endeavours to address this as part of its ongoing project/programme delivery capability.

LGSS Response:

1. It is acknowledged that the PID should be reviewed and updated. This will be identified as a task for the new Programme Manager for delivery to the Programme Board
2. The RAID log has always been included on the agenda of the Programme Board at each of their monthly meetings and will continue to be
3. Design documents, including detailed process maps exist for each of the module areas and were signed off by module business owners. It is acknowledged that this would be of future benefit to exist as a single document and this review will be identified as a task for the new Programme Manager to deliver
4. It is acknowledged that such a review could be of future value and will be identified as a task for the new Programme Manager to consider. It should be noted that Internal Audit have discussed, reviewed and agreed a document outlining the approach to data migration and reconciliation

The prioritisation of these actions within the programme will be considered as appropriate to the point above that they are not immediately pertinent to the April 2018 go-live

3.3 Resources

It is the opinion of the author that the resources outlined in the original PID were wholly inadequate for a programme of this size and complexity. Agilisys would have expected to see:

- a solution architect for the programme – possibly more than 1 given the number of organisations involved
- more technical architect time (PID shows 1 day a week planned)
- many more data migration resources (PID shows 1 lead planned) – a current example project where Agilisys is deploying to 2 councils has 1 lead plus 4 dedicated data

migration resources – plus resources from within the council's ICT teams and staff from the business

- more project managers – one to managed each of the work streams/areas as they came on stream (PID shows 1)
- many more business analysts (PID shows 1) to be used across the programme.

The PID also didn't show any appreciation of workload changing through the programme. Work should have been conducted to establish what type and quantity of resources would have been required across the various stages of the programme.

To provide a comparison to other similar projects Agilisys typical estimates between 3500 and 5000 consultancy man days for a programme for one council covering a similar scope. A current implementation for two councils has provision for circa 8000 consultancy days. This is on top of the number of days the client normally inputs (both implementation team and business input for Design, UAT, etc.).

The increase in resources over the past 6 months brings the expected implementation team size nearer to levels Agilisys would expect across the project management, functional, data migration, interface development and testing work streams.

Agilisys found that the current project/programme management in place are of mixed abilities. Some resources are potentially in the wrong roles and some of the resources are too inexperienced to manage a programme of this magnitude. That said, finding resources of the calibre necessary to deliver this programme is very difficult - there are not many resources with the right mix of experience available in the market.

3.3.1 Recommendations

Agilisys recommends:

1. that LGSS go to market to appoint a seasoned programme manager to oversee the programme (doesn't need Unit4 experience but does need to be able to manage complex, multi-stranded programme);
2. that LGSS redeploy one of its current project managers to build, maintain and report of the single programme plan.

LGSS Response:

It is acknowledged that the PID does not reflect the level of resourcing that has been reviewed and increased – not just in the last six months, but as the workload has changed throughout the programme, the scope and nature of which has significantly changed since its inception.

Both recommendations have been actioned.

3.4 Project plan

The project plan exists as a 'plan on a page', supported by 6 individual work stream plans. There isn't a single plan that contains all activities, resources and therefore a critical path for the programme.

6 separate MS Project plans have been provided:

- Resources
- ERP Gold
- IT
- PPR
- Interfaces
- Cutover.

Critically there was no detailed plan for data migration. During the interview, it was explained that this is being managed on a separate Excel list (not made available).

The project plans are not of a quality that Agilisys would expect to see or produce for a programme of this scale and complexity. The standard of plans that were reviewed are definitely not robust enough.

3.4.1 Recommendations

Agilisys strongly recommends:

1. that a single baselined project plan is produced covering all areas of activity necessary to achieve the go-live date. Good practice dictates that this plan should:-
 - a. ensure that all of the tasks are automatically scheduled and that dependencies between the tasks and work streams are included in the plan
 - b. ensure all tasks have a resource assigned to them
 - c. ensure the calendar that is being used for the programme reflects current holidays/closure periods and pre-booked annual leave
 - d. have an identified critical path calculated;
2. that the programme updates the plan with daily progress and uses it as the control mechanism to manage the programme (Agilisys recommend someone is dedicated to this task on a programme of this size and complexity); and
3. that the programme uses the information in the plan to assign tasks to resources (resources should only be doing tasks in the plan) and update the programme board (the plan is your control mechanism). The programme team need to see the leadership of the programme using this as the tool by which the programme is being managed.

LGSS Response:

These recommendations have been actioned and are being kept under review with the detailed project plan used for monitoring progress across all workstreams.

3.5 Data migration strategy

On a programme of this scale we would have expected to see an overarching Data Migration strategy, but the Programme appears to have adopted an approach of producing individual functional specifications that define the business rules for what data should be migrated.

These documents were of mixed quality, some seem better in Oracle than in SAP. Our overall observation is that SAP and Oracle data migration are not consistent, different teams using different approaches.

The data migration documents are not all structured in the same manner so difficult to understand and some of the transformation rules are confusing.

The documents are written for a mid-year go-live but there was no GL data migration also nothing about how balances are going to be loaded (for finance).

Data migration is currently rebuilding the AR ledger so entering invoices and subsequent movement to get back to the debt position. This is not the recommended approach by Agilisys. The recommendation would be to migrate the balance and use the legacy system to get the history if required. The issues with the rebuild are:

- Risks around getting to the correct debt position
- Every adjustment and payment, etc. must be applied correctly
- Doing write-offs, you would normally have to run the write-off process in BW
- The time and effort to build the AR ledger versus the benefit

Accounts Payable open transactions – the documents say Oracle open transactions (AP invoices, etc.) are loaded with no VAT but SAP is loading open AP transactions with VAT. At year end if the VAT return is done in legacy then you don't need VAT but it's an open payment so normally if

paying from the new system you would add VAT. LGSS need to confirm when the VAT return is done and have a consistent process for Accounts Payable.

The approach has a lot of manual intervention, BIFS are manual. All of this can be automated.

It is difficult for Agilisys to say if data migration is in a good place or bad place, there is a general belief it is better than it was but hard to quantify from the information we have seen and the interviews that we have conducted.

What is known is that without a detailed data migration plan Agilisys have no confidence that this work stream will run to time nor meet any of its deadlines. Given that this work stream is on the critical path the production of a detailed plan must be the number one priority for the programme.

3.5.1 Recommendations

Agilisys recommends:

1. that the programme sets out a data migration strategy for both an end of year go-live and a mid-year go-live;
2. that the programme includes both trial cutovers and dress rehearsals for data migration in its plans; and
3. that the programme considers its position on rebuilding the AR ledger in BW. This would make the whole data migration process for this area a lot simpler with little lost benefit – especially as LGSS are maintaining the legacy systems in a read only state for a period post go-live.

LGSS Response:

The approach of individual data migration documents for module data sets has been taken as the business owners for sign-off are different for each and the data transformation routines are developed independently. It is not considered of value to combine these, although an overarching data migration approach document does exist and the new Programme Manager will be asked to review this and consider whether it would be appropriate to update and expand this.

1. The data migration approach taken caters for either year-end or mid-year go-lives and does include the migration of GL balances, which have been included in the data migration rehearsals to date. Migration of GL balances is required for either scenario.
2. This is already in place. The data migration for the current round of testing has been a complete rehearsal for all data sets and all clients. This is being repeated with a different set of legacy system extracts following the first payroll parallel run. A third full rehearsal will be undertaken before regression testing, with an additional full HR & Payroll data migration rehearsal for the second parallel run.
3. This data migration approach was based on clear business requirements. A decision had been taken to develop an alternative approach in parallel but the original approach has now completed successfully and so will be maintained.

3.6 PPR approach/plan

Agilisys were not able to review the Payroll Parallel Run approach document, but we were led to believe that one exists. Agilisys would normally expect to see something that established what was being migrated, what was being tested, what the entry/exit criteria that the various Payroll departments had signed up to.

The current PPR plan has no contingency built in. If PPR1 is not completed in time, then there is no time for mitigating actions (load is 2 weeks).

There is not sufficient time for 3 complete PPR's in the time allowed, the plan has 7 weeks for PP1 and PP2, there is no time specified for the completion of PP3. PP3 will also be running at the same time as the cutover processes. Other concerns include:

- There is still a gap over variables into Business World – particularly for Oracle.
- Absence P&D's still require sign-off by the business, but we were told that this is likely to happen.
- The data entry timings seem to be low.
- There is no roll-over of PPR, so no testing of activities such as:-
 - period end routines and processes
 - back pay
 - balances accumulating correctly
 - reversals (again this was tested in UAT)
 - corrections from previous months and how they are entered
 - emergency / CHAPS payments for mistakes and how they are adjusted in the next month
 - general adjustment processes and overrides.
- There is no period end testing so BACS, RTI and GL postings (UAT is not a sufficient test as data will not be a wide enough result set or a controlled test). The above routines are only being tested in UAT on a subset of data / scenarios. PPR's remit is purely comparison of payrolls for disparate months. Agilisys do not recommend this as a position.
- Not all the variable P&D's have been tested in UAT and won't be.

3.6.1 Recommendations

Agilisys recommends the following approach for PPR:

1. LGSS opts for 2 PPRs only rather than trying to fit in 3. This will help to mitigate resourcing concerns (2 members of staff involved in BAU and December is a short month);
2. LGSS dedicates time to getting PPR1 as correct as possible:-
 - a. 1 x data migration for PPR1 (this saves 4 weeks over the loads for PPR2 and PPR3). Data migration can then focus on cutover loads and dress rehearsals for go-live
 - b. PPR1 data entry has more time allowed to ensure it is complete (all data entry so MAT, PAT, court orders and variables need to be in place)
 - c. PPR1 is then 'rolled over' for PPR2, this will mean less data entry as court orders, etc. in place and only need the in-month changes
 - d. More time is available to ensure PPR1 completes (approx. 6-8 weeks)
 - e. GL postings are tested towards the end of PPR1 to allow for fixes and correction to CoA and P&D's (an account rule change will invalidate all associated P&D's, so they will have to be re-saved)
 - f. Absence needs to be tested in PPR1 (even if it comes towards the end and those individuals are tested last);
3. LGSS use PPR2 to test the following after the monthly variables are entered and changes are reflected:-
 - a. period end routines and processes
 - b. back pay
 - c. balances accumulating correctly
 - d. reversals (again this was tested in UAT)
 - e. corrections from previous months and how they are entered
 - f. emergency / chap payments for mistakes and how they are adjusted in the next month
 - g. general adjustment processes and overrides
 - h. RTI
 - i. Payslips
 - j. BACS
 - k. GL postings (corrections after PP1 to ensure posting is accurate for management accounting); and

4. LGSS consider options around a phased go-live versus a big bang to reduce operational risk.

LGSS Response:

1. The approach to payroll parallel running was agreed based on a number of considerations, including the allowance for the correction of data migration issues expected based on challenges experienced to date and the ability to include testing of new data conditions introduced by the use of data extracts from later in the financial year.
2. The approach to consider rolling over payroll parallel run one will be reviewed based on the progress and outcomes during this first testing period. Points e. and f. are already included in the planned approach.
3. All of the points are being tested in UAT and are included in payroll parallel running on a risk basis. All of these items have already been fully tested using both live and new data during previous testing cycles and this will be repeated in the final regression test.
4. We are actively considering a change in approach which would address some of the points raised by changing the final payroll parallel run to take place in March using live data from the end of February. The two systems would then run in parallel and whilst introducing some risks, this would both enable further time for the first two parallel runs as well as separating the data migrations for live cutover between HR/payroll and financials.

4 Interviews

4.1 Review

Agilisys conducted a series of interviews on Tuesday 17th October 2017 with key resources to understand the current state of the project and where issues and potential programme slippage may occur.

The interview questions generally followed the framework below:

1. Provide brief history of your involvement in the programme
2. What is your role/your responsibilities/your remit?
3. What parts of the plan do you own? Where is the programme on the plan?
4. What is the current state of affairs/how's is the programme going?
5. What are your current challenges?
6. What is needed to overcome these challenges?
7. What dependencies do you have on other work streams/programmes?
8. If any dependant challenges, what's needed to overcome these?
9. What is your confidence level with the resources at your disposal?
10. What is your confidence in the leadership of the programme?
11. What is your confidence level in the plan/timescales?
12. What are the barriers to meeting the current plan/timescale?

Interviewee	Area	Interviewer(s)
Data Migration, Project Manager	Data Migration	Nicky Cox / Martin Spellman
ERP Gold Programme Manager	Interfaces/Data Migration/PPR	Nicky Cox

Interviewee	Area	Interviewer(s)
Project Manager	Project plans and planning approach	Nicky Cox
Data Migration Lead	Data Migration Approach – detailed level	Cancelled
PPR Manager	Payroll Parallel Run	Nicky Cox / Ravinder Johal / Martin Spellman
ERP Development Manager	Whole programme view	Nicky Cox
ERP Gold Programme Manager	Whole programme	Nicky Cox
Head of LGSS Business Systems	Whole programme view	Substituted with sitting in daily Data Migration call.

Initial observations on the interviews were then shared with LGSS Director of Business Services, Systems & Change and LGSS Head of Business Systems in a phone call on 18th October 2017.

4.2 Findings

On the whole people were very open to the sessions and all of them had the similar understanding of why they were being interviewed.

Whilst all interviewees recognised the point of the exercise wasn't about looking back all felt the need to explain 'how we had got here', which is understandable.

Some interviewees were worried that existing resources would be taken away once they had managed to demonstrate some progress. Whether real or not, there was a perception that due to budget / business pressures resources would exit the programme or go back to business as usual. There was a sense that this would only serve to increase the existing pressure.

Most interviewed explained that their resources (and reading into it themselves) are under tremendous pressure and all recognise this will only increase as you get closer to the go-live date.

To highlight this point there appears to be the primary person who is the main data migration resource for Oracle data migration, he was unavailable for interview as he was resolving issues with the open AR load. It was also mentioned that he works 7 days a week, 14 hours a day and has done for approx. 7 weeks. This is an issue / risk to the project for productivity.

Most interviewees were worried by the level of input from the business – with comments such as "...lack of ownership.", "Are the business really testing thoroughly?" – and observations that resources were being pulled back into business as usual activities – "Plan has 10 resources but only 8 assigned to PPR, with 2 potential people who could be pulled into BAU activities".

There are dependencies between the work streams e.g. data migration stream requires functional stream to test migrated data. Due to the fact that functional team are still resolving open issues from UAT (see section 3.5.2) this has not happened.

Whilst the work streams are clearly dependant on each other there were obvious signs of people working in silos. In his interview, the PPR Manager stated he "...has no visibility of what is or is not tested in UAT for payroll, so no idea how fit for purpose payroll is going into PPR.". he also had "...concerns that the variable P&D elements have not been tested correctly or at all."

In addition, when questioned on some of the activities Agilisys would normally expect to see in PPR¹ his response was that this was outside of his scope and would be picked up in UAT.

At this stage of a programme where so much has to be achieved in such a compressed timescale Agilisys would expect to see a more joined up and collegiate approach. The success of this project will require everyone to be working together.

Silos can happen in any project/organisation. People become so involved in their own tasks that they lose sight of the bigger picture, and can no longer see another work stream's point of view. This is where communication begins to break down, personality conflicts may develop, and the organisation begins to struggle with achieving its main vision and mission.

4.2.1 Recommendations

Agilisys recommends:

1. that Programme leadership assure project managers that they won't be losing any existing resources;
2. that where project managers are indicating not enough resources are 'ring-fenced' that this be addressed – either by exploring the contract market or working with the business to seek assurances of ongoing commitment. In order to do this that the programme need to establish exactly when they require input from business resources, what they will be used for and have systems/resources available for them on time for those activities;
3. that the Programme reviews all activities that require the Oracle Data Migration resource and establish if his work can be shifted to other resources and/or there is another way to achieve the same outcome by migrating the data differently; and
4. that Programme leadership conduct an exercise to run the whole programme team and the business through the revised single plan – communicating the plan and getting buy-in for the final push will be key to the success of this programme.

¹ Period-end routines and processes, back pay, balances accumulating correctly, reversals, corrections from previous months and how they are entered, emergency / CHAPS payments for mistakes and how they are adjusted in the next month, general adjustment processes and overrides.

LGSS Response:

1. Assurances have been reiterated that resources are not being removed as evidenced by the increase in resources over the life of the programme. Partner organisations are being asked to approve additional funding so that resource constraint does not increase the risk of the programme's delivery so close to completion
2. Engagement with business owners has been continuous regarding the availability of resources for business engagement in the programme. This has been identified to the Programme Board as an escalated red risk for some months and LGSS Directors were taken through the revised plans for go-live in April 2018 with their business leads to ensure that these were committed to before they were considered for approval by the Programme Board. Current project plans have full commitment to resourcing by service areas and these will be monitored closely to ensure that any issues with this are immediately escalated
3. The detailed plan and resourcing of data migration has been kept under continual review and both additional resources engaged and processes developed to include further automation and the use of different resources to complete the work required.
4. A weekly programme team meeting of all workstream leads and programme management is held, with the basis of all the updates being the high-level programme plan and its critical path.

It is acknowledged that our teams are working under significant pressure in an extended programme and we will continue to do anything possible to provide support required. We retain full confidence in the ability of our team to deliver and do not question their continued commitment to successfully completing the programme.

5 Appendix A: Agilisys personnel



Nicky Cox | Managing Partner

Nicky is Managing Partner at Agilisys, responsible for the Transformation Division which delivers professional services across the business. Nicky joined Agilisys in 2006 and has been involved in the delivery of projects and programmes to a diverse range of client accounts. He is a committed professional and has a broad range of project and programme management experience in Local Authority, Private and Higher Education domains.

Programme
management

Performance
management

Stakeholder
management

ERP
implementation

Leadership and
mentoring

Experience with Agilisys

Nicky is the sponsor for all of the ERP system implementations for Agilisys – currently implementing the Unit4 Business World solution in Edinburgh City Council. He has also led the teams that have successfully implemented the solution at Wolverhampton and Bristol City Councils.

Nicky has experience of integrated systems implementations for clients including University of Southampton, Sheffield Hallam University and TubeLines. His domain experience covers HR and Payroll (Unit4 Business World, Northgate ResourceLink, Oracle), Property Services (Northgate), Supply Chain (Oracle, SAP), Materials Maintenance (SAP), Business Intelligence (Cognos, Oracle, SAP) and Data Migration.

Nicky led the Implementation Partnership with London Borough of Barnet on their One Barnet transformation programme. Nicky was responsible for a strategic review of the programme with executive officers to secure £9M of funding. He supported the programme over 2 years delivering internal transformation projects for Customer Services, IT and Information Management leading to the implementation of a 'Commissioning Council' model which included the transfer of circa £1B of council services to the private sector.

Other experience

- Prior to joining Agilisys that Nicky held consulting roles at PA Consulting Group and the Forum Concept working for private sector clients including First Group, Esselte and BP. Previous to consulting he held IT Manager and Management Accountant roles.

Education

- BA Hons. European Business Studies with German, Buckinghamshire New University
- PI² Leadership Programme

AGILISYS
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Ravinder Johal | Data Migration & Integration Lead

Ravinder is an expert data architect with over 20 years experience in designing and implementing solutions for data integration, data migration and business analytics. An experienced technical and functional consultant, Ravinder has excellent client and people management skills cultivated through working on client sites liaising with senior internal and external stakeholders, integration partners and end users, as well as leading technical teams.

Information analysis
techniques

Business intelligence
& insight

Data migration and
integration

Data
warehousing

System
integration

Experience with Agilisys

On joining Agilisys, Ravinder was responsible for the functional setup and maintenance of Great Plains 8.0 and subsequent upgrade to Great Plains 10, processing all interfaces and ensuring data integrity. Ravinder led the design and development of system enhancements, integration with internal systems and reporting.

More recently, Ravinder has been involved in multiple back office transformation programmes, designing and implementing ERP solutions across our client base, and integrating these with further Council systems. Ravinder has deep expertise in integrating business intelligence technologies with ERP and other solutions, delivering information solutions that meet business needs.

Other experience

- Ravinder was a technical consultant on a project enabling Lastminute.com to collect on debt, reduce costs and improve financial visibility by designing interfaces between disparate applications and the Oracle Financials instance, enabling accurate reporting on financials.
- She was the solution architect responsible for several application teams on a £40m platform designed to replace legacy IT systems for the commercial arm of BskyB. This included a Reporting and Business Intelligence team, responsible for the creation of operational finance and executive reports.

Education

- BSc Hons in Computer Science
- HND Computing

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Martin Spellman | Data Migration Consultant

Martin is an experienced database architect, designer and developer with over 15 years' experience of database systems including Oracle, SQL Server and DB2 databases. He has led project teams of varying sizes and been involved in all stages of the project lifecycle from defining requirements to implementation. He has strong experience in systems integration and also has over 10 years' experience developing Asset Maintenance applications, specialising in Procurement and Invoicing functions.

Data Migration

Data Integration

Oracle

Maximo

SQL Server

Experience with Agilisys

- **Data Migration Consultant** on Scottish Borders Council, Renfrewshire, Edinburgh City Council and Bristol City Council implementations developing and implementing a framework for the migration of customer data from a variety of legacy Finance and HR and Payroll systems.
- **Enterprise Data Architect** for Tube Lines modelling the key business data sources and their interactions. Leading the systems integration project between the Maximo 5.2 Asset Maintenance and reimplementation of the Oracle eBusiness R12 systems;
- **Data Migration Manager** leading the migration of BSKyB Business Billing and CRM Systems to the new in house system developed around the Chordiant and Kenan product platforms on Oracle database technology.
- **Database Architect** for a health care solution for GHG built using Ultragenda and Microsoft SQL Server. Designed and implemented a solution for the migration of data from the legacy systems of 40+ private health care hospitals.
- **Various** similar data centric roles for clients such as Lastminute.com, BAA, HomeServe, Invensys, Ultragenda and Alliance Unichem

Other experience

Twelve years experience at several organisations primarily in the production of Asset Maintenance solutions in various roles from Graduate Developer to Development Manager, predominantly using the Oracle RDBMS technologies.

Education

- BSc (Honours) in Mathematical Studies, Plymouth University
- HNC in Computer Technology, Middlesex Polytechnic

6 Appendix B: Desktop review

File name	Notes	Requests	Reviewed
ERP Gold Highlight Report 22Sep17	<ul style="list-style-type: none"> • High level plan being discussed at Programme Board • Interfaces not ready for testing • All data sets being loaded into UAT1 for testing by 29/9 	<ul style="list-style-type: none"> • Programme Board minutes 25/9 and any subsequent • Risk register • Interface status • Did all data sets get loaded? • Update on Business Data Testing recovery plan (2-21st October) 	Nicky Cox
P2P ERP Gold Build Solution Design v010		N/A	Nicky Cox
LGSS Fixed Assets Solution Design v1.2	Unit4 design doc – not completed – lots of placeholders for text/detail to be inserted	<ul style="list-style-type: none"> • Is Fixed Assets in scope? 	Nicky Cox
CRP1 HR – Employee Lifecycle v0.9	No process maps included and missing process maps	<ul style="list-style-type: none"> • Is it worth seeing these? Check with DM 	Nicky Cox
CRP1 Finance Professional – GL v0.4	Contains interface list in section 6. Do we need to see this?	<ul style="list-style-type: none"> • Can we see interface list? 	Nicky Cox

File name	Notes	Requests	Reviewed
CRP1 HR Professional – Case Management Performance v0.7	No process maps	<ul style="list-style-type: none"> Do we need to see for DM/PPR review? 	Nicky Cox
CRP1 Finance Professional – GL v0.12	No process maps	<ul style="list-style-type: none"> Do we need to see for DM/PPR review? 	Nicky Cox
Service Level Design Principles v1.1	<ul style="list-style-type: none"> List of principles used at the start of each solution design document 	N/A	Nicky Cox
AR Gold Build Solution Design v09	<ul style="list-style-type: none"> AR and Debt recovery – document is empty. Dated Jan 2016 	<ul style="list-style-type: none"> Is this functionality being used? 	Nicky Cox
AR Specification – PreLoad Reconciliation template for Open Invoices v.1	Detailed reconciliation results from Trial Load		Martin Spellman
AP Specification – PreLoad Reconciliation template for Open Invoices v.1	Detailed reconciliation results from Trial Load		Martin Spellman
Func Spec – Oracle AP – Issue 1.1	<ul style="list-style-type: none"> Why is name “corrupted”? How are multiple addresses managed/migrated? How are CIS being processed? Why is balance only being done for AP Invoices and this is not being done for AR? Seems to be frequent payment runs before go live which is recommended approach and then migrating what is not paid or cancelled? What is this data? Is it dirty data? How many BIFs are being used? 	Pick up in detailed DM interview	Martin Spellman Ravinder Johal

File name	Notes	Requests	Reviewed
Func Spec – Oracle AR – Draft v0.1b	<ul style="list-style-type: none"> What is happening with historical data? What is the CoA old to new process? How many addresses per customer? Is the DD process using standard load? Looks like the Customers are being split into many addresses /accounts if multiple DDs. Why? Why is the AR Invoice being reconstructed to be the value of the originating Invoice and not just the outstanding debt? Also, are you loading payments and matching? How many BIFs does it take to match it? How are Complaint Code, Collection Codes and Reminder Levels being loaded as there is no BIF? 	Pick up in detailed DM interview	Martin Spellman Ravinder Johal
Data migration recovery report – 20170918 COP	<ul style="list-style-type: none"> A meeting status report of all migration documents indicating who has reviewed what when. Some info. on reconciliation methods per functional area. Would have expected more detail somewhere. 	Need to see an updated version of this document – this version is over 3 weeks old and an updated version would demonstrate the LGSS team are progressing (or not) to a timetable	Nicky Cox Martin Spellman
Accounts Receivable MK Functional Spec v1 0	<ul style="list-style-type: none"> Customers only for transacted with in last 18 months and open debt +subscriptions 	Pick up in detailed DM interview	Ravinder Johal

File name	Notes	Requests	Reviewed
	<ul style="list-style-type: none"> What is the 'Mapping spreadsheet'? Customer ids are changing to new ones but old is held in ext_ref 		
Func Spec – Oracle HR – Issue 0_C	<ul style="list-style-type: none"> Is all the yellow mark-up text still issues to be reviewed/finalised? How is this being tracked? What about rates? What level of cross template checking is there? e.g. All positions exist for all the employment records Is there a place on Resources for old Employee Number from Oracle? Is there a relation as well for HMRC purposes of old payroll id? How are employee addresses being loaded? How is any data validated against BW? Via server process only? If Working Hours is not visible why is it being loaded Post code (is there a catch-all code?) What is the defaulting process from Position? Why have on employment if a Position relation? How do you know if the HR record is ready to load? What about PAE? 	Pick up in detailed DM interview	Martin Spellman Ravinder Johal
HR Spec Relations and Mappings	<ul style="list-style-type: none"> Relations – how are they linked to Rates 	<ul style="list-style-type: none"> Assumption bflags loaded as 0 and then reset 	Martin Spellman Ravinder Johal

File name	Notes	Requests	Reviewed
	<ul style="list-style-type: none"> or balances? Or are none related? What about mandatory this is set in the SAP document not oracle one? What about Bflag? How is it worked out? 	<ul style="list-style-type: none"> Pick up in detailed DM interview 	
Functional Spec – MK AR Transactions	<ul style="list-style-type: none"> What is the Oracle import process? Why tax lines and not just a balance on the open debt? Is this for write off purposes? Is the data model for a staging database in Oracle? How are complaint codes, reminder levels loaded? Is it just the balance remaining so debt position? Oracle doc seems to suggest building the invoice back? 	Pick up in detailed DM interview	Ravinder Johal
Subscriptions MK Functional Spec v1.0	<ul style="list-style-type: none"> When will confirmation be received from Business for Responsible fields 	Pick up in detailed DM interview	Martin Spellman
Func Spec – SAP HR – v1.1	<ul style="list-style-type: none"> Why does the SAP and Oracle functional processes differ? SAP has Rates and the load process looks better / correct for YTD but not the same in Oracle? Relations are in doc and have mandatory but no relation to rates or balances? What about PAE? 	Pick up in detailed DM interview	Ravinder Johal Martin Spellman

File name	Notes	Requests	Reviewed
Accounts Payable Transactions MK Functional Spec v1.0	<ul style="list-style-type: none"> AP transactions with VAT (Oracle was without vat?) Assumption is open AP transactions but not much in document? 	Pick up in detailed DM interview	Ravinder Johal
Accounts Payable MK Functional Spec v1.0	<ul style="list-style-type: none"> Load of suppliers transacted with in last 18 months and addresses only What is this '<i>This data is extracted from a variety of SAP Tables and put into a "Mapping spreadsheet"</i> Supplier relations exist but seem to be less than the Oracle suppliers? 	Pick up in detailed DM interview	Ravinder Johal
HR Pay DM Technical Specification V1	<ul style="list-style-type: none"> Table definitions and specific data for lookups? 	<ul style="list-style-type: none"> What is this s/sheet showing me? Pick up in detailed DM interview 	Martin Spellman
LGSS Payroll Parallel Run Decisions V1	<ul style="list-style-type: none"> Authored in April 2017 (note change of PM) Check entry/exit criteria to detailed plan Don't understand reference to "If time and resources permit include PPR 0 for CCC" 	<ul style="list-style-type: none"> Have LGSS decided to change the payroll months that will be tested? Does it include a year-end roll over? Check scope of PPR for 3 councils 	Nicky Cox
ERP Gold Programme Plan – v1.1 – 130917	<p>MS Project plan</p> <ul style="list-style-type: none"> Plans don't link Dangling tasks No critical path Plans out of date No central resource pool 	<ul style="list-style-type: none"> Need to see current (up-to-date) version 	Nicky Cox

File name	Notes	Requests	Reviewed
ERP Gold Programme Plan – v1.2 – 121017	Updated version of plan. Same problems.	•	Nicky Cox
CUTOVE~3	MS Project plan <ul style="list-style-type: none"> Plans don't link Dangling tasks No critical path Plans out of date No central resource pool 	• Need to see current (up-to-date) version	Nicky Cox
IT Work stream	MS Project plan <ul style="list-style-type: none"> Plans don't link Dangling tasks No critical path Plans out of date No central resource pool 	• Need to see current (up-to-date) version	Nicky Cox
IT Work stream plan 13.10.2017	Updated version of plan Same problems	•	Nicky Cox
T4 Client 30 & 70 Test Plan	MS Project plan <ul style="list-style-type: none"> Plans don't link Dangling tasks No critical path Plans out of date No central resource pool 	• Need to see current (up-to-date) version	Nicky Cox
ERP GOLD INTERFACES	MS Project plan <ul style="list-style-type: none"> Plans don't link Dangling tasks No critical path Plans out of date No central resource pool 	• Need to see current (up-to-date) version	Nicky Cox
PPR_StagePlan_170929	MS Project plan <ul style="list-style-type: none"> Plans don't link Dangling tasks No critical path Plans out of date No central resource pool 	• Need to see current (up-to-date) version	Nicky Cox
Revised delivery approach v3.6 04.10.17	Plan on a page – check up to date in interviews	Use in interviews to establish ownership and whether on track (Q3 on the interview framework)	Nicky Cox

File name	Notes	Requests	Reviewed
Revised delivery approach v3.8 16.10.17	Plan on a page updated		Nicky Cox
ERP Gold Highlight Report Sept 17	Not accessible – deleted from Huddle		Nicky Cox
<ul style="list-style-type: none"> ERP Gold PID 	<ul style="list-style-type: none"> Note dependencies: Pensions Payroll out of scope (separate project to move to Altaire) SharePoint EDRMS CCC childrens and adult social care system How can a programme of this size and complexity only have an 8-page PID? 	<ul style="list-style-type: none"> Update on progress of move of Pensions payroll to Altaire (defined as a dependency) Progress/highlight reports for other dependant programmes as listed in PID (SharePoint EDRMS, CCC replacement of childrens and adult social care systems) 	Nicky Cox
<ul style="list-style-type: none"> Resource Pool 2 	<ul style="list-style-type: none"> Empty MS Project plan used as central resource pool – not all resources included Not being used by all plans 	<ul style="list-style-type: none"> 	Nicky Cox

7 Appendix C: Data migration specific questions

Session	Question
Data Migration – detailed session (not used as interviewee couldn't spare time to attend)	<ul style="list-style-type: none"> • What is the DM Process? • Tools used for each stage? • How is the code structured? Is there a clear delineation between extract and transform? • Size and structure of the DM team? • What level of validation is done on the data post extraction/transformation? • What is happening with GL (mid-year should be lots of journals to be loaded)? • How many extra input files, mapping documents exists outside of source systems? <ul style="list-style-type: none"> – e.g. Positions not to be deleted, Positions not to be migrated – e.g. Relations in attached excel workbooks • Are these published and signed off/agreed on prior to trial cutovers etc.? • Most difficult areas to date? • Simplest areas to date? • How much data cleansing is required? • How much overlap of data is there (data merging)? • Functional changes frozen or very fluid? • Static Relations and lookup data in Gold changing much? • Dedicated environments for trial loads? • How is reconciliation performed? <ul style="list-style-type: none"> – Validate right data in right client – Validate correct volumes? – Validate correct values?



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Proposed LGSS Revenues and Benefits Joint Committee

To: LGSS Joint Committee

From: Robin Bates, Head of LGSS Revenues and Benefits (sponsored by Mark Ashton, LGSS Director of Business Services, Systems and Change).

Purpose: To acknowledge the co – opting of the LGSS Vice Chair to the recently established Revenues and Benefits Joint Committee.

Recommendation: It is recommended that the Joint Committee:-

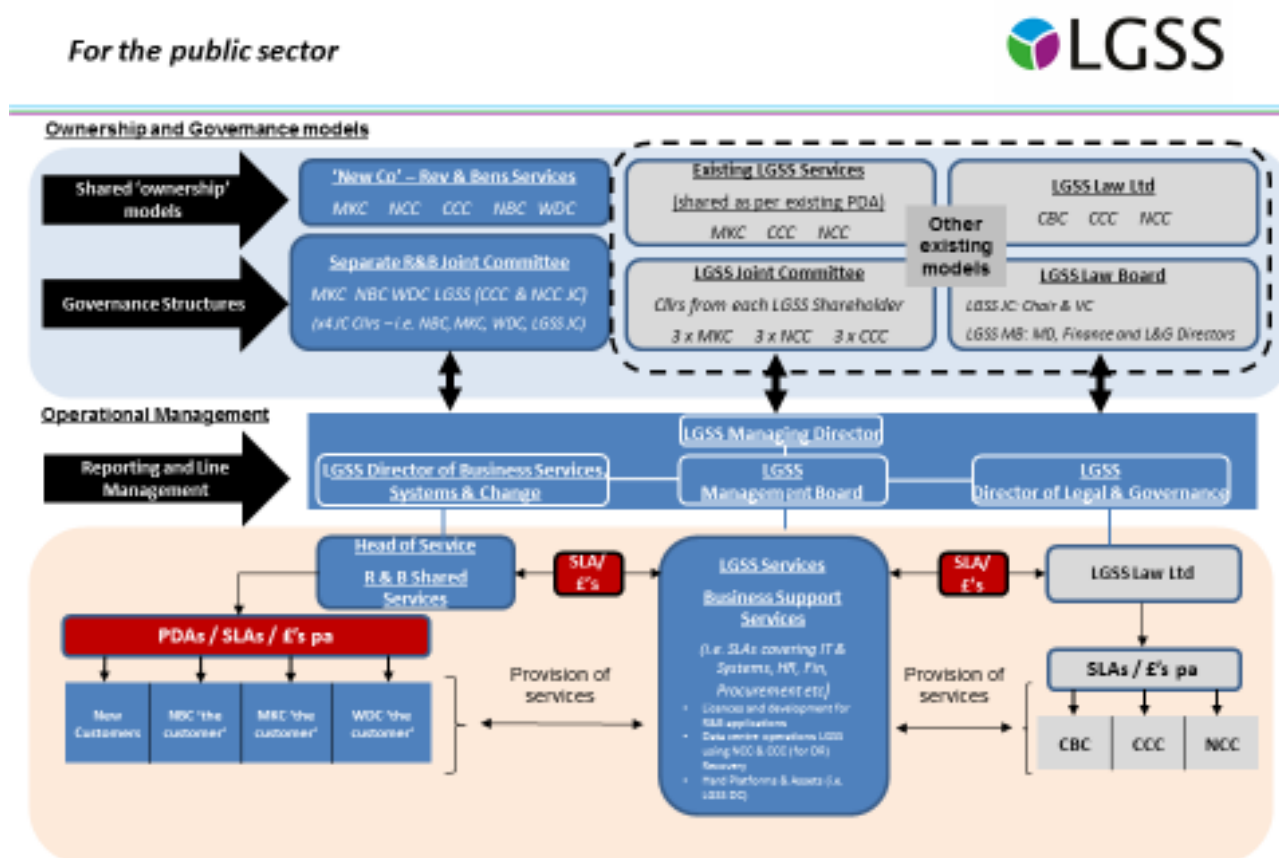
- i) Acknowledge the co – opting of the LGSS Vice Chair to the LGSS Revenues and Benefits Joint Committee.
- ii) Note that the vice chair is co-opted as a substitute as a result of the current LGSS chair (Cllr Middleton) also being the member for MKC on the Revenues and Benefits Joint Committee.
- iii) Note that the co – opting of the LGSS Vice Chair is in line with the agreed Governance of the Revenues and Benefits Joint Committee – See Governance section in the main body of this report.

1. Background

- 1.1 MKC and LGSS have developed a Shared Service offering for LGSS Revenues and Benefits since MKC delegated its Revenues and Benefits services to LGSS in April 2016 and all associated approvals / agreement are now in place.
- 1.2 Northampton Borough Council (NBC) as an existing partner of LGSS, delegated its Revenues & Benefits Services to LGSS in June 2013. Therefore alongside the MKC and LGSS shared service development, NBC have also become a full member of the Revenues and Benefits Joint Committee as full shareholders.

2. Governance

- 2.1 The diagram below provides a high level view of the LGSS Revenues and Benefits Joint Committee, alongside the existing LGSS Ownership models:



2.2 The high level governance of the LGSS Revenues and Benefits Joint Committee Structure would be as follows:

- The committee has 3 councillors (1NBC; 1MKC; 1LGSS).
- The chair of the LGSS Joint Committee would be the co – opted LGSS representative, with the Vice-chair being the substitute (in the event the JC chair is an MKC member)
- To be quorate the meeting will need attendance from 1 councillor from each organisation, so substitutes will be required if councillors cannot attend.
- Voting will be by simple majority.
- There will be a minimum of three meetings per year.
- The management support for the committee will be delivered by LGSS

2.3 The role of the LGSS Revenues and Benefits Joint Committee:

- Set the direction and vision for the shared service
- Agree the budget (within contributions from individual Council's)
- Agree the Service Plan/ Business plan
- Review performance against plan and agree any changes in year
- Oversee the integration and change programme
- Consider new commercial proposals, whether for partner or customer relationships.
- Review performance against plan and agree any changes in year
- Oversee the integration and change programme
- Consider new commercial proposals, whether for partner or customer relationships.

Agenda Item No: 7

LGSS JOINT COMMITTEE LEAD MEMBERS

To: LGSS JOINT COMMITTEE

From: Democratic Services

Purpose: To present to the LGSS Joint Committee a proposal for the appointment Lead Members.

Recommendation: That the LGSS Joint Committee:

- a) agree to the creation of the role of Lead Member for the partner Local Authority that is not currently occupying the Chair or Vice-Chair position of the LGSS Joint Committee; and
- b) note the appointment of a Lead Member by Northamptonshire County Council.

1. Background

- 1.1 Prior to Milton Keynes Council joining LGSS and appointing Members to the Joint Committee the role of Chair and Vice Chair rotated between the two Councils on an annual basis. This resulted in both partner Local Authorities being consulted during the formation of Partnership and Delegation Agreements (PDA) for example.
- 1.2 Since Milton Keynes Council joined LGSS in April 2016 there has been a risk that for the partner authority not occupying either the position of Chair or Vice-Chair might not be consulted during discussions or included in delegations.
- 1.3 The issue was raised by the outgoing Chairman of the Joint Committee at the September meeting of the Joint Committee and Democratic Services agreed to provide a report that would address the issue.

2. Proposal

- 2.1 The original suggestion was for the Joint Committee to appoint a second Vice-Chair. However, this would require constitutional changes to each partner authority and follow the respective governance arrangements.
- 2.2 In order to negate the requirement for a change to the respective constitutions of each partner authority it is proposed that a Lead Member is appointed by the Local Authority that is not currently occupying the position of Chair or Vice-Chair.
- 2.3 The Lead Member would then be included in any briefings or delegations that may occur that would ordinarily have been undertaken with the Chair and Vice-Chair of the Joint Committee.
- 2.4 The Lead Member would be appointed annually on the same basis as the appointment of the Chair and Vice-Chair.

3. Recommendation

- 3.1 The Joint Committee is asked to:
 - a) to agree to the creation of the role of Lead Member for the partner Local Authority that is not currently occupying the position of Chair or Vice-Chair of the LGSS Joint Committee; and

- b) note the appointment of a Lead Member by Northamptonshire County Council.

