



Shared Services Joint Committee

Agenda

Date: Friday 24th November 2017
Time: 2.00 pm
Venue: Committee Room 1 - Wyvern House, The Drumber, Winsford, CW7 1AH

The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT

1. **Apologies for Absence**

To note attendances, substitutes, and any apologies for absence.

2. **Declarations of Interest**

To provide an opportunity for Members and Officers to declare any disclosable pecuniary and non-pecuniary interests in any item on the agenda.

3. **Public Speaking Time/Open Session**

Members of the public are entitled to address the Joint Committee on reports contained within the agenda. One person can speak in support of each item, and one against, with a limit of three minutes each. It would be helpful if any person wishing to speak would give prior notice to the Democratic Services Officer named below.

4. **Minutes of Previous Meeting** (Pages 3 - 6)

To approve the minutes of the meeting held on 22 September 2017

For any apologies or requests for further information, or to give notice of a question to be asked by a member of the public

Contact: Rachel Graves
Tel: 01270 686473
E-Mail: rachel.graves@cheshireeast.gov.uk

5. **Archives Update** (Pages 7 - 10)

To receive an update on the Archives Project

6. **ICT Review Update Report** (Pages 11 - 20)

To receive a report which provides an overview of the outcome of the independent review of ICT and the agreed next steps

7. **Finance & HR System Replacement ("Best4Business") Programme**
(Pages 21 - 30)

To receive an update on the progress being made in procuring and implementing a replacement HR and Finance system for the Councils and their partners

Minutes of a meeting of the **Shared Services Joint Committee**
held on Friday, 22nd September, 2017 at Committee Room 1 -
Wyvern House, The Drumber, Winsford, CW7 1AH

PRESENT

Cheshire East Council

Councillors P Bates, JP Findlow and P Groves

Cheshire West and Chester Council

Councillors P Dolan (substitute for Cllr L Gittins) and P Donovan

Officers in attendance

Cheshire East Council:

Dominic Oakeshott, Head of Professional Services

Gareth Pawlett, Corporate Manager ICT

Linzi Stott, Digital & Architecture Services Manager

Heather Grove, Senior Manager: Business Assurance, Development and
Collaboration

Rachel Graves, Democratic Services Officer

Cheshire West and Chester:

Mark Wynn, Director of Corporate Services

Samantha Brouzas, Director of Professional Services

Heloise MacAndrew, Corporate Solicitor

Paul Newman, Archives and Local Studies Manager

David Tidd, Ernst Young LLP

11 MEMBERSHIP CHANGE

It was reported that Councillor Paul Bates had replaced Councillor David Brown on the Committee.

12 APPOINTMENT OF CHAIRMAN

RESOLVED:

That Councillor JP Findlow be appointed as Chairman.

Councillor Findlow in the chair

13 APOLOGIES FOR ABSENCE

Apologies were received from Councillors D Armstrong and L Gittins.

14 DECLARATIONS OF INTEREST

No declarations of interest were made.

15 PUBLIC SPEAKING TIME/OPEN SESSION

The member of the public present did not wish to speak.

16 MINUTES OF PREVIOUS MEETING

Following a request at an earlier meeting, the Committee was briefed on the feasibility of webcasting or audio webcasting the meeting. It was agreed that the Committee would not webcast or audio webcast the meetings due to the additional expense and room availability restrictions.

RESOLVED: That

- 1 the minutes of the meeting held on 19 May 2017 be approved as a correct record and signed by the Chairman;
- 2 the Shared Services Joint Committee not be webcast or audio webcast.

17 ARCHIVES UPDATE

The Committee considered a report which provided an update on the Archives Project.

Reports had been taken to Cheshire East Council's Cabinet and Cheshire West and Chester Council's Cabinet meetings in September to allocate specific sites to the project as the planned history centres in Crewe and Chester. The site of the 'old library' in Crewe and the site of the former Enterprise Centre in Hoole, Chester had been approved as the allocated sites. Approval had also been given to establish a Project Board and a Portfolio Board and to establish a decision framework for the project in the context of the existing Shared Services Administrative Arrangements. Both Councils had also approved the submission of a Round One external funding bid to the Heritage Lottery Fund in support of the proposal, as well as permission to receive and spend the grant if successful.

It was noted that the decision by Cheshire West and Chester's Cabinet had been call-in and would be considered by their Overview and Scrutiny Committee on 9 October 2017.

RESOLVED:

That the contents of the report be noted.

18 ICT REVIEW AND SHARED SERVICE AGREEMENT UPDATE

The Committee considered a report on the progress with the ICT Shared Service and Transactional Service Agreements and received a presentation from Ernst Young LLP on their findings on the optimum IT delivery model for the Councils.

David Tidd from Ernst Young LLP was in attendance and presented the findings of the Phase 1 Review. A number of factors had been identified which required change in how the ICT services were delivered – these being:

1. strengthening client side commissioning in order to improve planning and enable both Council's to identify opportunities to collaborate;
2. adopting an operating model in which the ICT services delivered common Core Services and Infrastructure i.e. Support Desk and Network services;
3. establishing ICT dedicated delivery capabilities for Cheshire West and Chester in support of Transformation priorities encompassing Digital solutions delivery and potentially, delivery of Service specific solutions;
4. introducing Demand and Portfolio Management practices in order to prioritise and schedule work in the short to medium term;
5. establishing of a programme of capability development within ICT Service
6. critically evaluating and enhance governance in order to improve the potential for the Councils to collaborate in the future delivery of business solutions and ICT service.

RESOLVED: That

- 1 the delay in finalising the Shared Services Agreements for ICT and Transactional Services be noted due to the need to incorporate the outcomes of the jointly commissioned independent review by Ernst Young LLP which will reflect the optimum IT delivery model;
- 2 the presentation by Ernst Young LLP be noted and, following receipt of the final Ernst Young report in mid-October, the Councils work collaboratively to agree governance to take forward the recommendations for the future of the ICT shared service (and any subsequent impact on the shared transactional service) to ensure the optimum ICT delivery model can be implemented;
- 3 it be noted that the shared services agreement dated 1 April 2016 continue to govern existing service provision until the revised agreements, including agreed service catalogue, specifications, performance management and revised payment arrangements are in place.

19 FINANCE AND HR SYSTEM REPLACEMENT ("BEST4BUSINESS") PROGRAMME

The Committee considered a report which provided an update on the progress being made in procuring and implementing a replacement HR and Finance system for the Council's and their partners,

Both Council's Cabinets in July 2017 had approved the conditional award of the HR and Finance system contract to Agilisys.

An Inter Authority Agreement, which set out the working arrangement between the two Councils, had been signed by both Councils. The Councils' implementation team and key members of the Agilisys team were working together to begin the implementation to ensure that critical deadlines for delivering and signing off programme outputs and outcomes were met.

RESOLVED:

That the Committee note and endorse the work of the Finance and HR System Replacement Programme ("Best4Business") since the previous report to the Committee in March 2017 and the subsequent report to the Cabinet meetings of both Councils in July 2017.

The meeting commenced at 2.00 pm and concluded at 2.55 pm

Councillor JP Findlow

CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL

SHARED SERVICES JOINT COMMITTEE

Date of Meeting:	24 November 2017
Report of:	Archives and Local Studies Manager
Subject/Title:	Archives Update

1.0 Report Summary

- 1.1 The purpose of this report is to provide a progress update in relation to the Archives Project.
- 1.2 This report provides the information that the shared service is required to provide to the Shared Services Joint Committee and/or Joint Officer Board under the Shared Services Agreement.

2.0 Decisions Requested

- 2.1 Members are asked to consider the report and comment on its contents.

3.0 Update on the Archives

3.1 Introduction

The requirement to relocate the Archives and Local Studies Service has been recognised by both authorities and a new future service delivery model agreed. This model sees two new history centres being established in Chester and Crewe, alongside improved service delivery in libraries, extended online services and a more extensive activity and event programme. This paper sets out the current position and envisaged timeline for this project.

3.2 Current position

Both Councils' Cabinets have now approved the allocation of specific sites to the project as the location of the planned history centres in Crewe and Chester, namely the 'old Library' site in Crewe town centre and the site of the former Enterprise Centre in Hoole, Chester. Terms of reference for the project have also been agreed and will be reviewed following the first stage of the project.

At the September Shared Services Joint Committee meeting, it was reported that the Cheshire West and Chester Cabinet decision was subject to a Call-In. The call-in members stated that the Conservative Group remains fully supportive of the 10 year vision for CALS [Cheshire Archives and Local Studies], with the reasons for the Call-In being to challenge that the Enterprise Centre site

1. is the best and most suitable site to enable to delivery of the vision for the service;
2. offers the option best able to deliver value for money to the taxpayer;
3. provides the most effective and integrated outcomes within the wider policy framework of Cheshire West and Chester Council.

The Council's Overview and Scrutiny Committee met on 9 October and made the following recommendations:

1. The Cabinet decision made 13 September 2017 proceeds
2. As the business case develops the Project Board
 - a. Undertakes a full evaluation of the Enterprise Centre site
 - b. That a reconciliation of a conflict with the Chester Transport Plan takes place
3. That a cross-party member working group be established for the new history centre
4. Capital costs for all [Chester] sites should be circulated to members of the Overview and Scrutiny Committee
5. The date when the Enterprise Centre site was identified as surplus should be circulated to the Overview and Scrutiny Committee members.

A cross-party member working group was considered by the project's Portfolio Board. As a result a member workshop will be held early in 2018 to update members on progress and consultants' work to date.

3.3 Development of external funding bid

In order to progress this project the service will need to secure funding from the Heritage Lottery Fund. The service is currently in the process of recruiting external specialist support to progress the external funding bid. These commissions will be to

- a. Undertake the design work around the preferred sites
- b. Engage new audiences to understand their needs and develop an outline activity programme
- c. Develop exhibition and interpretation proposals to help to bring the collections to life and tell the story of the county
- d. Write an outline business plan to demonstrate the sustainability of the service delivery model
- e. Support the writing of the funding bid itself

From the list of commissions above, b-e have all been appointed and work is underway, including the formulation of an engagement plan to ensure that the service takes on board the views of as wide a range of people as possible prior to submitting the funding bid. A report on these commissions will be brought to Shared Services Joint Committee on their completion.

The recruitment of a design team is underway, this process taking longer owing to the larger value of the commission. It is anticipated that the commission will

begin in January and the approach taken will ensure consistent delivery of this strand of work in the future, subject to satisfactory performance and funding.

3.4 Financial position

Funding is in place to deliver the commissions outlined in 3.3. It is anticipated that the project will be in budget at the end of 2017/18. Funding to match the development stage of the project (2018-2020) is in place within the Councils' capital programmes and permission to accept and spend a grant from HLF, should the application be successful, has been secured in both Councils.

4.0 Timetable

4.1 A project plan has been developed and an indicative summary timetable is as follows:

Activity planning (procurement to completion)	July 2017 – Feb 2018
Interpretive planning	July 2017-Feb 2018
Funding bid development	Aug 2017-May 2018
Sites confirmed and allocated	Sep 2017
Building design work	Jan-Mar 2018
Business planning	Oct 2017 – Apr 2018
Cost plans developed	Jan-Apr 2018
Round One funding bid submitted	Jun 2018
HLF Decision	September 2018
Development phase	Winter 2018-Autumn 2020
Round Two HLF submission	Autumn 2020
HLF Decision	Winter 2020
Delivery phase	Winter 2020 – Autumn 2022

It is now anticipated that a funding bid to HLF will be submitted in June 2018. This has been pushed back three months in the light of procurement decisions in relation to the design work for the new facilities, which would enable to project to progress to delivery phase, subject to satisfactory performance of the appointed design team and future funding.

5.0 Wards Affected

5.1 This report relates to Shared Services that operate across both Cheshire East and Cheshire West and Chester so all wards are affected in both Councils.

6.0 Local Ward Members

6.1 Not applicable.

7.0 Policy Implications

7.1 None.

8.0 Other Options

8.1 None.

9.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

Officer: Paul Newman, Archives and Local Studies Manager

Tel No: 01244 973391

Email: paul.newman@cheshiresharedservices.gov.uk

Background Documents:

Documents are available for inspection at:

Cheshire East Democratic Services

Westfields

Middlewich Road

Sandbach

CW11 1HZ

CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL

Shared Services Joint Committee

Date of Meeting:	24 November 2017
Report of:	Mark Wynn – Director of Corporate Services (Cheshire West & Chester) Pete Bates – Chief Operating Officer (Cheshire East)
Subject/Title:	Joint Council ICT Review Update Report
Portfolio Holder:	Councillor Paul Bates – Cheshire East Council, Councillor David Armstrong – Cheshire West and Chester Council

1. Report Summary

- 1.1. The purpose of this report is to provide an overview of the outcome of the independent review of ICT and the agreed next steps.

2. Recommendation

- 2.1. That the review's recommendations are taken forward to mobilisation stage, namely:
 - I. Strengthen client arrangements and medium term strategic planning;
 - II. Confirm and enhance the ICT Shared Service's key role in supporting common applications and providing commodity ICT while also ensuring full engagement with both clients on projects relating to line of business systems and digital programmes;
 - III. Ensure both Councils fully engage across with the Infrastructure Investment Programme to enable the delivery of key business requirements, to develop the financial case and to maintain momentum;
 - IV. Improve and streamline governance at officer level to enable joint working and shared decision making;
 - V. Draft a shared service agreement and proportionate performance management framework supported by a range of intelligence KPIs;

- VI. Deliver a comprehensive training programme to support further staff development involved in ICT across the two Councils and the shared service
 - VII. (v) Develop a new organisational structure for ICT alongside clear roles and responsibilities
 - VIII. Building on the outline business case, further develop the financial implications relating to a new operating model including clarity on investment and financial / non- financial benefits and new funding arrangements.
- 2.2. That resources to enable the above are defined as a matter of urgency
 - 2.3. That the Committee endorse the shared services agreements dated 1 April 2016 continue to govern existing service provision until the revised agreements including agreed service catalogue, specifications, performance management and revised payment arrangements are in place.
 - 2.4. That the Committee agree the Transactional Services Agreement will now move forward and reflect the changes in the ICT delivery model and the requirements of the Best4Business programme.

3. Reasons for Recommendation

- 3.1. At Shared Services Joint Committee (SSJC) on the 24 March 2017 the Committee noted that an independent and holistic ICT review supported by both Council was required to ensure ICT in its entirety enables both Councils to achieve their objectives.
- 3.2. At SSJC on the 19 May 2017 the Committee noted that Ernst & Young LLP were to conduct the independent review to provide assurance and to determine the optimum alignment and IT delivery model to deliver both councils' future requirements. It was agreed that the outputs from the phases of work would be brought to this Committee.

4. Background

- 4.1. Further background is set out in the committee update reports dated 24 March 2017 and 19 May 2017.
- 4.2. The updated Shared Service Agreement for ICT including the target operating model, agreed service catalogue, specifications, performance management and revised payments will now move forward to reflect the changes outlined in the ICT delivery model.

5. Joint Independent ICT Review Update

- 5.1. The Joint Independent Review (JIR) following comprehensive engagement with representatives from both councils and from the ICT Shared Service concluded earlier this month (6th Nov).
- 5.2. There are a number of positive outcomes relating to the review:
 - 5.2.1. There is consensus on the target end state and on the way forward
 - 5.2.2. There is a markedly higher level of dialogue and matching of expectations between the councils and the Shared Service
 - 5.2.3. The Target Operating Model has been the subject of considerable engagement and review and the councils should be confident in this as a basis for progressing to implementation
 - 5.2.4. The pre-requisites for a successful outcome are well understood by all parties:
 - Strengthening of commissioning
 - Financial transparency
 - Enhanced and simplified governance
 - Modernisation of the IT Shared Service
 - 5.2.5. An outline business case has been formed to understand the costs and benefits of a new operating model.
 - 5.2.6. There is a recognition that cultural change and improved working relationships will underpin success

6. Next Steps

- 6.1. The intention from both Councils is to move forward maintaining this positive momentum to a more detailed business case, programme plan and implementation of immediate activities including:
 - Enhanced and Simplified Governance (End of Dec 17)
 - Simplified Business Engagement model (Business Relationship Managers in Councils) (Jan 18)
 - Improve and coordinate client arrangements and ICT planning activity (Apr 18)
 - Implement a more transparent financial model and business case for the Infrastructure Investment Programme (Apr 18)
 - Introduce and Interim Performance Framework for ICT (Dec 17)
 - Mobilisation of a core team to lead and implement the change (Jan 18)
 - Introduce a programme of culture change across the whole IT service (client and shared service) (Feb 18)

- 6.2. Further planning and costing activities are underway to mobilise a core programme team to support the activity required to achieve the above.
- 6.3. Updates on this development and wider elements will be brought back to SSJC at regular points to update and monitor progress.
- 6.4. A draft high level transition plan outlining key phases for the TOM implementation is attached in Appendix 1.

7. Wards Affected and Local Ward Members

- 7.1. All wards

8. Implications of Recommendation

8.1. Policy Implications

Strategic policy implications are limited and likely to be more pronounced at an operational level.

8.2. Legal Implications

Legal will be fully involved in developing the revised agreements, governance approach and any subsequent appointments of specialist teams or third party contracts required for the transformational programme.

8.3. Financial Implications

The EY review cost were approved by Committee on the 21st March (£150K).

The financial implications of the operating model have been estimated during the EY review but require further detailed work under a dedicated Finance workstream. Full details of the financial implications will be confirmed with the Joint Committee in due course.

Equality Implications

There are no equality implications

8.4. Rural Community Implications

There are no impacts on the rural community

8.5. Human Resources Implications

Any implications on Human Resources will be fully set out in the Cabinet reports.

8.6. Health and Wellbeing Implications

There are no implications on Health and Wellbeing

8.7. Implications for Children and Young People

There are no implications of Children and Young People

8.8. Overview and Scrutiny Committee Implications

There are no specific impacts.

8.9. Other Implications (Please Specify)

None

9. Risk Management

9.1. The delay in agreeing the revised ICT and Transactional Services Agreements is impacting on the transformational programme. However, it is necessary that the outcomes from the jointly commissioned EY Review can shape transformation programme in order to achieve the optimum future ICT model and maximise return on investment for both councils.

9.2. The new ICT and Transactional shared services agreements will also need to incorporate the recently finalised duties set out in the contractual arrangements for B4B with Agilisis.

10. Access to Information

10.1. Previous ICT update reports which set out the background are available publically.

11. Contact Information

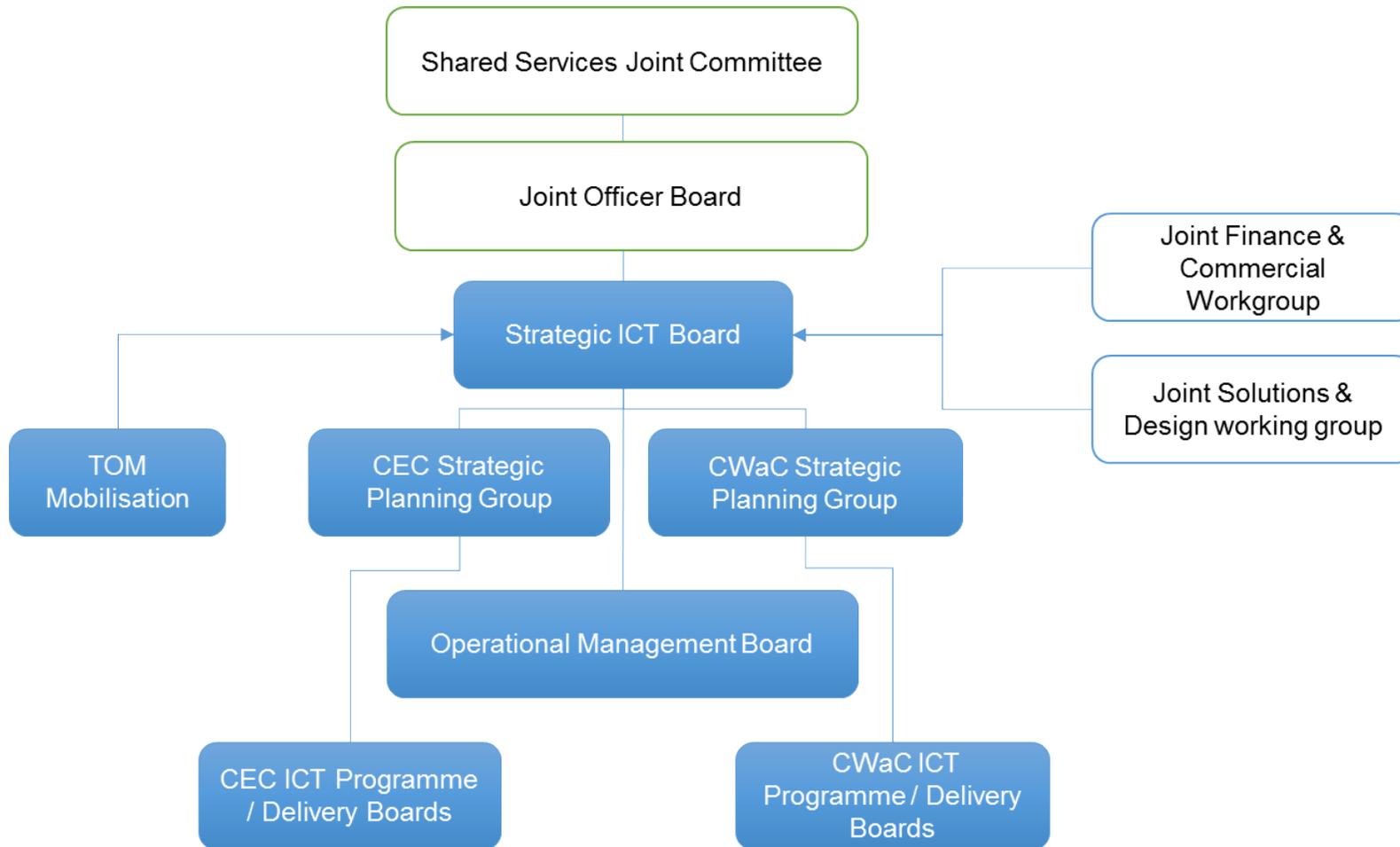
Contact details for this report are as follows:

Name: Pete Bates/Mark Wynn
Designation: Chief Operating Officer/Director of Corporate Services
Tel. No.: 01270 686166
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mark.wynn@cheshirewestandchester.gov.uk

Appendix 1: Draft High Level Transition plan



Appendix 2:
Simplified
Governance



Governance Group	Purpose	Key Members
Strategic ICT Board	<ul style="list-style-type: none"> • Oversight and Decision making board for all elements of ICT both Client and Shared Service. • Strategic planning and alignment • Act as Programme board for ICT TOM implementation • Operational oversight of ICT SS & performance • Sign off / Agreement of Change and BAU Plans 	<ul style="list-style-type: none"> • CEC CIO • CWaC Dir PSR • CEC Client Lead • CWaC Client Lead • ICTSS Operational Lead • Finance & Commercial Management • TOM Programme Mgr. • S151's (Quarterly attendance)
Strategic Planning Groups	<ul style="list-style-type: none"> • ICT Strategy and longer term blue print design • Strategic planning <ul style="list-style-type: none"> ○ Short term (12 months), Medium Term (12 – 36 months) • Commissioning and engagement for future portfolio's of change with ICTSS & External providers • Portfolio Management • Vendor Management • Joint planning activities across councils and ICT SS 	<ul style="list-style-type: none"> • CEC CIO / CWaC Dir PSR • Client Lead • Wider Council ICT SMT • Transformation / Change Lead
Operational Management Board	<ul style="list-style-type: none"> • Decision making forum for Service Operations and Management • Oversight of BAU Projects • ICTSS Performance management • Service Catalogue Development and Maintenance • Transition sign off from Change to BAU • Problem solving – escalations of Council issues BAU and Delivery 	<ul style="list-style-type: none"> • ICTSS Operational Lead • ICTSS SMT • CWaC Client Lead • CEC Client Lead

	<ul style="list-style-type: none"> • Vendor Management 	
ICT Programme / Delivery Group	<ul style="list-style-type: none"> • ICT Project delivery oversight • Interdependency monitoring • Active engagement with ICTSS 	<ul style="list-style-type: none"> • Client Lead • Delivery Lead • ICT SS Reps

Joint working groups will be set up to support and feed into the Joint Strategic Board:

- Joint Solutions and Design group – Working forum to develop and review joint solution proposals at a business level. In addition to reviewing designs affecting inflight ‘Run’ or ‘Change’ initiatives.
- Joint Finance and Commercial Group - Joint forum to ensure clarity on finance and performance and to review and challenge the financial aspects of joint solution proposals, delivery or BAU

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CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL

SHARED SERVICES JOINT COMMITTEE

Date of Meeting:	24 November 2017
Report of:	Director of Corporate Services, Cheshire West and Chester Council (Programme Sponsor)
Subject/Title:	Finance & HR System Replacement (“Best4Business”) Programme

1.0 Report Summary

- 1.1 The purpose of this report is to update Members on the progress being made in procuring and implementing a replacement HR and Finance system for the Councils and their partners.

2.0 Decisions Requested

Members are asked to:

- 2.1 Consider and endorse the work of the Finance & HR System Replacement Programme (“Best4Business”) in finalising the Councils’ contracts with Agiligys and in mobilising the joint implementation team with Agilisys since the previous report to this Committee in September 2017;
- 2.2 Consider, endorse and provide advice to the Programme Board, following their approval of three contractual milestones to date and as they prepare to approve the Solution Design milestone, based on the update provided by officers at the Committee;
- 2.3 Consider and comment on the approach being taken with regard to assessing the change impact on both Councils and our partners resulting from the implementation of the new system;
- 2.4 Consider and comment on the approach being taken with regard to ensuring the delivery of business process savings as set out in the business case approved in July 2017;
- 2.5 Consider the scope and agreed terms of reference for the Joint Scrutiny Working Group, and agree to support the work of the Group by receiving support and contributions from the meetings of the Group which will continue between now and the programme completion; and
- 2.6 Consider and comment on the next steps in the programme timeline, reflecting on the challenging nature of the target implementation date the Councils and Agilisys are working towards.

3.0 Reasons for Recommendations

- 3.1 To enable Members to review and comment on progress made in implementing the future Finance and HR systems and processes for the Councils and their partners.

4.0 Report Background

- 4.1 At the May 2016 meeting of this Committee, Members approved a programme of work to procure a new system or solution to replace the existing Finance and HR system. Both Councils' Cabinet meetings approved a recommendation in July 2017 to award a contract to Agilisys for the implementation of the Unit 4 Business World system. This report provides an update to the Committee regarding progress toward completion of this activity.

5.0 Contract award

- 5.1 At the time of the previous report to this Committee, final contractual issues were being resolved, and pre-mobilisation workshops were taking place involving the Councils' implementation team and key members of the Agilisys team.
- 5.2 Since the last report, all outstanding contractual issues were resolved satisfactorily, and the contract between each Council and Agilisys was signed on the day of the previous Shared Services Joint Committee meeting. At the same time, an Inter Authority Agreement was signed, setting out the working arrangements between the two Councils in relation to the HR & Finance System contract.

6.0 Programme Mobilisation

- 6.1 Since contract finalisation, the implementation team has rapidly mobilised and begun delivery of the implementation plan. A programme team, formed of representatives from both Councils and from Agilisys, are now collocated in Goldsmith House in Chester.
- 6.2 The team is formed of specialist "functional" groups, focussing on specific areas of functionality such as Finance, Payroll, Payments, etc; specialist "technical" groups, focussing on elements of the technical solution such as interfaces, data migration and reporting; the business change team, whose role is to ensure the Councils and partners are supported through the transformation process which will underpin this implementation; and the programme management team, who ensure that programme planning, reporting and governance activities are operating effectively and are supporting the wider programme team.

7.0 Programme Milestones

- 7.1 The contract with Agilisys includes a schedule of milestone payments, payable by Cheshire East Council on behalf of both Councils to Agilisys upon delivery of a number of outcomes during the life of the programme. These are set out in Appendix A to this report. A mechanism ensuring Cheshire West and Chester

Council make appropriate financial contributions to Cheshire East has been agreed as part of programme governance and financial management arrangements. Appendix A to this report sets out the agreed milestone payments and values.

- 7.2 To date, and in accordance with the programme plan, Milestones 1 (Project Initiation Document signoff), 3 (Integration Strategy signoff) and 4 (Testing Strategy signoff) have been signed off by the Best4Business Programme Board, following confirmation that the deliverables associated with each milestone have met the quality criteria agreed in the contract. Therefore the relevant milestone payments have been made to Agilisys, in addition to the up-front licence purchase payment of £1.35m which became payable upon contract signature.
- 7.3 At the time of this Committee meeting, the Programme Board are preparing to sign off Milestone 2, the Solution Design Document, on Thursday 30 November. The significance of the Solution Design, and therefore the importance of the Solution Design signoff milestone, cannot be overestimated. The Solution Design underpins everything which will be built and tested as part of the remainder of the programme. Therefore, the Programme has taken the decision to allow an additional week for the consideration and review of the documentation which supports this milestone.
- 7.4 A structured process has been put in place which supports the Programme Board and the supporting team, leading up to this significant approval milestone. Draft design documents have been reviewed by the programme team, allowing significant organisational impacts to be identified and flagged with relevant stakeholders, as well as ensuring any decisions to move away from the “Agilisys Public Sector Template” are understood and justified. Key issues will be summarised and used in support of the Programme Board signoff.

8.0 Business Change Approach

- 8.1 The programme has produced a Business Change Approach document, which sets out how the programme team are identifying and quantifying the change impacts to both Councils, and to schools and council companies (“alternative service delivery vehicles”).
- 8.2 The areas being detailed are:
- Size of the changes required
 - Number of staff and other stakeholders affected
 - The nature of changes and how they will affect
 - People
 - Process
 - Technology
 - Policy
 - Organisation
 - Actions required to make the changes
 - This is likely to be different across the two Councils and partner organisations, who may be coming from a different “as is” position

- Risks
 - A complete assessment of risks which, again, are likely to be organisation-specific

8.3 In addition, the programme is completing “readiness assessments” for each Council and for our partner organisations. These will be informed by the above change impact information, supplemented with additional data from staff opinion surveys and workshops.

8.4 All this information will be used to produce a comprehensive “stakeholder engagement plan”, which will be used to identify and focus where programme resources will be required, to ensure meaningful engagement, support and training can take place, ultimately to ensure a successful transition to the new solution.

9.0 Benefits Realisation Approach

9.1 The approved business case included a total of £1.2m of annual business process savings from the corporate services of both Councils. The savings comprise £0.5m in CE, £0.3m in CWaC, and £0.4m in the Transactional Service Centre shared service. In addition, the savings included the Councils’ share of £1.1m ICT annual savings.

9.2 The approved business cases did not include business process savings for schools or front line services. However, the new HR & Finance solution will have a significant impact on the way they work and will undoubtedly bring efficiencies.

9.3 In order to ensure that the programme delivers its targets there is a strategy and plan in place which has the following four main objectives:

- Provide assurance that the proposed detailed design has the potential to deliver at least the £1.2m of cashable savings identified in the business case;
- Provide assurance that the approved detailed design is implemented in accordance with the agreed approach;
- Provide evidence of savings to support budget adjustments; and
- Understand the overall impacts of the new HR & Finance solution on maintained schools and front line services.

10.0 Joint Scrutiny Working Group

10.1 Following the initial joint Scrutiny Working Group session held on 27 June in support of the Cabinet decisions in July, the Working Group has agreed to continue to provide scrutiny to the implementation programme, and met for a second time on 9 October. The agreed Terms of Reference for the Scrutiny Working Group during the life of the programme is to scrutinise:

- The governance process supporting the approval of the solution design;
- The approach to business change and training; and
- The outcome of the processes which support the recommendation to go live with the new solution.

10.2 The key conclusions from the meeting of the Scrutiny Working Group on 9 October were:

- Members were comfortable with the process which has led to the Cabinet decisions in July and the progress since then;
- The next meeting of the Working Group will be set for March 2018, to avoid the busy Budget period for both Councils;
- Members recognise the importance of the change process and the training necessary to deliver the vision for both Councils and our partners;
- The programme Transformation Lead to be invited to the next meeting in relation to the approach to business change approach and training strategy, including how the impact on end users is being assessed; and
- Members requested the opportunity to contribute to the design signoff at the end of November.

10.3 In relation to the final conclusion noted above, the Scrutiny Working Group emphasised the importance of receiving positive confirmation from the officers representing the Programme Team that the solution design being signed off will meet the needs of the Councils and our partners.

11.0 Next steps

11.1 A summary of the programme timeline is shown at Appendix B to this report.

11.2 Following the signoff of the Solution Design milestone, the Agilisys team will focus on the system build activity required to deliver the specified solution, ready for subsequent testing activities which will be carried out initially by the supplier and then by the Councils' User Acceptance Testing team.

11.3 At the same time, the Business Change workstream will focus on analysing the business impact of the process changes arising from the agreed solution design, as compared to current ways of working supported by the Oracle system. This will result in the production of a comprehensive transformation and training programme, designed to ensure all affected user groups and stakeholders will be supported appropriately prior to and following the new system going live.

11.4 The Councils set a challenging implementation deadline of September 2018 when entering into the contracts with Agilisys. The experience of the programme to date reinforces our view that the implementation timetable, while achievable, remains challenging. Delivery against the detailed programme plan and the remaining milestone target dates will be kept under continual review by the programme team, with any significant concerns being escalated through programme governance to this Committee as required.

12.0 Wards affected

12.1 None.

13.0 Policy implications

13.1 None.

14.0 Financial Implications

- 14.1 At the time of reporting, the programme is operating within the budgetary approvals agreed at the two Cabinet meetings in July 2017, covering the payments due to Agilisys and the cost of the Council team required to support the implementation. The Programme Board monitor the budget position at regular intervals, and reviewed the overall position at its last meeting on 25 October 2017.
- 14.2 To date, payments of £1.35m for purchase of licences, and £1.98m for signed off milestones, have been paid to the supplier Agilisys.

15.0 Legal Implications

- 15.1 Each Council has signed a contract with Agilisys. The implementation is being undertaken jointly, with contractual responsibility for the Authority responsibilities being reflected in the Cheshire East contract with Agilisys. A comprehensive Inter Authority Agreement has been entered into by both Councils, ensuring that Cheshire West and Chester Council's obligations to the programme are also documented, and ensuring Cheshire East Council are in a position to meet their contractual obligations on behalf of both Councils during the implementation phase.
- 15.2 Following implementation, each Council's operational services will be managed through their separate contracts with Agilisys.

16.0 Risk management

- 16.1 Programme risks are being identified and reported as necessary to the Best4Business Programme Board, through normal programme management mechanisms. The Board escalates any significant risks to the Best4Business Steering Group, as appropriate during the course of the programme. The most significant risks at the time of reporting, with associated mitigating actions, are summarised in Appendix C to this report.

17.0 Access to Information

- 17.1 The background papers relating to this report can be inspected by contacting the report writers:

Mark Wynn
Cheshire West and Chester – Director of Corporate Services
Tel No: 01244 972537
Email: Mark.Wynn@cheshirewestandchester.gov.uk

Background Documents:

Documents are available for inspection at:

Cheshire East Democratic Services

Westfields

Middlewich Road

Sandbach

CW11 1HZ

or:

Cheshire West & Chester Democratic Services

HQ Building,

Nicholas Street,

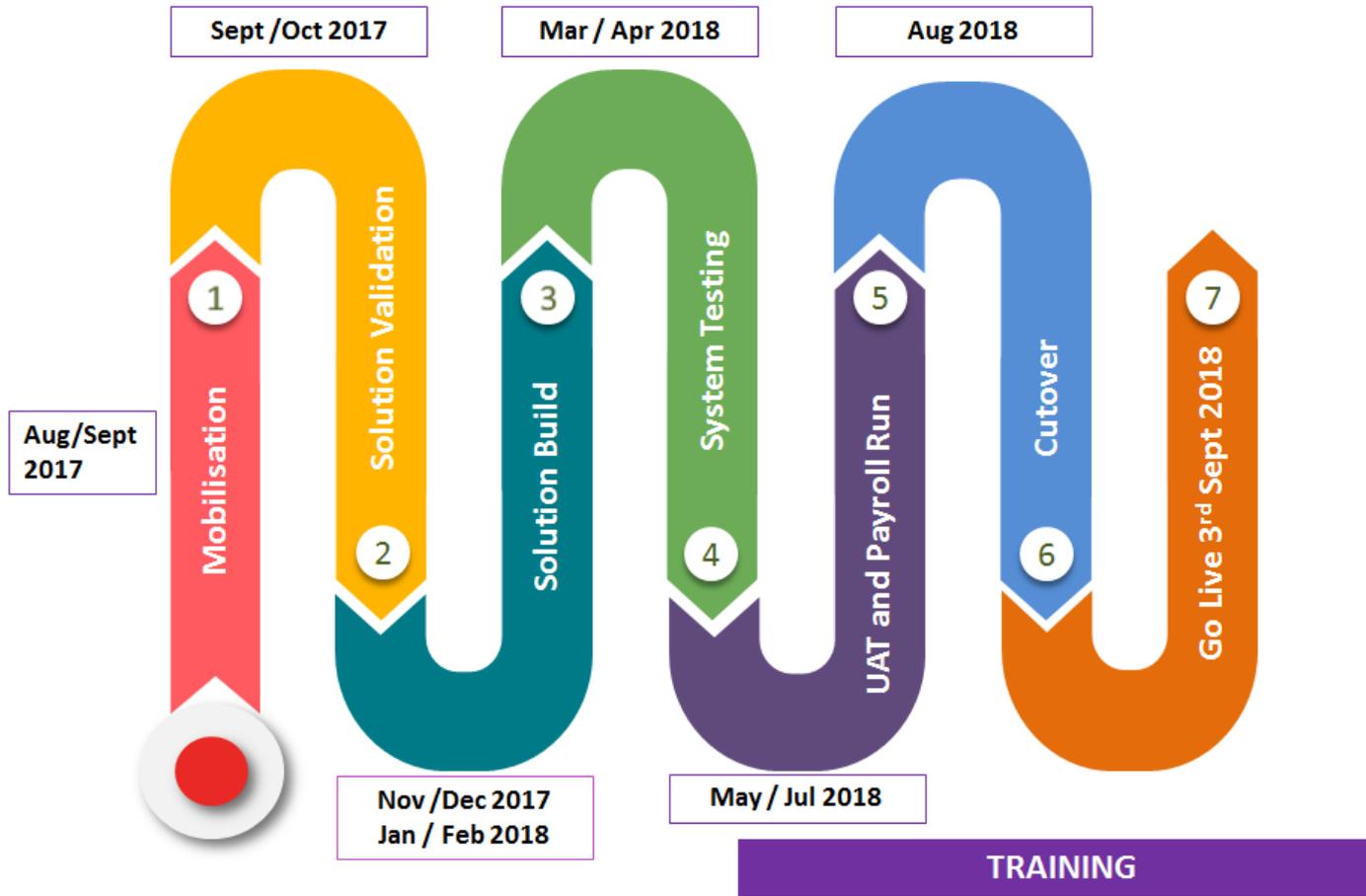
Chester,

CH1 2NP

Appendix A
Best4Business contractual milestones

No	Milestone	Value	Planned Date	Achieved / revised date
1	Sign-off programme initiation document	£0.66m	25/09/2017	28/09/2017
2	Sign-off of solution detailed design	£0.66m	20/11/2017	30/11/2017
3	Sign-off of integration approach	£0.66m	16/10/2017	26/10/2017
4	Sign-off of testing strategy	£0.66m	21/09/2017	28/09/2017
5	Build complete	£0.66m	26/02/2018	
6	Sign-off of training approach	£0.33m	24/01/2018	
7	Sign-off of user acceptance testing	£0.66m	12/07/2018	
8	Go live	£1.65m	03/09/2018	
9	Exit from three-month intensive support	£0.33m	26/11/2018	
10	Decommissioning of legacy Oracle platform	£0.33m	26/11/2018	
	Total	£6.59m		

Appendix B
Best4Business timeline overview



Appendix C
Best4Business summary of key risks

Risk	Likelihood	Impact	Score Lxl	Mitigation
End Users (managers or staff) are reluctant to accept changes to processes and adhere to new approach, leading to business case savings not being achieved.	4	4	16	Solution design process – change impact of decisions on solution design and process will be identified and mapped against stakeholders to identify change effort needed. Ongoing engagement with stakeholders to identify concerns.
Insufficient programme resources, or inefficient use of available resources and skills available, to deliver project workload, leading to programme milestones being missed and delay to implementation.	3	4	12	Detailed activity plans per workstream leading to solution design signoff. Regular review of deliverables, commitments to design workshops, and other activities, to identify any resource gaps.
Failure to appropriately engage senior stakeholders including Programme Board members as the Solution Design deliverable is developed, leading to a failure to achieve signoff of this key deliverable and a delay in the programme timeline.	3	4	12	Development of clear process which ensures design decisions are captured, reviewed, approved at an appropriate level, business change impact identified, shared with stakeholders, and communicated to Programme Board ahead of signoff.
Failure to develop effective partnership with Agilisys, both during the 12 month implementation programme, but also in support of the remainder of the 7 year contract, leading to suboptimal outcomes.	3	4	12	Regular and open dialogue with Agilisys about process and outcomes. Design decisions hold to the programme vision (the four Ss) and consider long term impacts as well as shorter term programme timeline.