LGSS JOINT COMMITTEE

Thursday, 26 November 2020

Democratic and Members' Services
Fiona McMilan
Monitoring Officer
Shire Hall

Castle Hill
Cambridge
CB3 0AP

14:00

**Virtual Meeting
[Venue Address]**

AGENDA

Open to Public and Press

The LGSS Joint Committee comprises the following members:

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

Councillor Malcolm Longley (Chairman) Councillor Robert Middleton (Vice-Chairman) Councillor Lizzy Bowen Councillor Robin Bradburn Councillor Peter Geary and Councillor Bob Scott Councillor Chris Boden Councillor Sebastian Kindersley and Councillor Terence Rogers

Clerk Name:	Daniel Snowdon
Clerk Telephone:	01223 699177
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LGSS JOINT COMMITTEE: MINUTES

Date: 20th August 2020

Time: 2.00-3.25pm

Place: Meeting held remotely in accordance with The Local Authorities (Coronavirus) (Flexibility of Local Authority Meetings) (England) Regulations 2020

Present: Cambridgeshire County Council (CCC): Councillors Terry Rogers, Chris Boden and Sebastian Kindersley

Milton Keynes Council (MKC): Councillors Robin Bradburn, Peter Geary and Robert Middleton

Northamptonshire County Council (NCC): Councillors Lizzie Bowen, Malcolm Longley and Bob Scott

Others in attendance:

Mark Ashton (Interim Managing Director, LGSS), Dawn Cave (Democratic Services), Justine Hartley (LGSS Head of Business Planning and Finance), Tom Kelly (Deputy Section 151 Officer CCC), Steve Richardson (Section 151 Officer MKC), Dawn Cave (Democratic Services Officer), Barry Scarr (Section 151 Officer NCC),

106/20   **NOTIFICATION OF CHAIRMAN**

It was resolved to appoint Councillor Robert Middleton on behalf of Milton Keynes Council as Chairman of the Joint Committee for 2020/21.

107/20   **NOTIFICATION OF VICE-CHAIRMAN**

It was resolved to appoint Councillor Boden (CCC) on behalf of as Vice-Chairman of the Joint Committee for 2020/21.

108/20   **DECLARATIONS OF INTEREST**

Councillor Boden declared a non-pecuniary interest as a Board Member of LGSS Law Ltd.

109/20   **MINUTES – 27th FEBRUARY 2020**

The minutes of the meeting held on 27th February 2020 were agreed as a correct record and signed by the Chairman.

110/20   LGSS 2020-21 BUDGET MONITORING

Members received the June 2020 iteration of the LGSS Budget Monitoring Report, which had been prepared on the basis of the current budget i.e. a full year of operation, which was unlikely to happen.

In presenting the report, officers highlighted the variance for Operation Services at the end of June was a net underspend position of £346K, which related to £859K shared service underspends, offset for Cambridgeshire and Northamptonshire by £513K pressures on trading arising from the cessation of service provision to Norwich City Council and a reduction in the agreed recharges to the Councils' pension funds. There were also Council specific savings (CCC and NCC, but not MKC).

Members noted the split of the forecast outturn between the three partner councils, which showed a small underspend for both CCC and NCC, and a larger underspend for MKC, which reflected a reasonably healthy position at this stage.

The detail of the LGSS operational budgets under each heading (Finance, HR, IT and Managing Director & Support), including specific pressures, was noted.

Members were reminded that with regard to Reserves, a significant balance (£2.883M) was transferred in to LGSS Reserves last year. Attention was drawn to requests for part of the uncommitted reserves to be used for essential IT upgrades and improvements, detailed in Appendix 2 of the report, which had been considered by the respective Section 151 Officers. The budgets for each of the three authorities were set out in Appendix 3 of the report.

Officers advised that the report no longer provided information on either the capital or managed budget position, as the focus was on revenue in the transition phase. Capital and managed budget information was all reported in constituent Councils' individual financial reports.

Arising from the report, one Member referred to the statement in Appendix 1 relating to the Internal Audit & Risk, £32K of which related to pre-agreed internal recharges *"…not anticipated by the budget manager during the initial budget setting process"*. Officers advised that this related to the removal of the Norwich work, and the subsequent reduction of both workload and budget, which had left that team with insufficient funding. However, the team was working hard to reduce costs and make up for the shortfall resulting from the loss of the Norwich contract. In response to a query on the £20K upgrade for Internal Audit software, it was confirmed that this was unrelated to the Norwich issue: it was originally anticipated that the software update would take place in the 2019/20 financial year, when there had been

sufficient budget in Internal Audit. At year end, the Internal Audit budget had been approximately £150K underspent, which had subsequently been swept up in to LGSS Reserves.

A Member expressed concerns about the number of posts currently being held vacant, and the potential impact on service delivery. Officers responded that all Councils carry some vacancies, but that there were currently a significant number of vacancies within LGSS, and whilst officers were unaware of any impact on services, it was not easy for staff. Because reorganisation was imminent, many of these issues would be addressed when services were repatriated to their home Councils. However, economies of scale would be lost at that point, so it was unlikely that it would be feasible for individual Councils to continue with those vacancies on an ongoing basis. It was noted that many of the vacancies were in the central services team.

A correction to the first table in Appendix 2 was noted: the closing balance column should read "31 March 2021".

A Member expressed concern about the extent of the proposed utilisation of earmarked reserves for IT upgrades and improvements, suggesting that these issues should have been anticipated in the budgeting phase e.g. the expiration of the Disaster Recovery Solution in January 2021. Officers outlined the background to each request, but the Member maintained that these issues should have anticipated and included in the budget setting process. He also suggested that there was a failure to budget for IT costs which could be anticipated.

Another Member observed that the cost of the Disaster Recovery data backup was significant (£976K), and would leave less than £1M in reserves. She asked what was regarded as a safe level of reserves compared to operating costs. Officers confirmed that Section 151 officers were content with the proposal, and the issue of LGSS Reserves was less of an issue as the model was about to change. Each Council had its own reserves, and any remaining LGSS Reserves would be distributed back to the three partner councils.

It was resolved unanimously to:

1. Note the financial monitoring position as at 30th June 2020;

2. Approve the use of LGSS uncommitted reserves to fund essential IT upgrades at a total cost of £976k.

111/20   ERP UPDATE

The Committee considered a report updating the Committee on progress with the ERP Gold Programme in 2019/20, which also included a summary of the key deliverables planned for 2020/21.

It was noted that both the BizTalk and ERP Gold Disaster Recovery tests had been postponed due to issues arising from ongoing technical work in the relevant networks. All of the other key deliverables for 2019/20 had been completed, and the key deliverables planned for 2020/21 were noted. The two new Northamptonshire unitaries had decided in February 2020 to use the ERP platform going forward, therefore the timescales for successful implementation were tight, especially as some of the Districts and Boroughs did not have ERP systems. In addition to this pressure, ERP Gold was migrating to the Cloud, and a new Children's Trust for Northamptonshire was being launched in November 2020.

The Chairman noted that staff had worked very hard to reach this stage, and also that the Business Systems Board had expressed their disappointment in the outcome with regard to the Disaster Recovery failover test outcome, but had accepted that the effort required to complete another test would not be best use of resource at this time especially as the migration to Cloud was only three months away. He asked officers if they believed they had sufficient time and resources to complete the Programme. Officers responded that this was not so much about resources, but depended on receiving quality data from Districts and Boroughs in a complete and timely manner and being able to process this data sequentially. If Districts and Boroughs failed to provide the data in time, they may need to operate their legacy systems beyond 1st April 2021, which could have far reaching consequences.

The critical areas in terms of migrating data were Human Resources and Pay, with areas such as Accounts Payable and Accounts Receivable being less of a priority, as the volume of invoices going through Districts and Boroughs was not significant. Whilst it was not critical to have AR and AP on the system from the outset, Payroll was critical, so the focus was on collecting data so that all staff could be paid accurately from Day One.

A Member expressed concerns, given that this was a major project which needed to be achieved in a short space of time, and he felt that the Joint Committee needed to have confidence and have more information, especially on timeframes. Another Member shared those concerns, stressing that the 1st April deadline should not be extended, and noted the risk that one or more Districts or Boroughs may not provide the data in time, and that a tough stance needed to be taken, and any District of Borough that did not meet the deadline would need to use their legacy systems. He also agreed that the Committee should have greater oversight of this process. He

understood the need for a development freeze, and cautioned against that development freeze being extended, but understood that it did de-risk the situation slightly.

Whilst acknowledging the risks of partner organisations not providing data in a timely fashion, a Member asked what would happen if LGSS failed to meet the deadlines. Officers advised that there was no precedent for what they were trying to achieve, with different aspects of the timescales being driven by Ministerial direction and an Act of Parliament respectively, and there was no choice but to go live on 1st April 2021.   The project was high risk but that risk was being managed.

It was confirmed that Mark Ashton was the Project Director. Mark assured Members that there was a detailed programme plan which he was happy to share that with the Committee. He reiterated that the decision to use the ERP platform had been taken late by the unitaries, and the Business Systems teams in NCC and CCC were working hard to meet the 01/04/21 deadline, but it was risky, especially given the requirement for provision of data by the Boroughs and Districts, and given that four of the Districts and Boroughs had outsourced payment provider.

The Vice-Chairman summarised the Committee's concerns, stressing the need for Members to be able to ask detailed questions and retain oversight of the programme.

It was resolved unanimously to:

1. Note the update, with the next half yearly ERP Gold Programme update in February 2021

2. Note the Joint Committee's concern, and invite the LGSS Interim Managing Director and S151 officers to propose how the Joint Committee can be updated in a more timely fashion.

112/20   EXCLUSION OF PRESS AND PUBLIC

It was resolved that the press and public be excluded from the meeting for the following item on the grounds that it contained exempt information under Paragraphs 3 and 4 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 the information to be disclosed: information relating to the financial or business affairs of any particular person (including the authority holding that information) and information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.

113/20   LGSS BUSINESS TRANSITION MODEL

The Committee considered a progress report on implementing the changes required to create the revised LGSS operating model.

It was resolved unanimously to:

1. Note the contents of this report and progress made to date;
2. Agree the temporary arrangements outlined in section 3 of this report and their impact on the revisions to the financial model and exceptions;
3. Note the contents of the Employee consultation document as set out in section 4 of this report and appendix 3;
4. Note the new operating model and the details of the proposed repatriated and Lead Authority services as set out in section 4;
5. Note and agree the financial impacts of realigning the implementation

114/20   LGSS CUSTOMER PORTFOLIO UPDATE

The Joint Committee considered a report which summarised the status of engagement with existing customers.

It was resolved unanimously to:

1. Note the content of the report;
2. Note the impact of the central functions project managing the exits of NHFT and NCFRA and the associated risks;
3. Note the financial impact of the NHFT exit;
4. Note the contract extension for NBC/NPH has yet to be signed by NBC.
5. approve the formal assessment of resource required to deliver these key customer exits risk and delegate authority to the S151s to finalise an extension to the current exit dates planned for these key roles and associated financial implications of the change.

Chairman

Title:	LGSS Business Transition Programme Update - Confidential
To:	LGSS Joint Committee
From:	Claire Townrow (Programme Director – LGSS Business Transition) Chris Malyon (Section 151 Officer – Cambridgeshire CC) Steve Richardson (Section 151 Officer – Milton Keynes Council) Barry Scarr (Section 151 Officer – Northamptonshire CC)
Date:	17 November 2020
Purpose	To provide a progress report to the LGSS Joint Committee on implementing the changes required to create the revised LGSS operating model.
Recommendations:	That LGSS Joint Committee: 1. Note the contents of this report and progress made to date. 2. To note the cessation of the LGSS Joint Committee as of 26 November 2020 and the revised governance arrangements

1. Background

A paper was produced and circulated to LGSS Joint Committee dated 3rd June 2020, recommending that Members note the revisions to the implementation timeline and the implications of this revision on the financial model. No feedback was received from Joint Committee Members so the LGSS Business Transition Board agreed the realignment of the implementation dates to September 2020 for the repatriation of agreed services and December 2020 for the creation of the Lead Authority operating model. As such those LGSS Programme and Project team members who were redeployed to support partner responses to the COVID-19 pandemic were recalled to focus on delivery of the realigned programme.

The LGSS Business Transition Board has re-titled the programme from 'LGSS Review' to 'LGSS Business Transition' to reflect that the programme has now entered the implementation phase, which sees one of the UK's largest shared services move to its alternative delivery model of repatriated services complimented by ongoing shared service arrangements under a lead authority model.

2. Transition Programme update

The LGSS Programme team are working at pace to ensure the successful delivery of the complex reorganisation of a c. £63 million organisation. It is important that Joint Committee note that the majority of the Programme team are personally impacted by the change whilst

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delivering it. They continue to act professionally and are committed to realigning the business operating model in order to achieve the revised dates.

A high level programme plan is shown in Appendix 1, of which is split into 7 project work streams. The table below provides an overview of the RAG status of each project work stream as at 13 November 2020.

Project	Current status
Project work stream 1: Governance	**Amber**
Project work stream 2: HR and Consultation	**Green**
Project work stream 3: Finance	**Amber**
Project work stream 4: Language Services Future Operating Model	**Green**
Project work stream 5: IT Network & Infrastructure	**Amber**
Project work stream 6: Communication and Engagement	**Green**
Project work stream 7: Schools and Academies	**Green**

Further details for each project work stream can be found in Appendix 2.

3.   Update on temporary arrangements

The original proposal presented to LGSS Joint Committee on 21st February 2020 outlined a number of service areas where temporary arrangements are being put in place to prevent service delivery issues during the transitional period up until 31st March 2021 (page 21).

Due to the amendments made to the programme implementation dates these temporary arrangements have been reviewed by the LGSS Business Transition Board and revised accordingly. The table below provides an update on the temporary arrangements that have been agreed. These will be monitored and managed by the Lead Authority Board which is due to commence with the inaugural meeting on 4 December 2020.

Service	Action (as documented in Joint Committee Paper)	Revisions to temporary arrangements
Procurement:	➢ Agreed Temporary arrangement: NCC will support CCC until 30th September 2020 with an option to extend (Nb. MKC staff will repatriate and are not part of this arrangement)	All Procurement staff will repatriate to their home council's by October 2020. The current interim Head of Procurement will continue to temporarily manage the CCC only provision from October 2020 to 31st March 2021. In addition a further 3 posts will provide support to CCC during this period. CCC are committed to finalising the management of the procurement function from 1st April 2021.
Health and Safety:	➢ Agreed Temporary Arrangement: Until October 2020 Occupational health Support from NCC Business Partner to CCC and MKC	Occupational Health Support - a contract waiver to extend current contract terms by further 12 months providing the option for all 3 councils to continue to use the

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Service	Action (as documented in Joint Committee Paper)	Revisions to temporary arrangements
	➢ Agreed temporary support (1 day per week) from the Head of Service, will be provided to CCC until 31st March 2021.	contract until October 2021. There is no obligation for volumes or usage in the current framework contract, so if either CCC or MKC decide that they would like to cease at any point and procure their own contract they are able to do so. Communication and consultation with interested parties on the re-procurement process will commence in Spring 2021. Temporary support from HSW Head of Service - no revisions made to original arrangements documented in Joint Committee paper dated 21st February 2020.
HR Workforce, Policy and Projects:	➢ Agreed that a service level agreement will be put in place for 2.2fte to continue supporting CCC and MKC. The cost of this has been included within the financial model.	No revisions made to original arrangements documented in Joint Committee paper dated 21st February 2020.
IT Network, Hosting and Firewalls:	➢ Agreed Temporary arrangement: The current arrangements will continue as-is until such time that the Lead Authority Board agree the revised IT provision during the next four months (May/June 2020).	IT Project Manager and IT Solutions Architect presented detailed options paper to Transition Board on 24th July 2020. The Board has agreed detailed business case to be produced to scope operational impacts of revising current IT arrangements for all partner organisations. Financial impact of this change yet to be determined.

4. Collective Consultation

Collective consultation with the three partner Council unions, c. 1,300 LGSS staff and key stakeholders commenced on 25 August 2020 and was extended by one day to take into account the IT issues in Northamptonshire which prevented the circulation of the information to all staff. The consultation document focussed only on those people, posts and services that were directly impacted by the implementation of the revised operating model. The wider engagement with staff was covered by video recordings of board members and a PowerPoint presentation circulated to all staff.

Of the 25 LGSS employees whose posts were deleted as part of the change in the operating model, 14 staff have been successfully redeployed. The remaining staff are continuing to be supported whilst working their contractual notice in order to try and mitigate redundancy.

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The tables below detail those services which were successfully repatriated and those moving to the Lead Authority model.

Services Repatriated on 1 October 2020

Service area	Notes
HR Advisory	
HR Workforce, Policy and Projects	Repatriating to NCC as standalone service; for CCC and MKC elements of this service area will repatriate to HR Advisory.
Health, Safety and Wellbeing	
Learning and Development	CCC and NCC only.
IT Operations	
IT Digital Services	
IT Strategy and Architecture	
IT Commercial Services	
Procurement	
Financial Assessments	
Client Funds	
Monitoring and Payments	MKC and NCC only.
NBC Finance	NCC only.

Lead Authority Services from 1 December 2020

Service area	Lead Authority
Payroll and HR Transactions	NCC
Accounts Payable	CCC
Insurance	CCC
Business Systems and Change	NCC
Audit and Risk	MKC
Pensions	NCC
Debt (for NCC and CCC Only) and Income (including Finance Helpdesk)	CCC
Performance and Governance Service	NCC
Revenue and Benefits	MKC

With regards to consultation with current LGSS customers, it should be noted that under existing Partner and Delegation Agreements (contractual requirements) LGSS is required to consult with its customers on any business changes proposed. As such the interim LGSS Managing Director and Programme Director - Business Transition engaged with senior customer representatives on the changes and responded to received feedback.
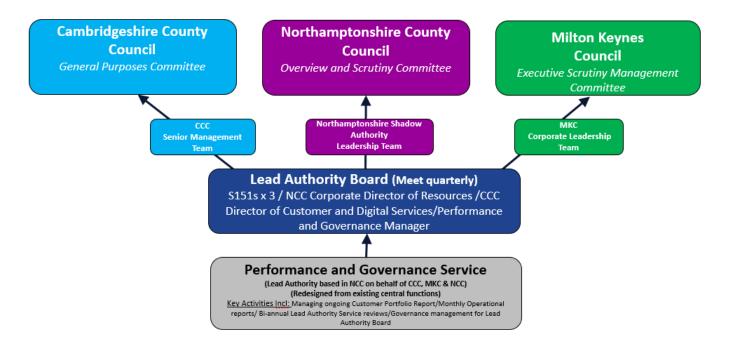
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5. Revenues and Benefits

The proposed operating model presented to Joint Committee on 21st February 2020 outlined that changes would be required to the current Revenues and Benefits LGSS Partnership, and arrangements to agree and implement a transitional model for Revenues and Benefits would be developed. Any transitional model is also subject to agreement by Northampton Borough Council (NBC), who have agreed to sign the existing agreement. The existing agreement is being revised to reflect the ongoing arrangements with Cambridgeshire County Council not being part of the future arrangements.

Transitional arrangements have been proposed, which would see Milton Keynes Council acting as the Lead Authority for the Revenues and Benefits service. This temporary arrangement will enable discussions with the two new Northamptonshire Unitary Councils to take place to inform future arrangements from 1 April 2021.

6. Future Governance Arrangements

With the implementation of the new operating model the current governance arrangements with LGSS Joint Committee, the LGSS Business Transition Board (previously LGSS Management Board and LGSS Leadership Team) ceases, as of 30 November 2020. In the February Joint Committee paper the committee agreed to the new Lead Authority governance, please see diagram below:

The Lead Authority Board Terms of Reference are included in the revision to the Partner and Delegation Agreement.

The Performance and Governance Service, Lead Authority – NCC, will act on behalf of all three partner councils in order to co-ordinate the revised Board and the associated

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governance arrangements in response to the cessation of the LGSS Joint Committee as of 26 November 2020.

The Business Transition Programme team will cease to operate as of 30 November and all outstanding or ongoing matters, including the financial close of the LGSS business operating model will be managed by the Lead Authority Board. A detailed Programme highlight report can be found in the appendices.

7. Appendices

Appendix 1: Business Transition Programme Plan- see attached.
Appendix 2: LGSS Business Transition Programme Highlight report

Appendix 2: Programme Highlight Report presented to the LGSS Business Transition Board on Friday 13 November 2020

To:	LGSS Business Transition Board
Report by:	Claire Townrow – LGSS Programme Director – Business Transition
Date:	12 November 2020
Subject:	LGSS Business Transition Programme Update Report
Recommendations:	That the LGSS Business Transition Board: 1. Note the current programme update report. 2. Review and discuss issues escalated and provide a steer to the Programme team on how to proceed.

1. Purpose of report

The purpose of this report is to:
   i. Provide an update to the Board on the current progress of the LGSS Business Transition programme and associated project work streams.
   ii. Escalate any items in relation to the programme that need to be discussed by the Board.

2. Purpose of the Business Transition Programme

The LGSS Business Transition Programme team is leading on the implementation of the new operating model, disbanding the current LGSS operating model, creating the organisation design for a new lead authority structure and repatriating agreed services to 'home' partner councils.

The LGSS business transition programme is a complex structure of project work streams with key deliverables and milestones in order to achieve the partner council business objectives including a new financial model, governance arrangements and significant organisational change.

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3. Project work stream progress

A summary of the current status for each project work stream as at the end of October 2020 is outlined in the table overleaf. Highlight reports for each project work stream are documented in section 5 of this report, which includes items escalated to the Board for discussion.

It is important to note that the LGSS Business Transition Programme Manager, is currently off work with no confirmed date when he will be fit to return. As such an urgent realignment of business critical priorities has been completed.

Project	Current status
Project work stream 1: Governance	**Amber**
Project work stream 2: HR and Consultation	**Green**
Project work stream 3: Finance	**Amber**
Project work stream 4: Language Services Future Operating Model	**Green**
Project work stream 5: IT Network & Infrastructure	**Amber**
Project work stream 6: Communication and Engagement	**Green**
Project work stream 7: Schools and Academies	**Green**

Status categories:

Red:	*Project not on track and at risk of missing overall delivery date. Serious issues, escalation to Board.*
Amber:	*Project largely on track, some issues which are being managed. Project being closely monitored.*
Green:	*Project is on track; key milestones will be achieved within target dates. No issues currently.*

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4.   Project Work Stream Highlight reports

5.1   <u>Governance</u>

Project:	Governance	Project lead:	Tricia Burningham (previously Andrew Maddison)
Date of report:	9 November 2020	Overall Project RAG status:	**AMBER/RED**

Key project objectives:
- To review all elements of the current LGSS operating model governance arrangements and implement key changes to democratic governance in order to achieve new operating model.   - To review and implement required changes to customer contracts and partnership arrangements.   - To assess, redesign and implement changes to partner and customer service level agreements and key performance indicators and create new ones where required.

Current Status (progress to date):	Key milestones to be achieved during next 4 weeks
- Business Transition Board governance implemented – forward plan developed and all meetings scheduled. - LGSS Joint Committee meeting held on 20th August 2020 with final meeting scheduled for 26th November 2020. - Informed collective consultation document on proposed Performance and Governance Service: review undertaken of proposed Performance and Governance function including job descriptions and key responsibilities. - Inaugural LA Board meeting (4th December 2020). - Undertook recruitment and selection processes for ring-fenced roles within new Performance and Governance function. - Review and updated high-level programme implementation plan. - Lead Authority detailed implementation planning and actions commenced regarding: - Overarching Governance (PDA/Contracts/Constitution updates*); most importantly amendment or replacement of the Joint Committee and Delegation Agreement*. Initial assessment made by LGSS law, with recommendations regarding interim arrangements while full documentation is drafted, negotiated and signed by Partners. Contact made with	- Progression of key project work streams to prepare for Lead Authority implementation: - Board to have agreed interim contractual arrangements relating to the current Joint Committee and Delegation Agreement; and for legal documents to have been prepared and progressed for ratification and signature - Board to have agreed next steps to amend/replace the JCDA, including detailed working of financial arrangements from planning through to invoicing and end of year reconciliation activity so that these can be documented for inclusion. - Presentation of options to amend/ supplement agreements with remaining customers of the Lead Authority Services; namely, NBC, NPH and NCFRA; to reflect the new governance and delivery structures

Project:	Governance	**Project lead:**	Tricia Burningham (previously Andrew Maddison)
Date of report:	9 November 2020	**Overall Project RAG status:**	**AMBER/RED**

Democratic Services teams regarding Constitutional updates
- o Lead Authority Board governance – meetings have been arranged up to the end of March 2021. Terms of reference have been drafted and will be agreed at the inaugural Board meeting on 4th December 2021.
- o SLA and KPI review and revisions (Task and Finish Groups) – SLA's have been sent to S151's for review in readiness for Task and Finish Group meetings to be held on 13th November 2020.
- o Revenues and Benefits Partnership

Current key risks and issues impacting on delivery:	**Any items requiring escalation to the Board:**
• The work required to accomplish the new Governance Framework and associated agreements is significant; mitigation requires agreement of interim arrangements; Project Manager to take up new position as a result of consultation process (01/12/20)	• Agreement of resourcing to complete the tasks to complete the Governance project on an interim basis, and in preparation for 1 April 2020 with Northamptonshire Local Authority changes affecting membership of the Lead Authority Board

5.2   HR/Consultation

Project:	**LGSS Review: HR Workstream**	Project lead:	Anna Syson
Date of report:	**4th November 2020**	**Overall Project RAG status:**	**GREEN**

Current Status (progress to date):	**Key milestones to be achieved during next 4 weeks**
- Formal feedback document circulated to staff and TUs - Establishment changes for first stage submitted - Continued support for individual consultation/ ring-fenced appointments/redundancy selection/ redeployment - Final individual consultation meetings took place and notice issued - Coordination and support with redeployment across partners has resulted in 14 people being redeployed either permanently or temporarily and therefore mitigating those redundancies.	- Remaining establishment changes to be agreed and submitted - Agreement with Hs of HR about support arrangements and handover for LA services going forward - Continue to support those under notice to seek redeployment/process leavers and redundancy if that is not possible by end of notice period

Current key risks and issues impacting on delivery:	**Any items requiring escalation to the Board:**
Awareness of the proposed Public Sector Exit Cap and potential implications on individuals affected - clear guidance on this still not available	*Request for Board to remind their Leadership Teams of the commitment to redeployment and for them to consider how Councils can support this i.e. review of vacancies prior to release for advert. All Board members have received list of posts at risk and CVs are also available for individuals who have provided them*

5.3   Finance

Project:	Finance Transition Plan	Project lead:	Justine Hartley
Date of report:	4/11/20	Overall Project RAG status:	AMBER

Current Status (progress to date):	Key milestones to be achieved during next 4 weeks
Please provide brief overview as to the current status of the project made to date. - Repatriation work now largely complete and all budgets realigned to report within partner councils; - Guidance and forms ready to be issued to LGSS budget managers for the closedown of the LGSS numbers for Lead Authority services as at 30 November; - Work to realign budgets for Lead Authority and closure of central services underway; - Work on detailed proposals for the charging under the Lead Authority model now getting under way.	*Please provide a brief overview of the key milestones to be achieved by next Board meeting* - Work with LGSS budget managers to tidy open POs, process all year to date recharges, review personal account balances etc ready for move to Lead Authority and prepare for closedown of LGSS position for Lead Authority services as at 30th November; - Completion of work to realign budgets for Lead Authority and close budgets for central services. Calculation of in year and permanent virements required, including reversal of equalisation budgets and transfer of trading budgets to services - Agree with 3 Councils tier changes and Finance Business partner support for Lead Authority services from December

Current key risks and issues impacting on delivery:	Any items requiring escalation to the Board:
Please provide brief details of any risks or issues that are impacting on delivery (nb: risks and issues should be reflected on the risk and issue log) - The key risk for the team remains resourcing. The work for repatriated services was completed on time but with little room for getting ahead on the Lead Authority work. The lessons learned from, and systems put in place for the repatriation work will be very beneficial for the Lead Authority work but it is not straightforward. The key challenge is to develop the details of how recharging under the Lead Authority model will work but this is now getting under way.	*Please identify any items that need to be escalated to the Transition Board for discussion/decision.* - Separate paper on agenda sets out final position on repatriated services; - Separate paper on agenda covers key questions around transition costs and seeks Board views on how to progress

5.4   Language Services Future Operating Model

Project:	Language Services Future Operating Model	Project lead:	Tricia Burningham
Date of report:	**4 November 2020**	Overall Project RAG status:	**GREEN**

Key project objectives:
- To create new operating model for MKC and NCC only to meet council's business requirements.

Current Status (progress to date):	Key milestones to be achieved during next 4 weeks
- The project is entering closing stage with all actions on track, except for NCC procurement exercise which is now being actioned by NCC and their nominated procurement lead - Summary: - MKLS staff consultation complete - Communications to staff, interpreters, contractual and ad hoc customers complete - Leaver processes underway for exit on 30 November - Interim solution agreed with Language is Everything for supply of all services from 1 Nov 2020 to 31 March 2021, as support until new procurement is in place. Available, by way of separate Service Level Agreements, to MKC and NCC. MKC making the solution available to MKCCG and others via its own arrangements, and will invoice these partners via Commissioning Team - Interim solution operational arrangements in place and operating as of 1 Nov 2020 - MKC procurement ready to proceed - NCC procurement team (commissioning, contract management and procurement) being assembled	- Project Closure meeting 25 November to agree formal closure - Operational closure of MKLS complete; with any follow-on actions agreed for MKC - MKC procurement progressing under MKC management; including finalising of LiE contractual and operational arrangements - NCC (CT and NCC/Unitaries) procurement progressing under CT & NCC management; including finalising of LiE contractual and operational arrangements

Current key risks and issues impacting on delivery:	Any items requiring escalation to the Board:
Risk: None (risks managed)	None

5.5 IT Operating Model

Project:	Infrastructure & Network Workstream – Phase 2	Project lead:	Joan West
Date of report:	4th November 2020	Overall Project RAG status:	AMBER OLA / GREEN

Current Status (progress to date):	Key milestones to be achieved during next 4 weeks

The status of the OLA / SLA workstream has been ragged as amber due to the target date for completion being end of October however for the reasons outline below
 	
• *Issue raised to Programme Board 2nd October delay in recruitment has caused slippage to production / delivery of OLAs*
• *End to end process to for OLA sign off project versed BAU priorities*
• *Availability of key stakeholders due to annual leave and half term*
• *Obtaining contractual and financial information*
• *Overarching governance decisions not made to date – dependency for completing overarching OLA document*
 	
• Progressing the OLA /SLA workstream as a priority
   o Dashboard summary below, 32 listed applications / systems summary as below:
      ▪ 3 OLAs have completed the full sign off in principle process with IT services & IT Business Lead (available to submit to LGSS Board for final stage in sign off process.
      ▪ 8 OLAs have been signed off in principle by IT services and are awaiting sign off from the IT Business Leads (anticipated target sign off by 6th of November)
      ▪ 1 OLA to be completed currently work in progress
	• OLA Workstream
	   o Compete the overarching OLA document (to include the financial matrix and governance in line with the Lead Authority mode.
	   o Create repository for all OLAs and handover to BAU
	   o Complete OLA / SLA workstream
	
	• LGSS Domain Road Map Workstream
	
	   o Continue to liaise with business to inform roadmap to understand future plans of each authority, obtain indicative costs where possible, in order to create the road map to decommission LGSS domain
	   o Create roadmap dashboard to track progress on scope

Project:	Infrastructure & Network Workstream – Phase 2	Project lead:	Joan West
Date of report:	4th November 2020	Overall Project RAG status:	AMBER OLA / GREEN

target date to be completed by 13th November

- 20 systems/applications have been confirmed and agreed by IT business as not being required for various reasons as listed below
  - Only utilised by one authority
  - Internal to local IT therefore no impact
  - System / Application will cease or be decommissioned due to plans already in flight
  - Cloud based systems
- Created financial matrix to capture contract end date, annual cost, cost to manage contact and split across authorities is currently work in progress (working in conjunction with Finance and other key stakeholders to complete the gaps) to feed into overarching OLA document
- Liaising with LGSS Programme Manager to understand and align to future governance to feed into overarching OLA document

The LGSS Road Map Workstream status of this workstream is ragged as Green and is on track (target date for completion mid Feb as agreed with LGSS Board)

- Kicked off Road Map Workstream - the scope is based on the applications/systems referred to in the LGSS Domain Review document
  - Draft visual being created to support roadmap – detailing contract end date
  - Kicked off analysis on the system / applications, to understand future requirements of each authority, obtain indicative costs where possible, in

Project:	Infrastructure & Network Workstream – Phase 2	Project lead:	Joan West
Date of report:	4th November 2020	Overall Project RAG status:	AMBER OLA / GREEN

order to create the road map to decommission LGSS domain (key stakeholders to include IT, system users and lead authorities) ○ Initiated Horsham R&B work in progress to consider technical understanding of the proposal document in relation to impact and redesign ○ Project Brief for Landesk being used as proof of concept to complete standardised template work in progress	
Current key risks and issues impacting on delivery:	**Any items requiring escalation to the Board:**
Issue – the delay in the recruitment of the final BA due to the consultation process and the start date of the 1st of October, will potentially have an impact of the OLA/SLA workstream being delayed. This is currently being estimated at slippage on delivery from end October to mid-November, however this is currently being managed by the PM.	• *N/A*

5.6   Communication and Engagement

Project:	Communications and Engagement, Branding and Organisational Culture Change	Project lead:	Juliette Priddy
Date of report:	**4 November 2020**	Overall Project RAG status:	**GREEN**

Current Status (progress to date):	Key milestones to be achieved during next 4 weeks
- Items completed ahead of repatriation: - Head of Service Handover packs with details of their responsibilities 1 October onwards - Repatriated employee information packs published - Comms to all staff informing them services have repatriated and where to find responses to consultation feedback - Customer information emails sent - Language service comms - Communication and Engagement plan for Lead Authority model - Drafted Lead Authority employee information packs - Drafted contents for revised LGSS.co.uk homepage - Lead Authority Branding next steps paper for Board - Information pack for partner comms and web teams created so they know what is required of them for the launch of the Lead Authority model	- Finalise complaints procedure for Lead Authority services - Draft and publish new Performance and Governance intranet page - Consolidate changes to partner websites and intranets needed for Lead Authority model - Draft and publish comms to Lead Authority employees for launch of Lead Authority model on 1 December
Current key risks and issues impacting on delivery:	**Any items requiring escalation to the Board:**
None	None

LGSS

5.7   Schools and Academies

Project:	Schools & Academies Review	Project lead:	Vicky Elday
Date of report:	05th November 2020	Overall Project RAG status:	**GREEN**

Key project objectives:
- To produce a cost benefit analysis in order to inform partner council decisions on future delivery of schools and academies services.
- To implement agreed changes once confirmed.

Current Status (progress to date):	Key milestones to be achieved during next 4 weeks
- Cost benefit analysis undertaken. - Engaged service leads to confirm provision including delivery resource and financials. - Detailed paper produced for Business Transition Board. - Summary of findings with options scoped and presented to: - Chris Malyon (CCC) – 1st July 2020 - Steve Richardson (MKC) – 2nd July 2020 - Barry Scarr/James Smith (NCC) – 7th July 2020 - Board paper presented on 10th July 2020. - Further Board paper presented on 24th July 2020 where decision was made for Councils to continue with the Schools & Academies provision, the complete their own marketing, buyback and invoicing. - A further meeting was held between MKC & PHRT around the Schools cost model. Due to the complexities involved in creating a new model ready for 2021/22 buyback, it was agreed that the model will remain unchanged for the next financial year. - Handover packs were sent out to repatriated services.	- Start the 2021/22 buyback process for the LA Services. - Alternative solution for Schools & Academies to access forms and information that is currently shared on the Schools Extranet (Huddle) - MA, MC & SR to have further discussion regarding the future of service provision to Schools & Academies for 2022/23.
Current key risks and issues impacting on delivery:	**Any items requiring escalation to the Board:**
None	None

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Version date: 24th September 2020

Key

Original planned timetable	(blue)
Revised timetable as result of Covid-19 pandemic	(yellow/orange)
Further revisions following close of consultation period	(green)

#		Actions / Deliverables / Activities	Stakeholders Resources	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21
G															
	Implement new governance arrangements	1. Initiate business model programme transition governance 2. Dissolve LGSS Joint Committee and LGSS Scrutiny Committee from each Partner Council (Full Council): a. Write Cabinet paper x 3 b. Write Full Council paper x 3 c. Produce timetable for securing political approval (adhering to democratic process) d. Presentation at Cabinet meetings x 3 e. Presentation at Full Council meetings x 3 f. Secure political approval of disbandment of current LGSS model from each Partner authority g. Dissolve joint union consultative forum 3. Disband LGSS Management Board 4. Develop Lead Authority Governance 5. Full communication briefing for partner councils and heads of service on new model 6. Operational Performance Framework to be adapted to new model including KPI revision 7. Develop service review programme on bi-annual basis for lead authority services 8. Changes made to Council Constitutions and Schemes of Delegation	1. Democratic Services x 3 2. Council Leader and Cabinet Member 3. Partner CEXs 4. Partner S151/Finance Directors 5. LGSS Joint Committee Chair 6. Joint Union consultative forum representative		████████ (blue, Apr–Jul)				████████ (yellow, Jul–Nov)				████████ (green, Oct–Dec) JC meeting / Full Council meetings		
	Agree and Implement new Partnership Governance Arrangements	1. Understand the new strategy - is it sharing or contract for services? 2. Understand the partnering and contractual arrangements for the future and how to transition from a Partner and Delegation Agreement 3. Understand requirements of each partner 4. Understand requirements Northamptonshire unitary impact and timelines for decisions 5. Create new Programme Board/Steering Group 6. Formally disband current LGSS governance arrangements including Joint Committee, Scrutiny Committee, LGSS Management Board and LGSS Leadership Team	1. Unitary lead (Northamptonshire) 2. Member representation from each Partner 3. Legal support and advice for both LGSS and Partner organisations 4. Democratic Services of partner organisations e.g. for Member engagement		Agree new arrangements (blue)		Implement new governance arrangements (blue)								
						Agree and implement new governance arrangements (yellow)								
	Agree target operating model (including Design Principles)	1. Confirm and agree LGSS services to be repatriated to partners at a service level structure 2. Confirm and agree current services to be delivered via lead authority model and which partner will take the lead on which service or element of service 3. Confirm service delivery structure and reporting lines 4. To confirm risks and issues 5. To agree service / operating level agreements	1. New Programme Board including LGSS MD, LGSS HRD and SROs from Partner organisations		████████ (blue, Apr–Jul)				Repatriated services (yellow)		Lead Authority services (yellow)		● (green) LA Board ToR Sign off at LA Board 4/12/2020		
	Create new organisation design	1. Develop organisational design strategy 2. Develop and agree functions, roles, responsibilities 3. Develop and agree business processes 4. Disband current organisational culture and vision and values 5. Align staff to Partner vision and values 6. Service design workshops to review processes, systems etc. 7. Draft and agree new design principles for Lead Authority model	1. Transition Team 2. LGSS Service Heads 3. Work stream leads 4. Partner representations			████████ (blue, May–Aug)			Repatriated services (yellow)			Lead Authority services (yellow)			
	Redact existing LGSS Partner and Delegation Agreement to reflect new arrangements	1. Full review of exiting service schedules e.g. financial and performance 2. Service Level Agreements revised including KPIs 3. Customer Satisfaction Framework reviewed and adapted 4. Briefing report to be written for Partner Authorities and Heads of Service	1. LGSS MD 2. Partner S151s/Finance Directors 3. Legal support and advice for both LGSS and Partner organisations						████ (blue, Aug–Sep)		████████ (yellow, Sep–Dec)		████ (green, Nov)		
	Formal review of existing 3rd party arrangements (customers) for future delivery	1. Formal communication from LGSS MD to customers outlining the decision taken and the changes required to happen 2. Identify all services taken by each customer and assess impact 3. Formal disbandment of existing programme board 4. Review of Partner and Delegation Agreements and understand future legal arrangements e.g. Deed of variation	1. Customer SROs 2. LGSS MD 3. Partner S151s/Finance Directors 4. Legal support and advice for both LGSS and Partner organisations		████ (blue, Apr–May)				Repatriated (yellow)		Lead Authority (yellow)				

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#		Actions / Deliverables / Activities	Stakeholders Resources	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21
	Formal review of existing 3rd party arrangements (suppliers) for future delivery	1. Formal communication from LGSS MD/Partner S151s to all current suppliers outlining the decision taken and the changes required to happen 2. Identify all contracts and with which partner authority they are contracted with, and changes to access arrangements 3. Understand clauses/termination timeframes and costs	1. LGSS MD 2. Partner S151s/Finance Directors 3. Legal support and advice for both LGSS and Partner organisations 4. Procurement					Repatriated							
	Revenue and Benefits partnership	1. Confirm ongoing / future arrangements 2. Develop proposal for Northamptonshire Unitaries to deliver service	1. Milton Keynes Council 2. Northampton Borough Council 3. Northamptonshire County Council 4. Cambridgeshire County Council 5. Northamptonshire LGR programme	(blue)	(blue)		(orange)	(orange)			Workshop	to agree next steps ●			
	NHFT Exit											● 1/11			
	Children't Trust											● Go Live 1/11			
	Fire and Rescue											Agree contract extension			

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Key

| Original planned timetable |
| Revised timetable as result of Covid-19 pandemic |
| Further revisions following close of consultation period |

#		Actions / Deliverables / Activities	Stakeholders Resources	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21
Transition															
	Set up Project Transition Team	1. Agree scope and brief 2. Define project roles 3. Agree skills and capabilities required and recruit 4. Finalise project governance structure including steering board reporting to the partners, Programme Director reporting to Steering Board and Customers, and Transition Team reporting to Programme Director. 5. Management of risk register, issues log, project plan, highlight report 6. Produce project close report and lessons learned report	1. Programme Director/Sponsor 2. Project Manager and Project Support 3. Finance Lead 4. HR Lead 5. Communication and Engagement Lead 6. Change Manager 7. IT Lead		▬	▬	Programme management					● Programme Closure			
	Rebranding of LGSS	1. Full engagement with all service areas to understand business impacts created by changes as well as costs 2. Identify all LGSS branding used across products and processes (e.g. payslips) and develop plan for amending where required	1. LGSS Heads of Service 2. Transition Board members 3. Partner Communications Team				▬	▬ Repatriated		Lead Authority					
	IT Services - future model	1. Recruit IT Project Manager and IT Solutions Architect (20 days work) 2. Undertake review of current IT network and infrastructure and interdependencies 3. Develop formal proposal including costs 4. Implement transition once approval confirmed	1. CCC, MKC, NCC IT Leads 2. Northamptonshire LGR Programme 3. Transition Board members 4. To be recruited Project Manager/specialist		▬			▬			SLA/OLAs LGSS Domain review/future strategy				
C															
	Operating model review of Schools and Academies	1. Cost benefit analysis of existing provision 2. Detailed options appraisal for future operating model 3. Seek authorisation to proceed with future operating model 4. Set up separate project and associated governance to deliver	1. Partner S151s/Finance Directors 2. Partner Council senior management teams		▬		C/b analysis		Remodel business offer						
	Full and robust customer engagement and communication plan	1. Define customer base e.g. schools, contractual customers, 3rd party contracts and ad-hoc arrangements 2. Develop communication plans for customers including 121 meeting between Programme Director and customer SRO/CEO	1. Comms and Engagement Lead 2. Key Partner Comms team lead 3. Media lead 4. HR lead		▬		▬			Deliver C&E plan for Oct to Dec 2020					

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Key

Original planned timetable	(blue)
Revised timetable as result of Covid-19 pandemic	(orange)
Further revisions following close of consultation period	(green)

#		Actions / Deliverables / Activities	Stakeholders Resources	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21
People															
	Full and robust LGSS staff (collective consultation)/partner engagement and communication plan	1. Develop staff engagement and communication plan for LGSS (revised in response to Covid-19) 2. Face to face briefings with staff by LGSS MD and partner reps (revised in response to Covid-19) 3. Trade Union engagement to commence collective consultation 4. Set up internal website to keep staff informed with briefings, consultation documents and any contact details for wellbeing service e.g. Employee Assist 5. FAQs developed for staff including responses	1. Trade Union representatives from partner councils 2. LGSS Transition Programme Board members 3. Comms and Engagement Lead 4. Key Partner Comms team lead 5. Media lead 6. HR lead		Original planned timetable (Apr–Nov)			Consultation paper approved	Collective consultation	Repatriatied	Prepare for transition to LA		LA model go-live 1/12		
	Initiate disbandment of LGSS management team and executive support	1. Confirm LGSS corporate services affected / Identify staff impacted 2. Map the roles and responsibilities delivered by the functions to assess scope 3. Identify deliverables of the functions which are to continue and how to repatriate those e.g. performance reporting 4. Commence staff / union consultation 5. Impact assessment of disbanding corporate centre on other LGSS services 6. Develop exit plan and cessation of services	1. Staff 2. Customers 3. Union reps 4. Other LGSS services	Exec Secretaries						LGSS MD / LGSS HRD		LGSS Directors and Exec Secretaries			
	Disbandment of current LGSS Customer Engagement, Business Development and Change service	1. Staff consultation 2. 1:1 meetings with staff 3. Map functions and activities of service to determine what stops and what continues 4. Team briefings 5. Continue business as usual 6. Post project transition 7. Manage displaced staff redundancy or redeployment 8. Transition to new service: handover to new line manager / streamline project to operational BAU / new team meeting / people management items 9. Project Closure 10. New service commences 11. Formal review of LGSS domain including LGSS intranet and LGSS website	1. Head of Service 2. HR 3. Staff in the service area 4. Unions 5. Programme team 6. IT 7. LGSS services to transition content	Transition Team (blue)	Disband CEBDC (blue)		Create new Performance and Governance service (blue)		Disband CEBDC (orange)	Create new Performance and Governance service (orange)	Transition Team in place (orange)		Transition to P&G Service (green)		
	Disbandment of current MK Language Services delivery model, scope new delivery model and implement	1. Staff consultation 2. 1:1 meetings with staff 3. Map functions and activities of service to determine what stops and what continues 4. Team briefings 5. Continue business as usual 6. Post project transition 7. Manage displaced staff redundancy or redeployment 8. Transition to new service: handover to new line manager / streamline project to operational BAU / new team meeting / people management items 9. Project Closure 10. New service commences 11. Review all content promoting MKLS (e.g. websites, intranet etc)	1. Head of Service 2. HR 3. Staff in the service area 4. Unions 5. Programme team 6. IT 7. Current customer base (contractual and non-contractual customers) 8. Interpreter pool 9. 3rd party suppliers (MKLS Framework) 10. LS database supplier 11. Key users - MKC 12. Key users - NCC	(blue Mar–Oct)					(orange Jun–Dec)		Closedown / Transition to interim (green)		Interim service delivery model goes live (green) / Procurement of new provision (green)		

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Version date: 24th September 2020

Key

Original planned timetable	(blue)
Revised timetable as result of Covid-19 pandemic	(orange)
Further revisions following close of consultation period	(green)

#		Actions / Deliverables / Activities	Stakeholders Resources	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21
	Disbandment of current LGSS Business Planning and Finance service	1. Staff consultation 2. 1:1 meetings with staff 3. Map functions and activities of service to determine what stops and what continues 4. Team briefings 5. Continue business as usual 6. Post project transition 7. Manage displaced staff redundancy or redeployment 8. Transition to new service: handover to new line manager / streamline project to operational BAU / new team meeting / people management items 9. Project Closure 10. New service commences	1. Head of Service 2. HR 3. Staff in the service area 4. Unions 5. Programme team												

Timeline bars:

- **LGSS Finance** (original, blue): Mar-20 → Dec-20
- **Repatriating Finance Business Partners** (original, blue): Apr-20 → Oct-20
- **Customer Contracts function to new P&G service** (original, blue): May-20 → Oct-20
- **LGSS Finance** (revised, orange): Apr-20 → Dec-20
- **Repatriating Finance BPs** (revised, orange): Jun-20 → Aug-20
- **Customer Contracts function to new P&G service** (revised, orange): Aug-20 → Dec-20
- **Transition to P&G Service** (further revision, green): Nov-20 → Jan-21
- **Finance Transition Plan and handover** (further revision, green): Nov-20 → Jan-21

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LGSS Programme Review: Transition Plan

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Version date: 24th September 2020

#		Actions / Deliverables / Activities	Stakeholders Resources	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21
	Repatriated Services to 'home' Partner Councils	1. Staff consultation 2. 1:1 meetings with affected staff 3. Team briefings for repatriated services - "Meet the Boss" 4. Welcome to Repatriated Services note/pack from CEO/senior management 5. Re-introduction to 'Home' Council visions, values, competencies and new processes: Appraisal / reporting requirements / budget management / new governance 6. Continue reissued customer PDA reporting and issue management via central team until March 2021 7. Handover from current Director to new Director including: customer feedback/PDA requirements/CSAT results/Current issues and actions / People management - current year appraisal and suggested ratings	1.Programme team 2.Repatriating service heads 3.Repatriating service staff 4. New line managers for service areas		Consultation (blue)		Repatriation (blue)	Consultation (orange)		Repatriation (orange)					
	Culture Change and Wellbeing	1. Develop FAQ platform 2. Signpost staff to health and wellbeing courses and managing change 3. Hold 'discussion clinics' 4. Monitor culture change - review opportunities to seek feedback e.g. Staff survey	1. Programme team 2. IT support 3. Unions 4. Staff		blue →		orange →				green				
Finance															
	Benchmarking	1. VFM assessment for Lead Authority model 2. Formal engagement with CIPFA, CIPD, SOCITM 3. Report to be presented to Board on LGSS alignment	1. Appropriate Benchmarking Organisations 2. Programme Team 3. Finance staff					blue	Repatriated (orange)		Lead Authority (green)				
	Define Financial Strategy - Future and Disbandment	1. Align current budgets to agreed new structure 2. Confirm and agree budgets for fully repatriated services 3. Set out detail of consumption based costing model 4. Develop a new charging model and review processes 5. Confirm revised establishment costs of new model 6. Closedown of current LGSS accounts and agree new contribution mechanism 7. Create new budgets or map to existing 8. Cost of transition team and cost of backfill	1. S151 and Finance Directors 2. Partner Authority Finance BPs/leads 3. Financial Business Systems (ERP) resource 4. Programme team		blue →		orange →					As per Finance Transition PLan (green)			

For the public sector

_____

LGSS Joint Committee

26th November 2020

Subject: **LGSS 2020-21 Budget Monitoring**

Actions:

      1. **Note the financial monitoring position as at 30th September including the final LGSS position for services which repatriated on 1st October 2020**

Section 1 - Executive Summary

1. This report is the combined LGSS financial monitoring report consolidating the delegated budgets from the three core councils. The benefits to the councils are embedded within the budgets and a zero outturn position would mean that all benefits have been met for each authority's budget proposals for 2020-21.

2. The report this month is split between reporting the final position for those services which left LGSS at the end of September and repatriated to the partner councils, and reporting a forecast position for those services still within LGSS at the current time.

3. The surplus at the end of the transition period will be considered by the Lead Authority Board for reinvestment and future commitments, or for redistribution to the partner Councils.

4. For services still within LGSS at the current time the forecasts in this report are prepared on the basis of a full year forecast and the position will be updated once the transition to the Lead Authority model has been completed.

   Revenue position

5. The forecast variance for LGSS Operational Services at the end of September 2020 is an underspend of £600k, of which:

   - £687k relates to achieved shared service underspends for services which have now repatriated to the partner councils
   - £528k relates to forecast full year equivalent underspends for services still within LGSS as at 1st October;
   - £615k relates to pressures on trading shared between CCC and NCC arising from the cessation of service provision to Norwich City Council and Northamptonshire Healthcare Foundation Trust, and a reduction in the agreed recharges to the Councils' pension funds.

   Further detail is set out in section 2 and Appendix 1.

6. In addition, there are savings targets for CCC and NCC brought forward from last year, and a new savings target for NCC for 2020/21, which have no plans for delivery in advance of the move to the new operating model for LGSS services. The savings targets total CCC £557k and NCC £375k.

	Previous LGSS Net Variance £'000	Full Year Budget £'000	Forecast LGSS Net Variance £000
Total LGSS Services	**-1,144**	**35,441**	**-1,215**
Trading Account	520	-9,879	615
Total LGSS Operational	**-624**	**25,561**	**-600**
Council specific savings budgets	932	-899	932
Total LGSS Budgets	**308**	**24,663**	**332**

7. In the context of the current transition of LGSS services to the new operating model, a number of posts are being held vacant. In addition, recruitment is proving difficult in a number of areas adding to underspends from vacant posts.

8. The split of the forecast outturn between the 3 partner councils is shown below:

	CCC £'000	MKC £'000	NCC £'000	Total £'000
LGSS Services underspend	-426	-364	-426	-1,215
Trading (surplus) / deficit	269	0	346	615
LGSS Operational Total	**-156**	**-364**	**-80**	**-600**
Shortfalls on Council specific savings targets	557	0	375	932
Total	**401**	**-364**	**295**	**332**

Reserves position

9. The balance in LGSS reserves at 1 April 2020 was £2,883k of which £1,166k was committed and £1,717k uncommitted.

10. On 20th August LGSS Joint Committee agreed the requests for further use of LGSS uncommitted reserves to fund improvements to the LGSS data back up infrastructure at a cost of £772k, an essential upgrade to the CivicaPay income management system at a cost of £184k, and an upgrade to the Internal Audit software at a cost of £20k. Approval of these requests has reduced LGSS uncommitted reserves to £740k.

11. Based on the forecasts included in this report there is a forecast transfer to reserves at year end of £600k as shown in the outturn split table above. This will increase LGSS uncommitted reserves to £1,341k. Further detail is provided in Appendix 2.

Budgets by authority

12. The budgets for each of the 3 authorities are set out in Appendix 3 with a summary of the budget movements in the year to date.

Section 2 - LGSS Operational – September 2020

Repatriated Services

	Previous Full Year Forecast Variance	Full Year Budget	Half Year Budget	Actual to Sept	Variance on Repat'n
	£000	£000	£000	£000	£000
Finance Services	-46	4,315	2,154	2,095	-12
Human Resources	-362	7,610	3,809	3,330	-479
Information Technology Services	-9	9,924	4,962	4,766	-196
Total Repatriated	**-417**	**21,849**	**10,926**	**10,191**	**-687**

Services still within LGSS

	Previous Forecast Variance	Gross Exp Budget	External Income	Internal Income	Full Year Budget	Actuals to Sept	Full Year Forecast Variance
	£000	£000	£000	£000	£000	£000	£000
Finance Services	-70	9,128	-4,826	-551	3,751	4,396	-50
Human Resources	-166	2,552	-699	-109	1,744	295	-89
Information Technology Services	-497	7,437	-253	-269	6,915	4,994	-368
Managing Director & Support	6	2,302	-994	-125	1,182	460	-21
Total Services still within LGSS	**-727**	**21,418**	**-6,772**	**-1,054**	**13,592**	**10,145**	**-528**

LGSS Total

	Previous Forecast Variance	Gross Exp Budget	External Income	Internal Income	Full Year Budget	Actuals to Sept	Full Year Forecast Variance
Total LGSS Services	**-1,144**	**49,551**	**-9,188**	**-4,923**	**35,441**	**20,336**	**-1,215**
Trading Account	520	-176	-9,703	0	-9,879	-6,130	615
Total LGSS Operational	**-624**	**49,375**	**-18,891**	**-4,923**	**25,561**	**14,206**	**-600**
Shortfall on savings targets	932	-899	0	0	-899	0	932
Total LGSS Budgets	**308**	**48,476**	**-18,891**	**-4,923**	**24,663**	**14,174**	**332**

Revenue position

1. The forecast outturn variance on LGSS Services at the end of September 2020 is an underspend of £1,215k including an underspend variance of £687k at the point of repatriation for services which were removed from LGSS and returned to the partner councils on 1st October 2020.

2. There is a forecast pressure on trading to be shared between CCC and NCC of £615k as a result of: the cessation of service provision to Norwich City Council, an agreed reduction in the recharges to

the Councils' Pension Funds, the early departure of NHFT, all partially offset by forecast upside on the NBC contribution as a result of shared savings in the costs of service provision.

3. Overall, this gives an LGSS operational underspend of £600k excluding the Council's savings targets, representing an underspend for all 3 Councils as set out in para 4 of Section 1 above. Further detail and commentary on over and underspends is provided at Appendix 1.

4. There are also shortfalls on savings targets for CCC and NCC totalling £932k. For NCC these savings targets are expected to be met by the move to the new operating model for LGSS services. There are no plans for delivery of the CCC savings as the development of such plans was put on hold during the review of the future operating model.

Appendix 1

2020-21 Monitoring Detail – LGSS Operational Budgets

Finance Services Directorate

Repatriated Services

	Previous Full Year Forecast Variance £000	Full Year Budget £000	Half Year Budget £000	Actual to Sept £000	Variance on Repat'n £000
Finance Services Directorate:					
Social Care Operations	5	2,303	1,148	1,132	-17
NBC	0	686	343	295	0*
Procurement	-51	1,326	663	668	5
Total	**-46**	**4,315**	**2,154**	**2,095**	**-12**

The repatriated services within the Finance Services Directorate ended with an underspend position of -£12k at the point of repatriation.

There was an underspend in the NCC Social Care Operations teams at the point of repatriation as a result of vacant posts.

*NBC Finance: At the point of repatriation there is an underspend on the NBC Finance budget of £48k as a result of recharging for a secondment and underspend within staff salaries. This underspend is not included in the numbers above because it will be split with NBC at year end, but the share of this underspend related to LGSS is reflected in the trading forecast upside from NBC.

In Procurement at the point of repatriation, a small overspend of £5k is reported. The budget manager is still confident that the year end position will result in an underspend of circa £51k, to be driven primarily by staff savings within NCC and MKC.

Services still within LGSS

	Previous Forecast Variance £000	Gross Exp Budget £000	External Income Budget £000	Internal Income Budget £000	Full Year Budget £000	Actual to Sept £000	Full Year Forecast Variance £000
Finance Services Directorate:							
LGSS Director of Finance	0	2	0	0	2	0	0
Financial Operations & Income	21	1,542	-10	-67	1,465	802	18
Debt Service	-30	664	-10	0	654	304	-29
Audit & Risk	29	2,176	-440	-182	1,554	795	-8
Pensions Operations	0	4,250	-4,250	0	0	2,098	0
Norwich	0	0	0	0	0	6	0
Insurance	-89	494	-115	-302	81	397	-29
Total	**-70**	**9,128**	**-4,826**	**-551**	**3,751**	**4,396**	**-50**

The Finance Services Directorate services still within LGSS are forecasting a full year equivalent underspend of £50k.

Finance Operations and Income is forecasting an overspend of £18k as a result of historic savings targets which it has not yet been possible to deliver in full.

The Debt Service is forecasting an underspend of £29k due to vacant posts and work being covered within the wider team.

Internal Audit & Risk are forecasting an underspend of £8k. The income deficit previously reported as a result of the loss of work from Norwich City Council has now been offset by savings from vacant posts and by further audit income from additional audit work for LGSS Law and the Children's Trust. A decision was also taken to drop some of the non core audits from the plan this financial year in order to facilitate extra audit requirements which came about as a consequence of Covid 19. This has allowed the budget manager to balance the budget.

Pensions Operations: Within operations, the budget has been exceeded by an additional £108k on last month due to the fact that the agreed licencing agreement variation of charges for 2020/21 was received. This was an agreed variation and the budget manager was aware of it. However, at yearend, the pensions team balance all of these costs out against the councils collections and recharge to the service areas, in order to Net Nil the Pensions Fund Budget. This is the process the pensions Team assume every year and the income budget is netted to Nil. No variance is expected by the budget manager for the remainder of the financial year.

Insurance are forecasting an underspend of £29k. The Covid situation has led to delays in appointing to vacancies and reduced travel costs. In addition, £43k originates from income exceeding budgets due to income from Cambridge City and Norwich City Councils. These underspends / additional income are offset in part by costs which have been paid recently in relation to 2019/20 which were not accounted for at year end.

Human Resources Directorate

Repatriated Services

	Previous Full Year Forecast Variance £000	Full Year Budget £000	Half Year Budget £000	Actual to Sept £000	Variance on Repat'n £000
Human Resources Directorate:					
Policy & Strategy	-146	1,107	554	491	-62
Health, Safety & Wellbeing	7	568	284	236	-48
HR Business Partners					
CCC	-34	1,115	557	535	-22
NCC	-48	950	475	439	-36
MKC	49	838	423	404	-19
NCC Schools Income	8	-72	-36	-37	-1
MKC Schools	10	6	3	11	9
Learning & Development	-206	3,098	1,549	1,251	-299
Total	**-362**	**7,610**	**3,809**	**3,330**	**-479**

The repatriated services within the HR Services Directorate ended with an underspend position of £479k at the point of repatriation.

Within Policy and Strategy, the underspend on repatriation was £62k. The majority of this saving is attributable to significant staff savings gained due to the head of service being seconded to another

business area, offset marginally by arrangements for existing members of staff backfilling the role. The remaining savings within the business area are driven by the decision taken not to recruit to full budget capacity for 2 existing vacancies as the business area has been able to service its operations without any pressure to existing staff.

Health, Safety & Wellbeing underspent by £48k. Part of the underspend relates to vacant posts due to restructure and change in the team. The rest of the saving relates to reduction in demand for occupational health services.

Within CCC HR Advisory, there was a period end underspend of £22k due to underspends in non staffing costs including reduced travel costs during the pandemic.

NCC HR Advisory service is reporting a £36k underspend at the point of repatriation. Mainly this underspend is due to recharges for staffing costs for unitary, Children's Trust and work for South Northants Council. There has also been a reduction in training and travel cost under the current situation of Covid-19 which has resulted in some savings. Partially offsetting these underspends, the team has incurred unexpected costs for the replacement of old laptops and mobile phones for team members.

The net pressure of £10k in MKC Advisory service (-£19k for the Advisory Team, £9k over for schools) is the result of a fall in income for provision of HR Services to schools.

Within the Learning and Development team, the total underspend is £299k at midyear end. The underspend has increased by £93k as at midyear end close, when compared to last month. £27k of the additional underspend is driven by a recharge of GCTP costs (Greater Cambridgeshire Social Work Teaching Partnership). £77k (when compared to last month's mid yearend forecast), was in response to the negative covid picture and (r rate on increase) managers have as a result revised their activity forecasts. This has resulted in a decline in income generation, but has been more than offset by falling venue hire (for training programmes) and consultancy costs. Some further staff changes (predominantly at the CCC end of operations) have further added to the increased underspend at the point of repatriation. As predicted during the turn of the new financial year, we anticipated the trend in recruitment slippage to continue from last financial year and this is further evidenced by the above.

Services still within LGSS

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 Sept £000	Full Year Forecast Variance £000
Human Resources Directorate:							
HR Central Management	-87	156	0	0	156	34	-33
Transactional Services	-79	1,587	-699	-109	1,587	261	-56
Total	**-166**	**2,552**	**-699**	**-109**	**1,744**	**295**	**-89**

The HR Services Directorate services still within LGSS are forecasting a full year equivalent underspend of £89k.

HR Central Management is underspent as a result of the LGSS Director of HR having been seconded into a post in NCC. LGSS is still contributing to the costs of the post but on a part time basis. The budget for this area will reduce for October reporting as the equalisation budgets for the HR services are reversed on repatriation. The forecast underspend has been reduced to £33k to reflect this anticipated budget transfer.

Transactional services are forecasting an underspend of £56k. As discussed in the previous reporting cycle the primary drivers for the underspend in this area are; 1: It was agreed that based on current staffing run-rate and trend, the full budget allocation for staff salaries would be utilised this year, even if further posts are to be filled (which are accounted for in the managers forecast). 2: offset by a reduction in income from provision of services to schools of £221k.

Information Technology Directorate

Repatriated Services

IT Directorate:	Previous Full Year Forecast Variance £000	Full Year Budget £000	Half Year Budget £000	Actual to Sept £000	Variance on Repat'n £000
Cambridgeshire County Council	15	2,286	1,143	1,166	23
MKC IT	142	3,164	1,582	1,582	0
MKC IT Schools	7	-67	-33	-56	-23
Northamptonshire County Council	-98	2,617	1,309	1,285	-24
Strategy & Architecture	-143	789	395	235	-160
Digital Services	116	475	237	230	-7
Commercial Management	-46	659	329	325	-5
Total	**-9**	**9,924**	**4,962**	**4,766**	**-196**

The repatriated services within the IT Directorate ended with an underspend position of £196k at the point of repatriation.

CCC IT Ops ended with a small overspend of £23k largely as a result of additional work undertaken in response to the Covid situation.

MKC IT concluded with a midyear underspend position of £23k (which includes income from provision of services to schools). The position was a favourable one despite there being shortfalls in project activity and an increase in costs at midyear across the board, due to the current climate having been impacted by Covid 19.

The NCC IT service is underspent by £24k. There have been increases in staff costs due to overtime and agency staff to cover extra work related to Future Northants and Covid-19. Some of this has been offset by recharges to other departments. There has been some extra cost (not budgeted for) incurred for computer hardware in order to facilitate staff to work from home during current environment (Covid-19). This extra cost related to Covid-19 is expected to offset against Covid-19 grant. Income is being realised from project Eclipse.

Strategy and Architecture ended with an underspend of £160k due to a number of vacancies within the service, including the Head of Service post which was being covered elsewhere within the IT Directorate.

The Digital Service ended with a small underspend of £7k based on CCC funding the costs of work done for the Covid 19 co-ordination hub which has reduced the forecast from last month by £85k.

Commercial Management ended with a small underspend of £5k on repatriation.

Services still within LGSS

IT Directorate:	Previous Forecast Variance £000	Gross Exp Budget £000	External Income Budget £000	Internal Income Budget £000	Full Year Budget £000	Actual to Sept £000	Full Year Forecast Variance £000
IT Leadership	-9	88	0	-24	64	56	35
Norwich	0	0	0	0	0	-1	0
NHFT	0	3,451	-253	0	3,199	2,969	0
LGSS Business Systems & Change	-488	3,897	0	-245	3,652	1,813	-403
Future Northants	0	0	0	0	0	156	0
Total	**-497**	**7,437**	**-253**	**-269**	**6,915**	**4,994**	**-368**

The IT Directorate services still within LGSS are forecasting a full year equivalent underspend of £368k.

IT Leadership is forecasting an overspend of £35k reflecting a small underspend of £9k related to the vacant Director of IT post offset by stranded costs for IT staff remaining with LGSS until later in the year as their posts are not part of the repatriated IT services.

LGSS Business Systems and Change are forecasting an underspend in the region of £403k due to significant work being carried out for the Future Northants and Children's Trust agendas which will be funded by those programmes. The underspend is being used to fund the CivicaPay (Icon) income management system upgrade project. This is being paid for from revenue rather than drawing down on reserves which had been previously approved for this purpose.

Work is being done on how to fund the cost of projects for those systems identified in the LGSS Business Systems development roadmap for 2021/22. The roadmap will be discussed and approved by the LGSS Business Systems Portfolio Board. It is perceived that there will be a funding shortfall to deliver the full roadmap, due to the savings target agreed for this service through the LGSS Review.

Managing Director & Support

	Previous Forecast Variance £000	Gross Exp Budget £000	External Income Budget £000	Internal Income Budget £000	Full Year Budget £000	Actual to Sept £000	Full Year Forecast Variance £000
Managing Director & Support	-72	292	0	0	292	104	-72
LGSS Business Planning & Finance	-116	425	0	0	425	124	-130
Customer Engagement & Business Development	-126	562	-69	0	492	217	-113
Language Service	140	1,023	-925	-125	-27	-17	114
LGSS Transition	180	0	0	0	0	32	180
Total	**6**	**2,302**	**-994**	**-125**	**1,182**	**460**	**-21**

Overall the Managing Director and Support area is forecasting an underspend of £21k.

The forecast underspend of £72k on the Managing Director and Support line reflects a £32k forecast underspend on Managing Director and PA support costs compared to the budget, and a £30k forecast underspend assuming there is no external audit undertaken of the LGSS accounts.

There is a forecast underspend of £130k on the LGSS Business Planning and Finance service as a result of posts held vacant whilst the review of the future LGSS operating model is concluded. This is a full year forecast and will be reduced to a part year effect by changes from the LGSS review once these are finalised.

Customer Engagement and Business Development is forecasting an underspend of £113k as a result of posts held vacant whilst the review of the future LGSS operating model is concluded.

There is significant risk around the deliverability of the Language Service income targets. Bookings were down by around 80% in the early part of the year although have recovered significantly in recent weeks. Whilst costs were also down in the early part of the year, there is anticipated to be a shortfall for the service for the year which is currently forecast at £114k.

The LGSS Transition programme made allowance for work on the future provision of shared IT infrastructure. However, further work is needed in this area and LGSS Transition Board have agreed an extra £159k of costs to be funded from underspends elsewhere in LGSS. In addition, the HR team supporting LGSS services is expected to repatriate to the partner councils from 1st October 2020. Costs for continuing to support the remaining LGSS budget holders and the LGSS transition process until that process is complete will need to be recharged to LGSS via the transition budget at an estimated cost of £21k. The current forecast position on LGSS transition costs is set out below:

LGSS Transition Costs

	Funded costs £'000	Forecast costs £'000	Variance £'000
Redundancy and pension strain costs	489	489	0
IT systems costs	285	285	0
Additional costs of transition team	43	223	180
	817	**997**	**180**

Appendix 2

Summary Position on LGSS Reserves

Reserve	Opening balance 1 April 2020	Movements in year		Closing balance 31 March 2021	Commentary on expected movements
		Transfers to reserves	Transfers from reserves		
	£000	£000	£000	£000	
LGSS General reserve	1,717	600	976	1,341	Movements to reserves reflect new approvals for reserves usage as set out in the table below and transfer of underspends to reserves at year end.
Committed reinvestments	1,166	976	1,288	854	Movement reflects transfers from general reserves and spend against committed reserves as set out below.
Total	**2,883**	**1,576**	**2,264**	**2,195**	

Committed reserves

	Agreed Usage £000	Prior Year Movements £000	Forecast Movements in year 2020/21 £000	Forecast Movements in future years £000	Commentary on expected movements
ERP Gold	250	89	0	161	Improvements to ERP Gold post implementation, optimisation of the ERP Gold configuration for user productivity, improvements in reporting, review and reprioritisation of current and future ERP Gold roadmap developments including move to the Cloud.
Helpdesk	50	0	0	50	Redesign end to end processes to support self-service and demonstrably improve the customer experience. On hold awaiting the outcomes of the LGSS operating model review.
AP duplicate payments checker solution	70	26	26	18	Prevention and management of duplicate payments/suppliers and facilitation of duplicate payment recovery. Funding will cover 3 years from March 2019.
Helpdesk solution support costs	145	28	48	69	Continued support for the LGSS helpdesk solution LANdesk to August 2022. A project commenced to review the Service Desk function and source and implement a replacement Service Management tool in 2018. However, this project is on hold whilst future operational arrangement for

					LGSS are considered. This funding is to provide continued support until such time as new arrangements are brought into effect.
ERP Off Network Access implementation and licensing costs to March 2021	40	10	30	0	Off network access enables users without a network account to login from any computer that has internet access if they have preregistered an email address and mobile phone. This access will enable committed savings to be delivered in the HR transactional area through reduced queries and reduced printing costs.
LGSS operating model transition costs	821	57	764	0	Includes additional costs of transition team, termination costs and cost for the LGSS digital platform Outsystems.
LGSS data backup infrastructure	772	0	216	556	There are capacity issues with the current data backup infrastructure which creates risks for disaster recovery for the 3 Councils. Added to this, the support contract for the DR solution expires at the end of January 2021 and needs to be renewed. This spend will address both issues and cover costs through to 2023.
Essential upgrade to the Income Management System	184	0	184	0	An essential compliance upgrade is required to the CivicaPay income management system used by the Councils and there is no budget to cover the cost of this.
Upgrade of Internal Audit software	20	0	20	0	One off to upgrade the LGSS audit software moving from server to Cloud provision.
TOTAL APPROVED	**2,352**	**210**	**1,288**	**854**	

Appendix 3 – 2019-20 Budget Reconciliation

The below table shows how the 2020-21 LGSS budget has changed throughout the year by authority.

	CCC £000	NCC £000	MKC £000	Total £000
Net budget at start of year	6,279	10,202	7,189	23,670
Movements				
Baselining of CCC IT recharges	675			675
Transfer of IS trainers to CCC	-262			-262
Contingency Funding for Social Media role			24	24
Budget for CCC Networks staff from Managed	202			202
Additional IT funding to cover pressures	175			175
Pay award inflation and change in pension rate			178	178
Budget as at 30th September	**7,068**	**10,203**	**7,391**	**24,663**

ERP GOLD PROGRAMME

Briefing Notes from Q2 Update to the LGSS Transition Board

Introduction

As part of the ERP Gold Programme stakeholder engagement strategy, a communications plan has been agreed, which includes the following:

1) Six-monthly Review Reports for the **LGSS Joint Committee**

2) Quarterly progress dashboards to the **LGSS Transition Board** to coincide with end of Fiscal Q1, Q2, Q3, Q4; reviewing: progress, issues and baseline exceptions.

3) Each Quarterly Update to the LGSS Transition Board will be followed by Summary Briefing Notes provided by the Programme Team **to S151s for circulation to CEOs and Directors** in their respective organisation, at their discretion.

Quick Links

The 2020/21 Q2 Update to the LGSS Transition is in dashboard format, and covered the following:

1) Q2 Progress Update

2) Escalations to LGSS Transition Board for action/visibility

3) Work Planned in Next Reporting Period 2020/21

1)   Q2 Progress Update

Overall Programme RAG status this Period: GREEN

The ERP Gold Programme includes several high profile and critical projects for delivery in 2020/21 or early part of 2021/22. Key deliverables for the programme are now either on track, in the planning phase or on hold.

There is just one exception relating to the BizTalk Disaster Recovery (DR). The DR testing for BizTalk planned for April 2020 was postponed due to COVID 19 and rescheduled for November 2020 when ERP Gold migration to the cloud is complete.

Key Deliverables Q2	Status	Progress Update

Disaster Recovery (DR) - ERP Gold & BizTalk	Overdue (Q1)	The DR testing for BizTalk planned for April 2020 was postponed due to COVID 19 and rescheduled for November 2020 when ERP Gold migration to the cloud is complete.
ERP Print	Closure (Q1)	Project transition complete and project moves into closure. Project Closure Report - slight delay due to capacity issues as working multiple concurrent projects

In addition to the ERP Gold Programme, the business system portfolio also includes the CivcaPay Upgrade Project and CCC Banking Transfer Project. Both were implemented during quarter 2:

Phase 1 CivicaPay Compliance Upgrade 17.7 was implemented in September 2020 for NCC, CCC, MKC and NBC. Phase 2 Webpay staff new release will be early 2021. The dates are not yet known by Civica.

CCC Banking transferred to NatWest (from Barclays) on 5th October and project moves into closure.

2. Escalations to LGSS Transition Board for action/visibility

RAID items within the ERP Gold Programme that are Very High for either escalation (action) or visibility (awareness) to the LGSS Transition Board. Items for visibility are being pro-actively managed by the relevant Programme/Project.

Type	Summary	Mitigation	Overall Severity	Escalated to LGSS Transition Board for action?
Dependency	**Off Network Access** Contract with Auth0 is due to expire 14th March 2021. HR Payroll confirmed that planned roll out will not take place. Only known dependency on an off network solution is now Mileage and Expenses. User analysis has been completed and board decision made to postpone any further work on an off	To implement Unit 4's Expenses Mobile App alongside the existing Mileage and Expenses solution and complete a proof of concept. The mobile app could potentially provide secure access to ERP Gold to submit Mileage and Expenses claims for those users without a corporate account, and this is to be	N/A	No – Visibility Only

	network solution pending proof of concept of mobile apps.	included in the proof of concept. If successful do not replace or replicate the functionality of Off Network Access.			
Risk	**Children's Trust** Risks of delay in receipt of pre-requisite information such as bank account number, SUN, and VAT no BACS Payment can be made without a Service User Number (SUN) It is illegal to produce an invoice or receipt showing any VAT if you are not register fo VAT.	Project manager to keep under urgent review and seek progress updates from NCC Finance and Trust Programme Manager. Bank Account and SUN now received. VAT No still outstanding (as at 22/10/20)	Very High	No - Visibility Only
Risk	**Children's Trust** We won't receive final approval/sign off to 'go' for the Trust. Trust board meeting is on the 20th October, which then goes to the minister on 21st and should get secretary of state seal on 28th October. If "go" is not approved emergency contingency plans must be actioned within very short timescales	Project manager to keep under urgent review and seek progress updates from Trust Programme Manager after each board/decision. Consider emergency contingency plans to reinstate the employment of all staff to NCC and remove client 14 from ERP Gold	Very High	No - Visibility Only

3) Work planned for Next Reporting Period (Q3 - 2020/21)

The next reporting period will be for Quarter 3 2020/21:

Key Deliverables 2020/21	Due Date	Description

Disaster Recovery (DR) – BizTalk	Q1	Complete DR testing for BizTalk
Print Contract	Q1	Project lessons learned and project closure report. Project closed
Cloud Migration and Upgrade 7.6	Q3	Migrate ERP Gold from on premise to a cloud hosted solution and upgrade the system to the latest version (7.6). Go live planned for 3rd November 2020 **Note: ERP Gold will not be available to users from 29/10 at 4pm to 03/11 at 8am**
Children's Trust – Business Systems	Q3	Implementation of ERP Gold, e-recruitment, Mileage & Expenses and BACS Bureau for the Children's Trust. Note: The Children's Trust will be in place from 1st November 2020. Due to systems downtime required to complete the cloud migration, ERP Gold will not be available to users until 3rd November 2020.

The Business Systems Board has agreed that the ERP Gold Programme for 2020/21 will focus on migrating ERP Gold from on premise to a cloud hosted solution and upgrading the system to the latest version (7.6), which is vital in future-proofing ERP Gold for LGSS and its partners. In addition to this, LGSS will be implementing ERP Gold for the Future Northants and Children's Trust Programme.

ERP Gold development freeze in place from July 2020 to March 2021, to the end of the Future Northants ERP Gold Implementation. This will reduce risks associated with maintaining a fixed and stable development and ensuring that limited specialist resource can be focussed on this priority and extremely complex project. This will impact all Partners.

As part of the planning for the transition of Northamptonshire Children's (Social) Services from Northamptonshire County Council (NCC) to a new **Children's Trust** (CT), a requirement for a new client in ERP Gold (as well as other business systems and interfaces). Transition to live activities are in progress with a planned go live date of 1st November 2020.

A requirement for two new clients in ERP Gold (and interfaces) for the **Future Northants** Programme has been confirmed with a go live for April 2021. The project is on track to onboard all councils for April 2021. User Acceptance Testing (UAT) is due to start on 2nd November to 27th November 2020. Key messages to all employees are sent to FN Bulletin & Change Champions. Familiarisation sessions with HR high-impact teams have started. Training approach has been agreed and needs analysis is underway.

Mileage and Expense (M&E) claims for CCC, NCC and LGSS Law are currently processed through an online portal delivered by OutSystems via an e-form. The contract with OutSystems is due to expire on 31st March 2021 following a period of extension. Options Appraisal was completed with a

recommendation to replace the current solution with ERP Gold and this project now moves into planning with a go live date either before or during Q4.

HR Payroll have confirmed that the development of **HR Forms for Schools** is to remain on hold with no further work planed for 2020/21. HR Payroll also confirmed that there are no plans to roll out the current **Off Network Access** solution as the user base is very low. Only known dependency on an off network solution is now Mileage and Expenses. A user analysis was completed, alongside the option to implement Unit 4's **Expenses Mobile App** (the mobile app could potentially provide secure access to ERP Gold to submit Mileage and Expenses claims for those users without a corporate account). The recommendation to the Business Systems Board was to postpone any work on the Off Network Access Project to replace Auth0, and start development and Proof of Concept of the mobile app. The board supported this recommendation and approval was given on 15th October 2020 to proceed wth a proof of concept.

ERP Gold Interface & Integration Solution will not be implemented in 2020/21 as this could put the whole ERP Gold programme at risk. The current solution is stable however there are a number of elements triggering a need for a strategic review of the integration solution. Project Manager to be assigned in Dec 20/Jan 21 with a planned implementation during 2021/22.

FEEDBACK

Please channel any questions and feedback on these notes through your Deputy S151 Officer, who is a member of the LGSS Business Systems Board.