

Cabinet Report Appendix B

Project Implementation costs	
Budget item	What does this include?
Legal £101,775	<p>This includes the legal advice that has been procured from an external contractor which has informed the Business case and the Articles and Members Memorandum.</p> <p>Future legal work to be outsourced includes the preparation of two lease templates, one for dual use sites and one for sole occupancy sites, (the remainder are to be completed by legal services), the formation of the new company, the completion of the agreement for the transfer of the business and undertaking of the in scope facilities, functions and activities, and the novation of existing leisure contracts to the LATC. Further legal work to be outsourced will deal with the restrictions on the title, to enable the in scope facilities to be leased to the LATC.</p> <p>As stated above DCC's legal services department are continuing to support the project and will be undertaking a proportion of the work associated with the constraints on the titles, will complete the majority of the leases utilising the templates provided, will support the TUPE process, and be involved with and support the contract and governance elements of the project.</p>
Financial support £61,877	<p>This includes the salary for a company accountant for the LATC from Jan 2020; this is anticipated to be the earliest date by which an appointment can be made. An interim arrangement is required from August until December 2019 to advise and support both the Council and the LATC, to enable the project to work through the financial aspects that need to be established for the LATC to commence trading in April 2020. There will be changes to the Council's financial systems that need to be completed and there is an element of cost associated with the additional resource required in this respect.</p> <p>The finance department will continue to support and advise the project as it has done from inception, and where practicable will assist with the establishment of systems to accommodate the new working arrangements.</p>
Project Management £86,504	<p>This reflects the actual cost incurred to date for support from the Corporate Project Management team, and reflects the ongoing cost for a full time Project Manager to the completion of the project and the associated closure documentation.</p>

Property & Estates £16,000	This reflects the need for current condition surveys to be completed for each in scope facility, for inclusion within the relevant leases
LATC set up costs £124,467	<p>These are varied and include:-</p> <ul style="list-style-type: none"> • Further works that were required to establish the cost, such as consultant fees associated with understanding the change in the NNDR value if the dual sites are separately invoiced, costs for actuary to calculate any pensions liability. • Costs associated with the preparation of the LATC systems/policies/bank accounts etc in preparation for the go live date of April 2020; these include audit costs, advertisement costs, LATC Directors Liability insurance, training for LATC Directors and other key personnel in 2019/20. • Costs associated with the changes required to DCC's financial ledger and collaborative planning software, and potentially the payroll system • Costs associated with the regrading of SLT to manage the residual elements of Facilities Assets and Housing Service
Revenue savings £1,094,500	These are based on what was shown in the business case and includes the uplift in the rates anticipated when the rates bills for the dual use sites are split.
Revenue costs £309,421	These are based on what was shown in the business case and include a contingency sum.