



# Shared Services Joint Committee Agenda

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**Date:** Friday, 25th March, 2022  
**Time:** 10.00 am  
**Venue:** Virtual Meeting via Microsoft Teams

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For anyone wishing to view the meeting live, please click on the link below:

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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 in the 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.

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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](mailto:rachel.graves@cheshireeast.gov.uk)

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

To approve the minutes of the meeting held on 21 January 2022.

5. **Archives Relocation Project: Development Phase Update** (Pages 7 - 12)

To receive an update in relation to the Archives project.

6. **Shared Service Review Update Report** (Pages 13 - 20)

To receive an update on the progress of the shared services review and proposed next steps.

7. **Best4Business Update** (Pages 21 - 28)

To receive an update on the latest position with regard to implementation of the replacement HR and Finance system for the Councils and their partners.

8. **Shared Services Forward Plan** (Pages 29 - 30)

To consider the Shared Services Forward Plan.

**Membership:** Councillors JP Findlow, J Rhodes, A Stott, P Donovan, C Gahan and K Shore.

Minutes of a virtual meeting of the **Shared Services Joint Committee**  
held on Friday, 21st January, 2022

**PRESENT****Cheshire East Council**

Councillors Paul Findlow, Jill Rhodes and Amanda Stott

**Cheshire West and Chester Council**

Councillors Paul Donovan, Carol Gahan and Karen Shore

Councillor in attendance

Councillor A Moran, Cheshire East Council

Officers in attendance:

**Cheshire East Council**

Jane Burns, Executive Director Corporate Services

Alex Thompson, Director of Finance and Customer Services

Gareth Pawlett, Head of ICT and Chief Information Officer

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

Julie Gregory, Legal Team Manager

Helen Davies, Democratic Services Officer

**Cheshire West and Chester**

Mark Wynn, Chief Operating Officer

Aaron Thomas, B4B PMO and Governance Lead

Jude Green, Head of Transactional Services

Catherine Salt, Corporate Legal Manager

**26 APOLOGIES FOR ABSENCE**

There were no apologies for absence.

**27 DECLARATIONS OF INTEREST**

No declarations of interest were made.

**28 PUBLIC SPEAKING TIME/OPEN SESSION**

No members of the public were present and no questions had been submitted prior to the meeting.

**29 MINUTES OF PREVIOUS MEETING****RESOLVED:**

That the minutes of the meeting held on 26 November 2021 be approved as a correct record.

**30 BEST4BUSINESS UPDATE**

Consideration was given to the report which detailed the latest position regarding the implementation of the replacement HR and Finance system for the Councils and their partners.

In response to a question about the nature of the ongoing dialogue referred to in paragraph 6.3 of the report and the chance of a satisfactory resolution, it was reported that this matter was confidential due to commercial sensitivity and a more detailed update would be provided after programme closure. It was agreed that the Joint Committee members would be briefed privately on this matter.

In relation to the programme budget clarification was sought on the overspend and if this was on the whole project. It was reported that the closure process was still happening and both Councils had set aside sufficient funding to accommodate the overall costs of the programme. The programme budget would be a component of the review after the programme had closed.

**RESOLVED:** That the Joint Committee

- 1 note the successful transfer of all remaining payroll activity to the new Unit4 ERP system in December.
- 2 note the progress with activities leading to formal closure of the Best4Business programme.
- 3 note the reported financial position of the programme; and
- 4 note the remaining activity in relation to Member oversight and governance.

**31 SHARED SERVICES BUSINESS PLANS 2021- 22 - QUARTER 3 REVIEW**

Consideration was given to the report which provided a summary of the 2021-22 Quarter 3 position for the Shared Service arrangements between Cheshire East Council and Cheshire West and Chester Council. The report included financial and non-financial performance information for the period 1 April 2021 to 31 December 2021.

Members noted that section 5 of the report contained summaries of each service for the following key areas: budget position; priorities and objectives; key performance indicators; and risk and issues. Dashboards for each service and a more detailed summary of their position in relation to performance were highlighted in section 6 of the report.

The overall position for the Quarter 3 review point was that most services were meeting expectations. Both ICT and Transactional Services

continued to report financial pressures associated with the Best4Business programme and the achievement of income targets.

**RESOLVED:** That the Joint Committee

- 1 note the Shared Services Quarter 3 performance for 2021-22.
- 2 note the ongoing financial pressures on IT and TSC Shared Services budgets.

### 32 **SHARED SERVICE REVIEW UPDATE REPORT**

Consideration was given to the report which provide an update on the progress with the Shared Services Review.

The review of Transactional Services had acknowledged the significant challenges that the services had faced over the past few years, particularly in relation to the implementation of Unit 4. The overall recommendations from C.Co following the review was to optimise the current service first and to aspire to achieve best value and a leading service following the full implementation of Unit 4 ERP. Further work would be undertaken on planning and the necessary resourcing needed to take forward the recommendations from the review.

The review on the findings and recommendations for the six smaller shared service had been completed and consideration would now be given to the benefits and implications of the proposed changes to these shared services.

**RESOLVED:** That the Joint Committee

- 1 note the findings, recommendations, and next steps for Phase 2: Transitional Services
- 2 note the findings, recommendations, and next steps for Phase 3: six smaller shared services.

### 33 **SHARED SERVICES FORWARD PLAN**

Consideration was given to the Forward Plan for the Shared Services Joint Committee.

The items for the next meeting on 25 March 2022 were noted. The individual service recommendations from the Shared Service Review would be built into the Shared Services Business Plans for 2022/23 .

With regards to future meeting dates, it was requested that dates did not clash with meetings of the Cheshire Police and Crime Panel and the Cheshire Pension Fund Committee.

**RESOLVED:**

That the Shared Services Forward Plan be noted.

The meeting commenced at 10.00 am and concluded at 10.32 am

Councillor J Rhodes  
Chair

# **Cheshire East Council**

# **Cheshire West and Chester Council**

## **Shared Services Joint Committee**

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**Date of Meeting:** 25 March 2022

**Report Title:** Archives Relocation Project: Development Phase Update

**Senior Officer:** Paul Newman, Archives and Local Studies Shared Service Manager

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### **1. Report Summary**

- 1.1 The purpose of this paper is to provide an 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. Recommendations**

- 2.1 Members are asked to note the current status of the project.

### **3. Reasons for Recommendations**

- 3.1 To update members on the current status of the 'Cheshire's archives: a story shared' project, funded by Cheshire East Council, Cheshire West and Chester Council and the National Lottery Heritage Fund (NLHF).

### **4. Background**

- 4.1 The Archives and Local Studies Service is currently based at the Cheshire Record Office, Duke Street, Chester. The current facility is no longer fit for purpose and needs to be replaced to maintain Accredited Archive status. 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.

- 4.2 A development phase grant application for £544,900 was submitted to NLHF in May 2019. This was successful and permission to start the project was granted in March 2020.
- 4.2 The project is managed through an approved governance arrangement for the shared project. The current development funding, matched by contributions from the two councils, is delivering:
- Extensive consultation with communities across both Boroughs to inform the delivery phase programme and grant application.
  - Piloting of activities to engage new audiences with archives across the county.
  - The development of detailed plans (to Royal Institute of British Architects RIBA Stage 3) for the proposed new centres in Chester and Crewe, including proposals for interpretation of the collections in exhibitions and in digital formats.
  - A detailed business plan.
  - A delivery phase funding application.
- 4.3 The previous report (Shared Services Joint Committee, November 2021) noted that a formal review of the project was being held with the National Lottery Heritage Fund in December and that this was potentially a pass/fail point. This development phase review was passed successfully and the project is now in its next stage of development. This is an important milestone for the project and gives confidence that it is progressing in the right direction.
- 4.4 Feedback from the review was positive and are helping to shape the remaining work to be carried out during the development phase. The key points were
- The NLHF were impressed with the level of detailed background work and underlying research and consultation undertaken to develop the project so far.
  - Proposals for future volunteering and training will need to be developed in more detail.
  - Further consideration should be given to the approach to environmental sustainability and provision for nature, in terms of activities, interpretation and building design.
  - Detailed proposals for project governance should be presented when the delivery phase funding bid is submitted.
  - Future operating costs, once business planning is completed, will need to be fully understood and appropriate revenue contributions secured by the time the delivery phase funding bid is submitted (see also 5.2.1).



- 4.5 Formal notification of the successful review was received in January and work has continued to develop the project. RIBA Stage 3 (for both building design and interpretation design) has started and is timetabled to be completed in the Summer, with planning applications to follow in the Autumn. Further refinement of the project Activity Plan will continue. Once this work has been completed it will then be possible to finalise the business plan.
- 4.6 Currently, the delivery phase funding application is due to be submitted in August, with a decision due in December. If successful, the project team will need to work with NLHF to secure permission to start the project, a process which is estimated to take three months. The delivery of the project would therefore start in April 2023.
- 4.7 Progress reviews with NLHF continue to be held approximately every 3 months and provide an opportunity for the project team to seek guidance and feedback; these meetings help to mitigate any risks to the delivery phase application.

## **5. Implications of the Recommendations**

### **5.1 Legal Implications**

- 5.1.1 Advice on compliance with grant terms and conditions, the Councils financial and contract procedure rules and on contracts will be sought for the development stage of the project including where necessary appointment of consultants to assist with development of detailed plans to RIBA Stage 3. Legal advice will also be sought on future funding bids to ensure appropriate governance approval.

### **5.2 Finance Implications**

- 5.2.1 Match funding of £592,000 for the development stage is in place, made up of an equal contribution from each Council. Funding for the delivery stage is referenced in both councils' capital programmes, subject to further approvals. The final scheme and future revenue implications would also require approval through existing governance arrangements if the delivery phase funding application is successful.
- 5.2.2 Each Council currently has match funding referenced in its capital programme pipeline, based on a NLHF contribution of £4.5 million. Once the design process is completed and prior to submission of the funding application, an updated business case will be submitted taking account of the actual projected build costs.

The delivery programme and cost plan for the project are being developed through the Project Board, taking account of the approved capital budget, current inflationary pressures on capital infrastructure and the agreed project vision.

- 5.2.3 While final operating budgets can only be confirmed once the detailed design work is completed, it is anticipated that the new service model will result in changes to revenue requirements as a result of operating from two main sites and enhancing the wider programme of events and activities. These costs will be evaluated alongside the Stage 3 design work over spring/summer 2022 and will be included in an updated business case. Ongoing affordability will form part of the final delegated sign off consideration before the bid submission in August.

### **5.3 Policy Implications**

- 5.3.1 There are no direct Policy implications.

### **5.4 Equality Implications**

- 5.4.1 A central theme of the project is to diversify the audience for archives and ensure a new service is built around the needs of its target audiences. As the project develops an Equality Impact Assessment will need to be carried out in order to ensure that the project does not inadvertently have a negative impact on particular groups or communities.

### **5.5 Human Resources Implications**

- 5.5.1 There are no direct Human Resources implications

### **5.6 Risk Management Implications**

- 5.6.1 The project manager maintains a detailed risk register and risks and issues are reported to the Project Board and Portfolio Board members on a regular basis. Risks are managed by the Project Board in consultation with officers in both Councils
- 5.6.2 Ongoing design development may lead to further cost pressures. Inflationary pressures on all capital projects are significant and contingencies therefore need to be sufficient to address these. This will be subject to scrutiny as the project progresses. Should such additional pressures become evident then they will need to be addressed as part of the Councils' capital review processes.

- 5.6.3 A risk to the successful delivery of this project at this stage is that the timetable has slipped and is no longer in line with the Heritage Fund's original grant expiry date. The impact of Covid-19 has required an updated community engagement plan, while elements of the programme have been subject to change in line with the availability of specialist consultants and project staff. The project team are in ongoing discussions with the Heritage Fund about this and are requesting an extension to the grant expiry date.

## **5.7 Rural Communities Implications**

- 5.7.1 There are no direct implications for rural communities.

## **5.8 Implications for Children & Young People/Cared for Children**

- 5.8.1 There are no direct implications for children and young people. Young people are a target audience for the project and are being consulted about potential activities as the project develops.

## **5.9 Public Health Implications**

- 5.9.1 Activities have been developed with the aim of supporting the health and wellbeing of residents within both boroughs. The learning from these pilots will inform future project and service delivery.

## **5.10 Climate Change Implications**

- 5.10.1 The project design team is working to minimise the carbon footprint of the project. Current modelling indicates that the centres will be very energy efficient, while activities which link people to the natural environment through archives are being explored, with the aim of encouraging people to think about how this has changed over time and the potential impact of climate change.

## **6 Ward Members Affected**

- 6.1 This report relates to Shared Services that operate across both CE and CWAC so all wards are affected in both Councils.

## **7 Access to Information**

Documents are available for inspection at:

Cheshire East Democratic Services, Westfields, Middlewich Road, Sandbach  
CW11 1HZ

or:

Cheshire West & Chester Democratic Services, Civic Offices, Civic Way,  
Ellesmere Port, CH65 0BE

## **8 Contact Information**

8.1 Any questions relating to this report should be directed to the following officer:

Name: Paul Newman

Job Title: Archives and Local Studies Manager

Email: [paul.newman@cheshiresharedservices.gov.uk](mailto:paul.newman@cheshiresharedservices.gov.uk)

## **Cheshire East Council Cheshire West and Chester Council Shared Services Joint Committee**

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**Date of Meeting:** 25<sup>th</sup> March 2022

**Report Title:** Shared Service Review Update Report

**Senior Officer:** Jane Burns, Executive Director, Corporate Services, Cheshire East Council  
Mark Wynn, Chief Operating Officer, Cheshire West and Chester Council

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### **1 Report Summary**

1.1 This report provides an update of the progress of the shared services review and proposed next steps.

### **2 Recommendations**

2.1 It is recommended that Members:

- i) Note the progress to date of the Shared Services Reviews
- ii) Note the revised approach to business planning and reporting in section 8.6

### **3 Reasons for Recommendations**

3.1 The Shared Service Joint Committee terms of reference sets out that Joint Committee is responsible for overseeing changes related to the shared services.

3.2 A review of the arrangements between the two councils is being undertaken. This report brings members of the committee up to date on developments.

### **4 Background**

4.1 Cheshire East Council and Cheshire West and Chester Councils agreed to commission a strategic review of all the existing eight formal shared services. It was agreed that an external perspective and expertise would be valuable, and a specification was drawn up, a procurement exercise undertaken, and C.Co, the consultancy arm of CIPFA, were appointed to conduct the reviews. This work has largely been completed and is in the process of being reviewed.

## **5. Approach to the Shared Services Review**

5.1. The purpose of the review exercise is to:

- provide assurance on the operation of the shared service in terms of both meeting the objectives of each council and delivering value for money.
- to identify opportunities for efficiencies and financial savings; and,
- to identify how could the services work better and/or what will make them work better?

5.2. The review of all the shared services has been undertaken in three phases, this report provides a summary of progress:

Phase 1: ICT Shared Services – in depth review

Phase 2: Transactional Services – in depth review

Phase 3: Wider Shared Services (remaining six shared services) – light touch review

## **6. Summary Progress of Phase 1: ICT Shared Services (in depth review)**

6.1 The key findings of this review were reported to this committee on 24 September 2021. Further work on technical and financial assurance and due diligence was agreed. The more detailed exercise is required to fully understand the impacts, the delivery plan, the costs and the benefits of moving to the recommended ICT model before a decision is taken.

6.2 The due diligence work has been structured into key phases covering the following

- Initiation
- Design development
- Impact analysis
- Financial management
- Delivery plan

6.3 Both councils have fully committed to assisting with the review, providing data and key insight through workshops. Currently the review has focused on the technical aspects and begun to consider the financial elements but at the time of writing it is not possible to provide definitive conclusions. It is anticipated to complete by April 2022 as planned and the full findings of the review will be scheduled for consideration at the next Joint Committee. Following which, an implementation plan will be developed.

## **Summary Progress of Phase 2: Transactional Services (in depth review)**

6.4 The review of Transactional Shared Service has considered the strategic alignment between the Councils, efficiency and effectiveness of the service, through baselining costs, benchmarking against other councils and gaining a deeper understanding of performance from a customer perspective. It has then considered the best delivery model for the future and has recommended opportunities for further improvement.

6.5 Key findings included:

- A good level of strategic alignment between the two council, providing a good starting point to realise the benefits of a shared service
- A recognition of the scale of transformation and capacity required to deliver UNIT 4 ERP
- Costs and performance are broadly reflective of comparators
- There is a significant opportunity to review differences and standardise and design out avoidable demand
- Clear officer governance with defined client responsibilities should be implemented, together with a new shared service identity
- More qualitative performance measures should be identified
- There is the opportunity to revisit the pricing mechanism once UNIT 4 is fully embedded
- Services to schools should be reviewed

6.6 A full implementation plan is being drafted but has not been finalised due to the priority to support implementation of UNIT 4. This plan will be shared with the Joint Committee. It is expected that work to develop the implementation plan will be completed and available to be reported at the Joint Committee in June 2022.

## **7. Summary Progress of Phase 3: Wider Shared Services (Remaining Six Shared Services)**

7.1 The C.Co report on the findings and recommendations for the six smaller shared services is now complete.

7.2 A key finding was that not all the services could be defined as a full shared service and reflect a number of varying joint relationships. However, they are all subject to the same Shared Services governance, through the Shared Services Joint Committee (SSJC). This requires annual business plans to be submitted and quarterly performance reports to be provided.

- 7.3 As part of the review, the services were considered against a series of principles to assess whether they were truly a Shared Service, whether they operated as a Managed Service or were functioning as a Strategic Partnership. The following table provides further information on this categorisation.

Category	Definition	Categorisation for current shared services
Shared Service	Joint service with shared objectives, priorities and financial liabilities and benefits	<ul style="list-style-type: none"> <li>• ICT</li> <li>• Transactional Services</li> <li>• Emergency Planning</li> <li>• Archives and Local Studies (or a managed service)</li> <li>• Archaeology and Planning Advisory Service</li> </ul>
Managed Service	A service governed through a contract with fixed costs and defined deliverables expected by one party	<ul style="list-style-type: none"> <li>• Libraries Shared Service</li> </ul>
Strategic Partnership	Pooling specialist expertise to contribute towards delivery of an objective	<ul style="list-style-type: none"> <li>• Farms Estate Management</li> <li>• Cheshire Rural Touring Arts</li> </ul>

- 7.4 The review recommended a small number of recommendations to update service level agreements and budgeting arrangements. These recommendations will be progressed by each service and respective client managers. Engagement will take place with Shared Service managers in April with a view to implementation of the recommendations during 2022/2023. It is expected that each service manager, in consultation with the client managers, will develop an implementation plan which will be reported to Joint Committee.
- 7.5 One key message was to put in place more proportionate governance and reporting as a result of the categorisation above. Therefore, it is proposed that the following is put in place for the forthcoming financial year
- Business plans will be considered by Joint Committee for the five shared services – ICT, Transactional Services, Archives and Local Studies, APAS, and Emergency Planning.
  - These business plans will be considered at the next Joint Committee to ensure they are reflective of the Shared Service reviews. In future years they will be considered in March.



- iii. Other joint arrangements will be managed through officer client and provider relationships and overseen by each council through their democratic governance arrangements.
- iv. A balanced scorecard approach to performance management will be considered by Joint Committee on a bi-annual basis to provide the headline performance issues for each shared service and also any supporting information. This will enable more in depth and focused reviews than current quarterly reviews.
- v. Both councils will continue to report on performance quarterly through their governance arrangements
- vi. The Joint Committee will receive regular updates on the progress of Shared Service reviews through to implementation.

## 8. Next Steps – Timeframe

High level next steps, together with an indicative timeline are set out below. Full plans, with timescales will be available at the June Joint Committee.

Activity	Timeframe
ICT Due Diligence completed	April 2022
Engagement with Shared Service managers	April 2022
Service Managers to develop plans to implement the recommendations	May 2022
Business plans for 2022/2023 to be developed in accordance with paragraph 8.5 and submitted to Joint Committee	June 2022
Proposals for Shared Service Governance developed	June 2022
Full update report on the Shared Services Review implementation to Joint Committee	June 2022

## 9. Implications of the Recommendations

### 9.1 Legal Implications

The Shared Services Administrative Agreement sets out the overall arrangements in relation to the way the sharing Authorities will work together. This will be revised when revised arrangements are agreed.

## **9.2 Finance Implications**

The financial implications of each review have been covered in previous reports. The financial implications of the shared service review will be shared with the Joint Committee following due diligence.

## **9.3 Policy Implications**

Any changes to policy implications as a result of the findings and recommendations of the review will be identified by each service and taken through appropriate governance processes.

## **9.4 Equality Implications**

There are no direct Equality implications at this stage.

## **9.5 Human Resources Implications**

Implications for Human Resources are dependent on the recommendations arising as a result of each review where needed an action plan will be developed to take forward the recommendations and any HR implications will be considered as part of the action plan.

## **9.6 Risk Management Implications**

Any risks associated with the findings and implementation of recommendations will be made clear to members as they are understood.

Risks are included in each organisation's risk register as appropriate.

## **9.7 Rural Communities Implications**

There are no direct implications for Rural Communities.

## **9.8 Implications for Children & Young People/Cared for Children**

There are no direct implications for Children and Young People/Cared for Children.

## **9.9 Public Health Implications**

There are no direct implications for Public Health.

**9.10 Climate Change Implications**

There are no direct Climate Change implications

**9.11 Ward Members Affected**

This report relates to Shared Services that operate across both CE and CWC, therefore all wards are affected in both Councils.

**10. Access to Information**

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

**11. Contact Information**

**11.1** Any questions relating to this report should be directed to the following officer:

Name: Heather Grove

Job Title: Senior Manager: Business Development, Assurance, and Collaboration

Email: [heather.grove@cheshireeast.gov.uk](mailto:heather.grove@cheshireeast.gov.uk)

Name: Peter Lloyd

Job Title: Head of Transformation and Technology

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## **Cheshire East Council Cheshire West & Chester Council**

### **Shared Services Joint Committee**

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**Date of Meeting:** 25 March 2022

**Report of:** Jane Burns, Executive Director Corporate Services, Cheshire East Council

Mark Wynn, Chief Operating Officer, Cheshire West & Chester Council

**Subject/Title:** Best4Business Update

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#### **1.0 Report Summary**

- 1.1 The purpose of this report is to update Members on the latest position with regard to implementation of the replacement HR and Finance system for the Councils and their partners. The report provides an update on progress since the meeting of this committee in January 2022.
- 1.2 The report provides an update to Members of the Committee on the following key areas:
- Update on developments following the second programme go live;
  - Update on a post go-live transition plan which will lead to and support programme closure;
  - Update on the proposed approach for the planned Lessons Learned review of the programme later in 2022.

#### **2.0 Decisions Requested**

That Members:

- 2.1 Note the continuing activities leading to programme closure and exit from hypercare;
- 2.2 Note the “transition to business as usual” plan; and
- 2.3 Note the proposed approach to the ‘lessons Learned’ programme review.

#### **3.0 Reasons for Recommendations**

- 3.1 This paper provides information to the Committee Members to enable them to review the status of the delivery of a replacement Finance and HR system for both Councils.

## 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 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 Unit4 ERP system.
- 4.2 In November 2019 (Cheshire West & Chester) and December 2019 (Cheshire East), each Council's Cabinet approved recommendations relating to the Best4Business programme. This Committee was provided with an update regarding the scope and phasing of the programme, the revised programme governance arrangements, the procurement of external advisors, future arrangements for Member oversight of the programme and the scope of revised commercial arrangements with Agilisys.
- 4.3 Delegated authority was also given to senior officers to finalise negotiations and agree variations to the contract with Agilisys, and to update the Inter-Authority Agreement.
- 4.4 This Committee have received reports during 2021, on 19 February, 11 June, 23 July (held as an informal Committee), 24 September, 26 November, and also on 21 January 2022, reporting successful implementation of the remaining elements of the new solution.
- 4.5 This report provides an update to members of this Committee on progress in the implementation of these decisions, with a particular focus on progress post go-live and the terms of reference for the planned Lessons Learned programme review.

## 5.0 Programme Update

### Technical programme closure and post go live operations

- 5.1 At previous meetings of this Committee, members have been presented with a summary of the key programme plan dates for the implementation of the Unit4 ERP solution. Remaining milestone dates relating to the post implementation phase of the programme, and their current status, are as follows:

Milestone Activity	Outcomes	Target Completion	Progress Update
"Hypercare"	<ul style="list-style-type: none"> <li>Hypercare is a period of heightened support from the programme team to ensure any go live issues are resolved at pace</li> <li>The support team gradually take over the day-to-day support</li> </ul>	December 2021 / January 2022	<ul style="list-style-type: none"> <li>Extended to March 2022</li> </ul>
Programme Closure	<ul style="list-style-type: none"> <li>A post implementation review following the second go-live is undertaken</li> <li>All programme artefacts and documents are stored securely for future use and programme team are stood down</li> </ul>	April 2022	<ul style="list-style-type: none"> <li>Underway</li> </ul>

5.2 As previously reported, the key outcomes which will be delivered in order to achieve technical programme closure are:

Activity	Status
Finalise reconciliation and adjustment activity for December payroll.	Complete
All staff to be paid from Unit4 ERP for December payroll.	Complete
Support the upgraded system in “hypercare” mode until it is assessed as ready to move into “business as usual” – expected to take until into the new year, and with a formal hypercare exit decision required.	Review of hypercare exit criteria by Programme Board on 27 January 2022 – decision taken to extend hypercare period to end of March 2022 (see below).
Programme management support resources from Aмео, and software delivery resources from Agilisys, cease involvement and leave the programme team.	Resources required from Aмео and Agilisys to support programme closure to the end of March 2022 have been approved by Programme Board, with appropriate contractual arrangements in place. External resources will cease involvement with the programme at this point.
Most seconded Council employees who have formed part of the programme team return to their substantive roles within the Councils.	Transfer of the majority of the programme team back to business as usual roles has been achieved, with a small group of staff remaining to support the support team’s activities during hypercare.

### Hypercare

5.3 As noted above, the Programme Board made a decision at their meeting on 27 January 2022 to extend the period of “hypercare” (enhanced support arrangements) until the end of March 2022. This was in recognition of:

- The number of remaining defects requiring resolution following the launch of the HR and Payroll functionality in late 2021 (while noting that overall progress in resolving defects and incidents is very positive);
- The normal annual complex roadmap of system developments, upgrades and fixes in place leading up to the financial year end in March 2022;
- The continuing arrangement with our external programme management advisors Aмео for provision of system experts or “solution architects” to assist with developments and fixes until the end of March 2022; and
- The continuing secondment arrangements for a group of staff over and above the core Governance & Support team to underpin the activities listed above.

5.4 The position regarding exit from the “hypercare” phase will be reviewed as part of a wider plan to transition to business as usual, outlined in the following section.

5.5 Highlights from the recent period of time since the complete Unit4 ERP solution went live include:

- The most significant post-go-live system issues relating to payroll (not preventing payroll processing, but impacting efficiency and resource requirements) have been resolved, including ongoing challenges with transfer of payroll data to HMRC;
- Payroll payslips were consequently issued earlier for March 2022 than in previous months since the new system went live;
- A number of specific support sessions have been held or are being established for schools and academies users across both Councils, allowing education-specific queries to be raised and resolved – these arrangements include sessions with small groups of relevant users, specific support sessions with change champions dedicated to schools, and provision of a named contact within Transactional Services for urgent school and academy queries relating to the new system; and
- Generally, the volume of support queries being raised by users of the new system is falling following the HR and Payroll go live in November 2021.

### **Programme Closure and Transition to Business As Usual**

5.6 Activities leading to technical closure of the programme are set out in the previous section. Our external programme management advisors Ameo have carried out an initial lessons learned review, and produced a programme closure proposal report based on this review, which set out a number of considerations for the Council when moving forward into “business as usual”.

5.7 As part of their review of the programme closure proposal, the Programme Board has approved the development of a “transition to business as usual” plan, to enable a decision to be taken to close the programme safely and with confidence that all priority post-programme issues have been resolved satisfactorily.

5.8 The transition plan consists of a number of workstreams, set out below:

<b>Workstream</b>	<b>Outline Scope</b>
Future Governance	To design and implement the future joint governance arrangements (to include contract management arrangements) for Unit4 ERP.
System Management (stability)	To ensure that there are robust “business as usual” arrangements in place to prioritise and manage any outstanding defects and system functionality which are needed
System Management (change)	To ensure that there are robust “business as usual” arrangements in place to effectively plan, manage and deliver system changes i.e. change requests, new functionality, and system upgrades.
Knowledge Transfer	To ensure that the Governance and Support team have the relevant training, knowledge transfer and system/process documentation to function effectively in a “business as usual” environment once the programme has closed.



Workstream	Outline Scope
User Experience	To define the scope of user experience and identify what “good” looks like for users. Build an action plan around this which improves the user experience and measures improvement.
Communications	To produce an updated Communications Strategy which covers the next 6 months.
Year End	To review support needed for the financial year end at March 2022.

- 5.9 At the time of reporting, the Programme Board are developing delivery plans and supporting resource plans for the workstreams listed above, having due regard for those delivery elements which are highest priority, and agreeing timescales accordingly.
- 5.10 At the time of reporting, the Programme Board have approved a delivery plan for the workstreams listed above, which targets delivery of high priority outcomes for each workstream by Easter 2022, and lower priority items within an agreed timeframe beyond this.
- 5.11 As well as ensuring the arrangements for ongoing support for the new system are robust and agreed by all key stakeholders, delivery of the high priority elements of this transition plan is also structured with the scheduled departure of Ameo programme management and solution architect resources at the end of March in mind. An update on the outcomes of this transition plan will be brought to the next meeting of this Committee.
- 5.12 The “Future Governance” workstream has developed a proposed governance structure which fulfils the Councils’ contractual requirements within our contracts with the system supplier Agilisys, and which will oversee delivery of the “transition to business as usual” plan once Ameo resources depart from the programme.
- 5.13 The governance proposal will also ensure both Councils are appropriately engaged with this new shared governance arrangement, in terms of both strategic input into the delivery strategy for the new solution, and appropriate representation of key user groups in the operational management and support of the system.

## 6.0 Lessons Learned – Terms of Reference

- 6.1 As reported in previous reports to this committee, a full “lessons learned” review will be carried out and reported to members of this Committee and to the Best4Business Joint Scrutiny Working Group later this year. The proposed terms of reference will be signed off by the Joint Scrutiny Working Group. An overview of the likely areas of scope are included in Appendix A to this report.
- 6.2 At present a draft terms of reference is in circulation with members of the Joint Scrutiny Working Group and members of this Committee, with a planned timetable of signing off the terms of reference and subsequently completing the review by the end of July 2020 for onward reporting to Members.

## 7.0 Programme budget update

7.1 Current forecast programme expenditure is as follows – this is unchanged from the previous report to this Committee:

Programme Spend	Financial Year (actual) 20/21 £m	Financial Year (estimated forecast) 21/22 £m	Total forecast £m
Retained element for asset purchase	0.00	0.25	0.25
Estimated payments to software provider	2.44	0.64	3.08
Programme Management costs	2.34	0.84	3.18
Other (including training)	0.35	0.19	0.54
Less: chargeable to COVID	(0.06)	(0.14)	(0.20)
Less: costs charged outside programme	(0.27)	0	(0.27)
<b>Total</b>	<b>4.80</b>	<b>1.78</b>	<b>6.58</b>

7.2 Both Councils have made available funding sufficient to accommodate the overall costs of the programme as outlined above. For Cheshire West & Chester, funds have been set aside in an earmarked reserve as part of the 2020-21 outturn report and approval has been sought as part of mid year reporting to draw an appropriate level of funding down. For Cheshire East, capital funding, which has already been approved to support Core ERP systems during 2021-22, has been identified and will be transferred as necessary to the main B4B programme. Both Councils will continue to fund an equal share of programme costs. Some elements of the cost of the remaining programme relate to COVID-19 challenges and will be charged to appropriate COVID contingency funds. A final review of programme expenditure will be carried out and reported as part of the programme “lessons learned” review.

7.3 There is ongoing dialogue as to the cause of previously reported delays to the programme plan reported in November 2020, and the associated costs between the Councils and the provider. Dialogue is continuing regarding certain charges and additional delays. The programme is looking to resolve these issues as part of overall programme closure.

7.4 Additionally, as reported previously some costs have been incurred within the Councils to support the delivery of this programme. Directors in each Council have agreed to absorb the costs of Council staff within their own budgets, subject to a cost sharing mechanism between the Councils as agreed by this Committee in November 2019. These will be reported to members as part of the regular financial reporting within the Councils.

## 8.0 Wards affected

8.1 The implications of the recommendations in this report are borough-wide for both Councils.

## 9.0 Policy implications

9.1 There are no policy implications arising from the recommendations in this report.

## **10.0 Financial Implications**

- 10.1 Costs associated with the ongoing hypercare phase of activity and the delivery of the “transition to business as usual” plan are being funded as part of the revenue budget for the Governance & Support team, and will be reported through routine Transactional Services budget outturn reporting. A summary of the programme budget position is provided at section 7.

## **11.0 Legal Implications**

- 11.1 Each Council entered into a contract with Agilisys for the ERP System. Cheshire East Council are responsible for managing the contract through the implementation phase for both Councils. Each Council has identified an Authority Representative, who will act as the contract manager during the Operational Phase of the contract. The Councils entered into a Deed of Variation with Agilisys to reflect the reset of the programme. Under the Deed of Variation, work packages are agreed with Agilisys, setting out the services to be provided by them and the target price of the relevant resources, which are priced in accordance with the mechanism contained in the Deed of Variation provided that the Councils responsibilities and dependencies are met. No additional programme work packages have been agreed or are expected to be agreed post go-live. The cost of existing works orders is reflected in the budget update at section 7.
- 11.2 A comprehensive Inter Authority Agreement (IAA) was entered into by both Councils, at the time the original contracts were agreed with Agilisys. The IAA ensures that each Council's obligations to the programme are documented and ensures that Cheshire East Council are in a position to meet their contractual obligations on behalf of both Councils during the implementation phase. The IAA was updated when the Deed of Variation was entered into to reflect the reset of the programme. A further update to reflect the final phasing of the programme and associated costs, and handover to business as usual, will be carried out as part of the scope of the “future governance” workstream within the “transition to business as usual” plan.
- 11.3 Following implementation, each Council's ongoing operational management of the system will be managed through the separate contracts with Agilisys. Governance arrangements for the management of the contracts with Agilisys are part of the scope of the “future governance” workstream within the “transition to business as usual” plan.
- 11.4 Cheshire East entered into a contract with programme management advisors Ameo on behalf of both Councils. The costs of the agreement with Ameo are shared equally between the Councils through the IAA. No additional programme management work packages have been agreed or are expected to be agreed post go-live. The cost of existing works orders is reflected in the budget update at section 7.
- 11.5 Cheshire West & Chester entered into a contract for change management support with Augere Ltd on behalf of both the Councils. The costs of the agreement with Augere are shared equally between the Councils through the IAA. The cost of this contract is reflected in the budget update at section 7.

## **12.0 Risk management**

12.1 The programme risk register has been reviewed and closed, with relevant ongoing risks identified as part of the “transition to business as usual” plan. These risks continue to be reported to the Programme Board and managed as part of delivery of the transition plan.

## **13.0 Access to Information**

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

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: *Best4Business Programme Sponsor*  
: *Tel No: 01244 972890*  
: *Email: mark.wynn@cheshirewestandchester.gov.uk*

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: *Email: jane.burns@cheshireeast.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*

**SHARED SERVICES FORWARD PLAN**

<b>SSJC date</b>	<b>SSJC Agenda items</b>
<b>17/06/2022</b>	<ol style="list-style-type: none"> <li>1. B4B Programme Post Implementation and Lessons Learned Review Update</li> <li>2. Shared Services Review Update – Next Steps including timeline for implementation</li> <li>3. Shared Service Governance Proposals</li> <li>4. Archives Project Update – Future Costs</li> <li>5. SS Business Plans 2021/2022 Q4 Outturn Report</li> <li>6. SS New Business Plans 2022/2023 Report</li> </ol>
<b>22/07/2022</b>	<ol style="list-style-type: none"> <li>1. Shared Services Review – Implementation Progress Update Report</li> <li>2. B4B Lessons Learned Update</li> </ol>
<b>23/09/2022</b>	<ol style="list-style-type: none"> <li>1. Shared Services Review – Implementation Progress Update Report</li> </ol>
<b>25/11/2022</b>	<ol style="list-style-type: none"> <li>1. Shared Service Business Plans 2022/2023 – Mid-Year Update Report</li> <li>2. Shared Services Review – Implementation Progress Update Report</li> </ol>
<b>17/01/2023</b>	<ol style="list-style-type: none"> <li>1. Shared Services Review – Implementation Progress Update Report</li> </ol>
<b>17/03/2023</b>	<ol style="list-style-type: none"> <li>1. New Business Plans 2023/2024 Report</li> <li>2. Shared Services Review – Implementation Progress Update Report</li> </ol>

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