

PROPOSED STERIA CONTRACT EXTENSION – COSTS & FUNDING

	2009-10	2010-11	April 2011 – Sep 2013	Total
	£000	£000	£000	£000
Costs				
Core Costs of Service for Districts	1,853	1,384	2,811	6,048
Amortised transition Costs	149	149	373	671
Amortised Transformation Costs	262	262	655	1,179
Total Costs	2,264	1,795	3,839	7,898
Funding				
Provision in Draft Budget	1,251	1,251	3,127	5,629
Steria Project Days	500	500	1,250	2,250
Projects Budget	263			263
Use of WC Internal Staff	250			250
Total Funding	2,264	1,751	4,377	8,392
Net Saving / Cost(-)	0	-44	538	494

Notes

1. In addition to the above, the Council will also need to carry out capital spending of £353,000 in 2009-10 to improve its infrastructure and enable the transformation savings to be made. This will form a 'first call' on the £500,000 provision for ICT infrastructure in the current draft Capital Programme for 2009-10.
2. Steria have agreed that both the transition and the transformation costs can be shared out on a straight line basis across the 4.5 years remaining of the contract.