

Notice of Meeting

Cabinet

Date: Wednesday 9 October 2019
Time: 5.30 pm
Venue: Conference Room 1, Beech Hurst, Weyhill Road, Andover,
Hampshire, SP10 3AJ

For further information or enquiries please contact:

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Legal and Democratic Service

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This is formal notice under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 that part of this meeting may be held in private because the agenda and reports for the meeting may contain exempt information under Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it.

PUBLIC PARTICIPATION SCHEME

If members of the public wish to address the meeting they should notify the Legal and Democratic Service at the Council's Beech Hurst office by noon on the working day before the meeting.

Membership of Cabinet

MEMBER

WARD

Councillor P North (Chairman)

Bourne Valley

Councillor N Adams-King (Vice-Chairman)

Blackwater

Councillor P Bundy

Chilworth, Nursling & Rownhams

Councillor D Drew

Harewood

Councillor M Flood

Anna

Councillor A Johnston

Mid Test

Councillor T Tasker

Andover Romans

Councillor A Ward

Mid Test

Cabinet

Wednesday 9 October 2019

AGENDA

The order of these items may change as a result of members of the public wishing to speak

- 1 Apologies**
- 2 Public Participation**
- 3 Declarations of Interest**
- 4 Urgent Items**
- 5 Minutes of the meeting held on 11 September 2019**
- 6 Recommendations of the Overview and Scrutiny Committee: None**
- 7 Section 106 Developer Contributions - Construction of a new Play Space on Ampfield Recreation Ground 5 - 8**

Planning
To consider the release of Section 106 developer contributions to be used to fund the Parish Council's proposal of constructing a new play space at Ampfield Recreation Ground.
- 8 New HR System and Managed Payroll Service 9 - 12**

Leader
To consider the proposals for a new HR System and Managed Payroll Service.
- 9 Exclusion of the Public 13 - 14**

The following item is confidential.

10 **New HR System and Managed Payroll Service -
Exempt Annex**

15

Leader

Exempt information relating to item 8.

ITEM 7 Section 106 Developer Contributions – Construction of a new Play Area on Ampfield Recreation Ground

Report of the Planning Portfolio Holder

Recommended:

- 1. That Section 106 developer contributions, up to the value of £55,624.95, resulting from development within the parish of Ampfield be used to fund the Parish Council's proposal of constructing a new Play Space at Ampfield Recreation Ground.**
- 2. That consent be given for Ampfield Parish Council to complete an agreement with the preferred supplier.**
- 3. That subject to successful agreement with the preferred supplier Section 106 developer contributions be authorised for use towards the construction of the Play Space.**

SUMMARY:

- The Local Authority is required to use developer contributions to fund the provision and/or improvement of public open space in the parish of Ampfield.

1 Introduction

- 1.1 As a pre-requisite of granting planning permission appropriate benefits provided in association with new development are secured through the planning application process, by means of planning obligations under Section 106 of the Town and Country Planning Act 1990.
- 1.2 The following developments and related contributions towards public open space improvements are to be used for this proposal; a full list of contributions and their purpose is displayed within Annex A.
 - 09/00598/FULLS Land Adjoining Internos
 - 10/02992/FULLS Land Adjacent Ampfield Golf Club
 - 12/00915/FULLS Potters Heron
 - 12/01133/OUTS Land Adjoining Morleys Green
 - 13/01289/FULLS The Vicarage
 - 14/00508/FULLS Paddock
 - 15/01729/FULLS Land at Woodlands
 - 15/03170/FULLS Land at Broadgate Farm
 - 15/02193/FULLS Land at Potters Heron Close

2 Background/Consultations

- 2.1 As per the Council procedure, consultation has been carried out with officers in Planning Policy, Community and Leisure and Finance as well as the Planning and Building Portfolio holder Councillor Adams-King and Ampfield Ward Member Councillor Hatley.
- 2.2 All necessary approvals have been gained from ward member, Councillor Hatley.

3 Priorities

- 3.1 The proposal meets both the Live and Enjoy council priorities set out in the Corporate Plan 2015 - 2019 as shown below.
- 3.2 Live – Ensuring that new housing developments provide residents with a quality environment in which to live.
- 3.3 Enjoy – Delivering new outdoor spaces that people can enjoy.
- 3.4 Enjoy – Keeping our parks, nature reserves and recreational spaces in good order and well maintained.
- 3.5 Enjoy – Improving and delivering new leisure facilities for the borough.

4 Options

- 4.1 Option 1 – Approve the use of section 106 developer contributions, up to the value of £55,624.95, towards the construction of a new Play Space at Ampfield Recreation ground subject to the successful agreement between Ampfield Parish Council and the preferred supplier.
- 4.2 Option 2 – Approve the conditional use of section 106 developer contributions with a recommendation for changes to the preferred scheme.
- 4.3 Option 3 – Decline the use of section 106 developer contributions towards the proposal.

5 Option Appraisal

- 5.1 The only acceptable option in this case is Option 1 because the contributions in the requisite Legal Agreements specify that the use of the contributions are to be used for a Play Space project in the parish of Ampfield.

6 Risk Management

- 6.1 An evaluation of the risks associated with the matters in this report indicate that further risk assessment is not needed because the changes/issues covered do not represent significant risks or have previously been considered by Councillors (refer to date, relevant Cabinet or Committee meeting and item number).

7 Resource Implications

- 7.1 The funding for this project will come from Section 106, no other resources will be used.

8 Legal Implications

- 8.1 No legal implications subject to the written approved use of funds from the relevant signatories of the Section 106 Agreements containing a Children's Play Space Contribution.

9 Equality Issues

- 9.1 An EQIA is not needed because the issues covered do not raise any equality concerns, therefore a full EQIA has not been carried out.

10 Other Issues

- 10.1 Wards/Communities Affected - As mentioned the Section 106 developer contributions are to be used towards the provision and/or improvement of public open space within the parish of Ampfield

11 Conclusion and reasons for recommendation

It is recommended that Cabinet confirm the use of appropriate developer contributions to fund the proposed development of the Play Space at Ampfield Recreation ground.

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
None			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	1	File Ref:	N/A
(Portfolio: Planning) Councillor N Adams-King			
Officer:	Paul Jackson	Ext:	8186
Report to:	Cabinet	Date:	9 October 2019

ANNEX A

Applic No.	Agrmt Date	Development Site	Parish	Ward	Purpose	Type	Amount	Date Rec'd	Paid Out	Date Paid	Paid To	Balance
09/00598/FULLS	24-Aug-09	Land Adjoining Internos Knapp Lane	Ampfield	Ampfield and Braishfield	Playspace	Public Open Space	£973.90	14/01/2014				£973.90
10/02992/FULLS	14-Mar-11	Land Adjacent Ampfield Golf Club Winchester Road	Ampfield	Ampfield and Braishfield	Play Space	Public Open Space	£2,723.87	15/04/2014	£1,158.68	10/02/2015	Ampfield PC	£1,565.19
12/00915/FULLS	28-Jun-12	Potters Heron Hotel Winchester Road	Ampfield	Ampfield and Braishfield	Playspace	Public Open Space	£1,329.18	04/07/2012				£1,329.18
12/01133/OUTS	04-May-14	Land at Morleys Green, Morleys Lane, Ampfield	Ampfield	Ampfield and Braishfield	Children's Playspace	Public Open Space	£42,643.29	04/12/2015				£42,643.29
13/01289/FULLS	31-Jul-13	The Vicarage Knapp Lane	Ampfield	Ampfield and Braishfield	Children's Play Space	Public Open Space	£1,817.58	09/04/2015				£1,817.58
14/00508/FULLS	15-Jan-15	Paddock, Winchester Road, Ampfield	Ampfield	Ampfield and Braishfield	Children's Play Space	Public Open Space	£1,118.97	31/07/2017				£1,118.97
15/01729/FULLS	20-Oct-15	Land at Woodlands, Woodlea Way, Ampfield	Ampfield	Ampfield and Braishfield	Children's playspace - New Playground at Chapel wood	Public Open Space	£1,460.06	23/11/2016				£1,460.06
15/03170/FULLS	12-Apr-16	Land at Broadgate Farm, Hook Road, Ampfield	Ampfield	Ampfield and Braishfield	Children's Play Space	Public Open Space	£4,090.45	21/05/2018				£4,090.45
15/02193/FULLS	22-Dec-15	Land at Potters Heron Close, Ampfield	Ampfield	Ampfield and Braishfield	Children's Play Space	Public Open Space	£1,588.48	10/06/2019				£1,588.48

ITEM 8 New HR System and Managed Payroll Service

Report of the Leader of the Council

Recommended:

- 1. That bidder D (as shown in the confidential annex to this report) be appointed to provide a new HR System and Managed Payroll Service for the Council.**
- 2. That, in order to finance the additional one-off implementation costs in 2019/20, a draw of up to £70,000 from the Capacity Building Reserve be approved.**
- 3. That the ongoing savings associated with this new contract be noted.**

SUMMARY:

- Hampshire County Council (HCC) gave TVBC notice to end the shared service arrangement we have had in place since 2010 for the delivery of the HR System and Managed Payroll Service. This arrangement will cease from 31 March 2020.
- The timing of this notice period for the ending of these shared service arrangements did not enable any costs to be factored into the 2019/20 HR budget for the implementation of a new HR System and Managed Payroll Service.
- Establishing a new HR System and Managed Payroll Service with a different provider requires a significant set up phase prior to going live with a new Managed Payroll and HR self-service. This takes about 5-6 months and will cost approximately £70,000.
- The annual service management costs for a new HR System and Managed Payroll Service are less than the costs we currently pay HCC for the delivery of the same service. This means the additional implementation costs will be recovered within 3 years.

1 Introduction

- 1.1 The HR System and Managed Payroll Service has been provided via a shared services arrangement from HCC since 2010. This is due to come to an end on 31 March 2020 therefore we have undertaken a procurement exercise in order to ensure the continuation of this service from another provider from 1 April 2020.
- 1.2 Getting a new HR System and Managed Payroll Service set up requires a significant implementation phase including 2-3 months of dual running of the two payroll systems to ensure accuracy. This requires the Council to sign the new contract with a 5-6 month overlap to allow sufficient time to set up the new HR and payroll system with TVBC terms and conditions and transfer key data over to the new system ahead of any dual running. The additional costs for paying for the system during this implementation phase along with training and consultancy support to ensure accurate set up is approximately £70,000.

- 1.3 These additional costs were not known when the 2019/20 budgets were finalised but will need to be paid in the 2019/20 financial year.

2 Background

- 2.1 The current HR System and Managed Payroll Service has been delivered by HCC Transactional Payroll Service Team since 2010. This payroll service covers employee payroll, member payroll and periodic elections payroll.
- 2.2 HCC gave TVBC notice to terminate the Managed Payroll and SAP HR Services on 28 February 2019. In 2014 HCC transitioned onto a new SAP operating model which integrated both HR and Finance in a single instance of SAP. TVBC are the only customer of HCC on a different SAP model which is now becoming obsolete making managing the old infrastructure specific to TVBC challenging. They are unable to continue to provide the services to us beyond 31 March 2020 under the current arrangements as they are not able to support changes to pay requirements or legislative changes on an obsolete system. HCC have indicated it would be too costly for TVBC as a small employer to transition onto the new version of SAP and it doesn't fit with HCC's current operating model which is one of partnering with larger organisations.

3 Corporate Objectives and Priorities

- 3.1 It is a key operational requirement of the Council to provide an accurate and timely payroll service in line with legislative requirements and the Council's terms and conditions.

4 Options

- 4.1 We have undertaken a comprehensive procurement exercise both looking at alternative shared service options and evaluating suppliers offering HR Systems and Managed Payroll Services on the Government's Digital Marketplace "G-Cloud" framework.
- 4.2 The results of this procurement exercise are shown in the confidential annex to this report. Bidder D is the preferred supplier and Cabinet is recommended to award the contract to them.

5 Option Appraisal

- 5.1 The Council needs to ensure continuity of its payroll service from 1 April 2020. In order to ensure this continuity the Council needs to commence the implementation phase with the new provider as soon as possible. This requires the Council to sign the G-Cloud contract this month and make payments to cover the software licences and implementation costs from the commencement of the contract.

- 5.2 The software solution, is a cloud based system which integrates HR management and recruitment with payroll and has additional talent management and performance management options. The supplier offers a fully managed payroll service with self-service access from any mobile, tablet or PC device. It provides these services to over 1000 customers and has 42% of the market share in Local Government. The system has a flexible configuration to enable it to be adapted to TVBC terms and conditions.
- 5.3 The system will offer the Council additional functionality and the ability to integrate different areas of HR Management and Administration. It has a more user friendly customer interface compared with the current software and offers more flexibility to set up the system or make changes to the system in line with the Council's employment policies and terms and conditions of employment.

6 Risk Management

- 6.1 An evaluation of the risks indicate that the existing controls in place mean that no significant risks have been identified at this time. .

7 Resource Implications

- 7.1 The costs and savings of the new HR system and Managed Payroll Service are set out below:

		Existing Budget £000s	Cost £000s	Additional cost / (saving) £000s
2019/20	HCC Shared Service Contract	84	84	
	Implementation of new system	0	70	
		84	154	70
2020/21	New Managed Payroll Service	84	59	(25)
2021/22	New Managed Payroll Service	84	40	(44)
2022/23	New Managed Payroll Service	84	40	(44)
2023/24	New Managed Payroll Service	84	40	(44)
Net four year Contract Savings =				(87)

- 7.2 The implementation of the HR system will take a phased approach over 2 years, with essential work being undertaken between now and 1 April 2020 to ensure continuity of the payroll service and employee self-service.
- 7.3 The ongoing cost in year 3 and 4 of the contract, once all the modules have been implemented will be approximately half of the cost we currently pay HCC. This enables the implementation costs to be fully recovered during the first 3 years of the contract.

- 7.4 In view of the longer-term savings associated with this contract, it is recommended that the initial set up and implementation costs are financed from the Council's Capacity Building Reserve.

8 Legal Implications

- 8.1 The contract will be awarded under the G-cloud framework.

9 Conclusion and reasons for recommendation

- 9.1 Cabinet are asked to consider the approval of an additional budget of £70,000 in 2019/20 to cover the overlap in the two contracts for the HR System and Managed Payroll Service and the implementation costs for getting the new HR system set up to ensure continuity of payroll from 1 April 2020.

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
None			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
It is considered that the Exempt Annex to this report within the meaning of paragraph 3 of Schedule 12A of the Local Government Act 1972 in that the information relates to the financial or business affairs of both the Council and third parties and it is considered that in all circumstances of the case the public interest maintaining the exemption outweighs the public interest in disclosing it.			
No of Annexes:	1 - Confidential	File Ref:	N/A
(Portfolio: Leader) Councillor P North			
Officer:	Alex Rowland	Ext:	8251
Report to:	Cabinet	Date:	9 October 2019

ITEM 9

Exclusion of the Public

Recommended:

That, pursuant to Regulation 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting for the consideration of the following Annex on the following matters on the grounds that they involve the likely disclosure of exempt information as defined in the following Paragraphs of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, indicated below. The public interest in maintaining the exemption outweighs the public interest in disclosing the information for the reason given below:

New HR System and Managed Payroll Service – Exempt Annex Paragraph 3

It is considered that this Annex contains exempt information within the meaning of paragraph 3 of Schedule 12A of the Local Government Act 1972, in that the information relates to the financial or business affairs of both the Council and third parties and it is considered that in all circumstances of the case the public interest maintaining the exemption outweighs the public interest in disclosing it.

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