

Common Areas of Spend Corporate Services

Standard Definition v1.2

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Introduction

About this Document

This document is one of a set as outlined below, and provides a standard definition for corporate services management information. It is not guidance for data surveys or a data survey in itself, but provides standard definitions that underpin individual information requests. It covers;

- The standard definitions that will be applied to operational data and management information to provide a common reference point.

It does not cover either

- Information assurance processes or
- Data collection processes

These will be addressed in documents supporting individual data collections.

Common Areas of Spend

Successive reports¹ into Government operations have highlighted concerns on the quality and comparability of management information on Government operations.

Feedback from departments has suggested that one cause of inconsistent data is the lack of agreed 'standards'. This has also led to a loss of collective focus and duplicated effort in the collection of operational data by the centre and by departments from arms length bodies (ALBs).

The Common Areas of Spend (CAS) work aims to establish agreed standard guidance and definitions by which departments and the centre can communicate on operational performance matters, streamlining data collection and improving data comparability over time.

The CAS are composed of the following areas:

Measure	Definition
People	Payroll and non-payroll workforce available to the department
Estate Costs	The cost, size and occupancy of the office estate
Procurement	Expenditure on goods and services with third party suppliers
Major Projects	Key projects delivering department agenda
ICT	The cost of ICT operations
Corporate Services	The delivery of 'back-office' functions
Fraud, Error and Debt	The value of fraud and error and the debt impact of these
SME and VCS	Spend and grants with SME and VCS organisations

For each CAS measure we will establish a standard definition which the centre will use as the basis for all relevant data collections. Over time, departments will embed these in processes and applications so that they can provide consistent and comparable information with minimal resource burden. Each CAS measure definition will be in a separate document defining a discrete dataset. However, the definitions are not designed to be additive as there will be cross-over between some measures.

This document builds on, and consolidates in one place, work across government where individual aspects of the standards applicable to this area have been addressed or are being developed. This

¹ *Efficiency Review*, Sir Peter Gershon – July 2004; *Operational Efficiency Programme: final report* – April 2009; *Efficiency Review*, Sir Phillip Green – October 2010.

document will be the source of standard definitions across government against which all information will be defined.

Value to Departments

The principle audience for operational data are Departments themselves – their management teams, boards, leaders and operational team members.

By using established standard definitions, it is expected that departments will derive a number of benefits, above and beyond those described above:

- Trend analysis – measuring changes over time
- Benchmarking across the public sector – comparing performance and sharing best practice
- Benchmarking where relevant, with external private or voluntary sector comparators – aiming for best in class performance

These standard definitions will also form the basis for the relevant sections of the Quarterly Data Summary to department business plans.

What is CAS for Corporate Services?

The Common Areas of Spend for corporate services defines metrics for people, both payrolled staff and non-payrolled resources, within Department corporate services, together with its costs and the factors that drive those costs in departments/agencies and non-departmental public bodies. The definitions are set out below.

CAS defines measures of resource, resource costs and other direct costs for the following functions:

- Human Resources (HR)
- Finance
- Procurement
- Legal Services
- Communications (Internal & External)

The data items defined by this document are summarised in Annex A. They are, for each of the corporate service functions listed above:

- Staff cost
- Consultancy and Contingent Labour (CCL) cost
- Outsourced activity cost
- Shared service cost
- Joint venture / mutual cost
- Other external advisory cost
- Other direct function cost
- Staff FTEs
- CCL FTEs

Additionally, for corporate services, there are cross-cutting elements which impact some/all of the CAS areas

- Organisational scope

Detail is provided in the Measure Detail section and the Data Dictionary providing technical specification for the data elements is included at Appendix A.

Generic areas (applicable to more than one CAS)

Organisational scope

Organisational scope will be set out in the commissioning documents for a specific survey and does not form part of the standard definitions. This will include the level of granularity of reporting i.e. department total or by individual organisation.

Public Bodies

ERG proposes to undertake a project to create an agreed and managed taxonomy for government organisations as a common frame of reference for dialogue between the centre and departments around government and departmental structure.

Measure Structure

This guidance defines the composition of the following key measures:

- People resource by function and activity.
- Cost of function and activity.

Measure Detail

Corporate Services

Corporate Services are defined as organisation-wide functions that deliver business support services, based on specialised knowledge, best practice and technology to serve internal customers in the delivery of departmental objectives. They include services provided directly in the pursuit of departmental objectives (for example, the creation of public information pamphlets or advice on the creation of a Bill), but exclude services provided to external customers; such as the public and private enterprise (for example, the provision of legal aid or processing tax returns).

The activities and range of Corporate Services covered by this guidance are detailed below under “Scope of Corporate Service Function”.

Corporate Services Function: People

The people measures are disaggregated into payroll staff and non-payroll workforce (Consultancy and Contingent Labour (CCL)). The number of employees and external resource engaged in an activity are measured as full time equivalents (FTEs). The direct costs of both employing staff and engaging external resource are measured as £ millions.

Counting People (Full Time Equivalents)

A payroll employee / non-payroll worker engaged on a corporate function is one who spends more than 50 percent of their time working on (including support functions e.g. HR admin staff) the corporate function – whether centrally or devolved in the organisation [i.e. only staff and cost associated with staff that spend more than 50% of their time are measured].

Note: Employees engaged within a corporate function include senior staff directly responsible for a corporate function (e.g. Head of Communications, Finance Director...) and support staff, who spend more than 50 percent of their time working on the corporate function.

Also see notes on outsourced and shared services below.

Full-Time Equivalents (FTE)

Full-time employees are counted as 1 full-time equivalent. Part-time employees' hours should be converted into those worked by full-time employees. For example, if a part-time employee worked 10 hours per week and the full-time working week in your organisation was 37 hours then the part-time employee would equate to 0.27 full-time equivalents (10 divided by 37).

The number of hours worked should be those that the employee is contracted to work for each week, so exclude breaks, paid and unpaid overtime from full-time equivalent calculations. Contracted hours of those people on leave (e.g. maternity leave) should be those that they were working before they left.

Payroll employees

A payroll employee is anyone aged 16 years or over that your organisation pays directly from its payroll(s), in return for carrying out a full-time or part-time job or being on a training scheme. Each employee should have a contract of employment.

There is a difference between counting employees (which is a measure of people) compared with jobs or posts (where one person may have more than one job). The number of employees with an employment contract who are being paid should be counted, rather than the number of jobs/posts.

If an employee has more than one job within an organisation they should be categorised based on the characteristics of the post in which the employee works the most hours i.e. permanent/casual, full-time/part-time.

Include:

- Agency workers paid directly from the organisation's payroll(s)
- Those temporarily absent but still on the payroll(s), for example on maternity leave
- Overseas workers, for example, those employees working in the Diplomatic Service and the British Council serving abroad. However, exclude locally engaged staff as these are not considered UK residents
- Employees on secondment or loan only if your organisation is paying for the majority (more than 50 per cent) or all of their wages. If the costs are split equally, the sending rather than the receiving organisation should count the employee. Employees seconded in from the private sector should be included if your organisation is paying for the majority or all of their wages.
- Workers who only work part of the year (e.g. those on casual or annualised hours contracts) if they are being paid at the reference point
- All those on paid maternity or paternity leave
- All those on paid sick leave (being paid either in full or part)
- All those on paid special leave

Exclude:

- Holders of political or statutory appointments, e.g. Ministers or special advisers
- Agency and other workers not paid directly from the payroll
- Seconded in / out of an organisation where the organisation is paying less than 50% of the costs.
- The self-employed
- Voluntary workers
- Former employees only receiving a pension
- Directors who do not receive a salary
- Workers who only work part of the year (e.g. those on casual or annualised hours contracts) if they are not being paid at the reference point
- All those on career breaks
- All those on unpaid leave
- Judicial appointments.

Non-payroll workforce

Non-payroll workforce is split into consultancy and contingent labour. Contingent labour covers those workers engaged to cover business-as-usual or service delivery activities within an organisation. Consultancy covers those providing management with objective advice relating to strategy, structure, management or operations of an organisation, in pursuit of its purposes and objectives.

Generally, workers are included within non-payroll workforce if they are not paid directly from an organisation's payroll. However, there are exceptions where noted in the definition of payroll employees above.

The non-payroll workforce and costs are composed of the follow elements.

Contingent Labour

As described above, contingent labour describes workers engaged to cover business-as-usual or service delivery activities within an organisation. The various categories of contingent labour are described below:

Agency Workers – Admin and Clerical	<p>Admin & Clerical agency staff are normally lower grade individuals who are actually filling in for a role within the organisational structure and are ideally used on a short term basis.</p> <ul style="list-style-type: none"> • Normally engaged on an ad hoc or temporary basis to fulfil requirements within established posts. • Involves providing cover (e.g. for a vacancy, holiday or sickness) or additional resource (e.g. for a seasonal peak in workload). • Usually engaged in a functional operational (not professional) role.
Interim Managers	<p>Interims are normally middle- to senior-grade staff working in an organisation, concerned with the fulfilment of particular professional functional or senior management positions within the organisational structure (usually covering Business-as-Usual activities or providing cover for a role) and ideally engaged on a short term basis.</p> <ul style="list-style-type: none"> • May involve providing cover (e.g. for a vacancy, holiday or sickness) or additional resource (e.g. for a new team until someone is recruited, or a seasonal peak in workload). • May include Professional Interim Staff (e.g. senior qualified professionals in areas such as legal, finance, audit) and Interim Managers (including up to the most senior levels of the organisation). • Likely to include a degree of organisational involvement (e.g. managing staff, representation at meetings) • typically engaged through an agency although in some cases may be engaged directly
Specialist Contractors	<p>Specialists are normally middle to senior grades, used to provide expertise that is not available in-house, fulfilling functional or senior positions within the organisational structure and ideally engaged on a short term basis.</p> <ul style="list-style-type: none"> • May include sub-categories of Finance, HR, IT, Legal, Logistics, Marketing, Medical, Procurement, Estates, Technical and Other. • Not staff substitution; specialists are used to provide additional resource, skills and expertise, not to cover vacancies etc. • Should not normally include management functions or similar organisational involvement. • Usually involved in a defined package of work or project rather than business as usual activities, but not in an advisory capacity • Not always provided through an agency. • Not always provided through an agency.

Consultants/Consultancy

As described above, consultants/consultancy provide(s) management with objective advice relating to strategy, structure, management or operations of an organisation in pursuit of its purposes and objectives. Such advice will be provided outside the 'business-as-usual' environment when in-house knowledge and experience are not available and will be time-limited. It may include the identification of options with recommendations, or assistance with (but not the delivery of) the implementation of solutions i.e. consultants may be used to fill gaps in knowledge and experience within an organisation, but not to replace roles that would normally be undertaken by directly employed staff.

The various categories of consultancy are described below:

Finance Consultancy	The provision of objective finance advice including advice relating to corporate financing structures, accountancy, control mechanisms and systems. This includes both strategic and operational finance.
IT/IS Consultancy	The provision of objective IT/IS advice including that relating to IT/ IS systems and concepts, strategic IT/IS studies and development of specific IT/IS projects. Advice related to defining information needs, computer feasibility studies, making computer hardware evaluations and to e-business should also be included.
Strategy Consultancy	The provision of strategic objective advice including advice relating to corporate strategies, appraising business structures, Value for Money reviews, business performance measurement, management services, product or service design, and process and production management.
Legal Consultancy	The provision of external legal advice and opinion including advice in connection with the policy formulation and strategy development particularly on commercial and contractual matters.
Property & Construction Consultancy	Provision of specialist advice relating to property services and estates including portfolio management, design, planning and construction, tenure, holding and disposal strategies.
Human Resource, Training & Education Consultancy	The provision of objective HR advice including advice on the formulation of recruitment, retention, manpower planning and HR strategies, and advice and assistance relating to the development of training and education strategies.
Technical Consultancy	The provision of technical advice including the provision of technical studies, prototyping and technical demonstrators, concept development, project and task based technical advice.
Marketing & Communications Consultancy	The provision of objective marketing and communications advice including advice on the development of publicising and the promotion of the Department's Business Support programmes, including advice on design, programme branding, media handling, and advertising.
Organisation & Change Management Consultancy	Provision of objective advice relating to the strategy, structure management and operations of an organisation in pursuit of its purposes and objectives. Advice related to long range planning, re-organisation of structure, rationalisation of services, general business appraisal of organisation should also be included.
Procurement Consultancy	The provision of objective procurement advice including advice in establishing procurement strategies.
PPM Consultancy	The provision of advice relating to ongoing programmes and one-off projects. Advisory support in assessing, managing and or mitigating the potential risks involved in a specific initiative; work to ensure expected benefits of a project are realised.

Corporate Services Function: Cost

The provision of these functions have a number of common cost elements. A significant part of this will be consistent with the administration part of your resource budget that is a subset of the Departmental Expenditure Limit (DEL) associated with staff in the function.

Corporate service cost is broken down as follows and the individual data items defined at detailed at Annex A: Data Items Summary;

- **Staff costs – composed of**
 - Basic Pay (Direct wages and salaries)
 - Allowances
 - Overtime
 - Staff paid from programme budgets
 - Employer National Insurance contributions
 - Employer pension contributions
 - Non-consolidated performance pot (e.g. bonuses)
- **CCL costs composed of**
 - Salary costs
 - National Insurance
 - Agency / consultancy margin
- **Outsourced activity costs / income (see notes below)**
- **Shared service costs / income (see notes below)**
- **Joint Venture / Mutual Costs (see notes below)**
- **Other external advisory costs (see notes below), and**
- **Other direct function costs (composed of the below)**
 - Travel and subsistence costs;
 - Specialist training and library/publications costs;
 - Costs of producing corporate publications (e.g. annual report, staff handbook);
 - IT costs for specialised systems directly attributed to a function (e.g. finance systems) including costs of capital, such as depreciation, where appropriate; and,
 - Accommodation costs which are directly managed and attributed to a function (e.g. general training rooms (HR) or dedicated call / transaction centre) including costs of capital, such as depreciation, where appropriate.
 - Procurement of function specific items.

Where applicable costs should exclude VAT.

Staff costs should be the total cost over the period for all staff who met the criteria for inclusion outlined on page 6 ('Counting People) for the duration that they were in a relevant position.

Note: where a department has an income from an activity within a corporate function (e.g. provision of a shared service) then this should be offset against the cost of the function to give a true picture of the cost to Government.

The scope of staff and CCL for which cost will be attributable are outlined under the “Corporate Services Function: People” guidance above.

Other overhead costs

All other overhead costs (e.g. provision of standard IT / office estate) are not included as part of this definition. These are either included in other measures including cost of property in Estates, IT costs apportioned through cost of desktop or are overheads resulting from one of the other corporate services areas e.g. finance support for procurement, HR support for finance etc.

Where other overhead costs are to be reported it should be stated in the specific data survey’s commissioning documentation and the appropriate definitions will be utilised from the appropriate documents (e.g. Estates / ICT).

Note to data requesters - Total Corporate Service Function Cost & Total Corporate Services Cost

Where a measure of total corporate function or total corporate services cost is required it should not be assumed that adding the above costs together will return an accurate figure. The individual costs broken out above may not be discrete and as such reporting departments must be able to make a judgement in the calculation of total cost. In such instances departments should be able to include notes to explain the reasons for overlap between costs.

Outsourced activities, Shared Services and Mutuals

Outsourced

Costs for outsourced activities should be included in the total function and specific activity cost. However, where activities have been outsourced the personnel employed by the outsourcing provider should not be counted as staff returned as headcount or FTEs by the customer department.

Shared Services

Where functions and activities are provided as a shared service departments / organisations must ensure that they report the appropriate costs and headcount / FTEs as follows:

Cost

- *Customers* of shared services should report the total amount they pay to the shared service provider.
- *Shared Service Providers* (where they are a Government department) should report the total cost of the shared service function, net of any payments received from customers.

Staff

- Only those departments that host shared service functions should report FTEs for that shared service as part of their function FTE figure.

Joint Venture / Mutual

Where functions and activities are provided by a joint venture / mutual the cost of using that service by the department should be recorded. Where appropriate (a practical decision should be taken by the reporting department and communicated to the data requester) the number of FTEs employed by joint ventures / mutuals should be reported. [Note: as joint ventures and mutuals are created and charging / staffing / ownership structures become clearer this definition may need to be developed.]

For mutuals, core costs and indicative headcount be included where the mutual employs civil servants, with core costs only included where the mutual effectively provides an outsourced activity.

Other external advisory costs

Some costs associated with external advice fall outside the scope of consultancy, outsourcing and shared services. These other costs are defined as "Other external advisory costs". An example of these costs is the use of external legal advice through solicitors, counsel (barristers).

Corporate Services Function: Cost Drivers

There are a number of factors which will drive the cost of a department's / organisation's corporate services function. These vary between function and some are measurable. Use of these cost driver metrics can assist understanding of why there are variations in cost of running functions between

departments. Definitions for a number of these cost drivers are available in other CAS guidance documents.

Scope of Corporate Service Functions

The guidance below sets out the activities considered to be in and out of scope for each function. If this differs with departmental / organisational convention data must be reported as set out below to ensure consistency across government.

Human Resources

For the purposes of this definition, Human Resources is composed of the activities listed in the table below irrespective of how the HR function is organised within a department:

In scope activities:

HR strategy, planning and commissioning	Developing and driving forward departmental people strategy, advice to board and senior management, commissioning services from internal suppliers and management of external suppliers
Change management and organisation development	The alignment and engagement of people and culture to ensure that departments can deliver efficient and effective services, support for reorganisation and restructuring and designing organisation structures e.g. roles, capability profiles
Performance and capability management	Competency and skills development planning and frameworks, performance standards, employee appraisal, secondments, absence management
Reward and recognition	Pay and reward strategy, flexible benefits, post grading, pay and benefits administration, salary and benefit surveys, provision of advice on reward issues and employee incentive and recognition schemes, pensions commissioning and internal administration (excluding contributions)
Employee relations and engagement	Staff terms and conditions of employment, industrial relations, diversity and equalities in employment, tribunal claims, grievance and discipline, employee involvement, networks and staff communications on HR matters, commissioning of employee assistance and welfare, and commissioning of occupational health assessment and testing
Casework (excluding query answering)	Expert intervention on individual cases relation to attendance, discipline, unsatisfactory performance, standards of behaviour, grievance, harassment, discrimination and bullying
Management Information Services	Synthesis, analysis and reporting of people related data
Policy	Research, development, implementation, advice and guidance on employee policy
Resourcing	Workforce planning, workforce remodelling, job analysis and design, recruitment and selection (internal / external / graduate / talent schemes), redeployment, surplus management and transfers, redundancy, administration of leaving process – exit and post-exit interviews
Generic learning and development	Strategy, training needs analysis, commissioning, delivery and evaluation of learning and development
HR Information / Query Answering (non-Resourcing)	Employee record management and maintenance, maintenance of organisational data, service desk management and self service and first tier query answering that is not related to resourcing activities

Out of scope activities:

Commissioning consultancy and contingent labour	The commissioning of consultancy and contingent labour is driven by business areas and paid for through their budgets.
Payroll (including pension contributions)	Payroll (including pension contributions) is considered to be part of the finance function.
Ensuring equality and diversity in the delivery of departmental services to end users	Equality and diversity covering both departmental employees and services to end users are commonly grouped together organisationally to make best use of expertise. However only activity in relation to the former should be included within this definition.

Health & Safety	Health & safety activity is considered to be out of scope for the purposes of this definition.
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Finance

For the purposes of this definition Finance is composed as follows:

In scope activities:

Financial transaction processing	Accounts payable, accounts receivable, travel and subsistence payments, banking and cash funding and administration of finance systems.
Payroll	Processing transactions relating to payroll. Calculation, application of statutory requirements and payment transactions.
Business decision support	Support the creation of corporate and business plans, business plan appraisal and analysis (including strategic financial planning) , administration of business decision and planning process, financial planning (including budgeting, forecasting and tax planning), performance measurement, investment appraisal, financial aspects of policy, programme/project and contract management (finance support), Cash, corporate and treasury management, risk management, governance, business partnering and provision of commercial advice.
Reporting and control	Production of mandatory and management reports and accounts (e.g. production of Resource and WAG, Estimates), creation and maintenance of financial controls, financial / management information reporting systems, tax compliance and revenue protection, fixed assets and capital accounting, cost, inventory and contract accounting.
Management of grant payments	Support payment of grants to grant funded bodies, manage grant payment queries and issues
Training	Specialist finance training

Also note Staff within the department working on financial processes relating to staff in formula funded areas such as PCTs and police forces are included.

Out of scope activities:

Audit	Internal Audit, Forensic accounting, anti-avoidance
Regulatory functions	Development , maintenance, discharge and enforcement of regulatory functions

Procurement

For the purposes of this definition Procurement is composed as follows:

In scope activities:

Development of procurement policy or practices	Creation of internal procurement processes for business, ensuring all organisational procurement complies with necessary legislation and policy
Core procurement activity	Specifying, sourcing (including strategic sourcing), providing access to and management of external resources and/or assets, management of tender process, commissioning, procurement support services, pricing, T&Cs and legal (i.e. IPR, Liability, Insurance etc);
Category management	Creation of category management strategy, implementation of a market facing categorisation structure, management of purchasing categorised goods and services
Procurement system management	Management and administration of purchase-to-pay (P2P) and other e-procurement systems, provision of management information, electronic reconciliation and issues management, spend analysis, eSourcing including tendering and evaluation.
Supplier engagement and relationship management	Managing suppliers to continuously improve and achieve efficiency savings within contracts, through regular meetings and reviews. Actively working with the supplier to support change and improvement. Continuity of supply.
Inventory and logistics management	Management of storage, transport and distribution of internal and/or external goods.
Contract management	Day to day management of existing contracts, regular "catch-up" meetings with suppliers, price change negotiations, issues resolution, performance monitoring and exit strategy.
Also note	Any payments made to third parties to conduct procurement on the organisation's behalf should also be included in the costs of procurement. E.g – payments under SLA's with other departments

Out of scope activities:

Accounts payable	Accounts payable activity is considered to be part of the finance function.
Routine requisitioning and transactional activity	Routine purchasing activity which is part of the day-to-day activity of all departmental / organisation staff, e.g. Booking train tickets, car hire, stationery orders
Business case preparation and evaluation	Preparation and evaluation of business cases is conducted in business areas and finance function.

Legal Services

For the purposes of this definition Legal Services is composed as follows:

In scope activities:

Civil litigation	Conduct civil litigation on behalf of the department / organisation
Advisory (includes policy, EU, Bill work, SI drafting, employment and commercial)	Provision of expert legal advice to departmental / organisation bill teams, policy areas in line with departmental / organisational responsibilities. Provision of expert legal advice to other internal corporate functions, for example HR issues, procurement etc...

Out of scope activities:

Provision of legal advice / support to third parties	Excludes staff time, activities and payments for the provision of legal advice or support to individuals or organisations outside central government (e.g. the provision of / payment for legal aid).
Non-legal professions time / activity	Excludes staff time or activities covered in other professions within corporate services (e.g. the cost of procurement advice over engaging legal support).
Criminal litigation	Conduct departmental / organisation prosecutions, provide expert legal resource to enforcement and investigation activities in line with departmental / organisational remit

Communications

For the purposes of this definition Communications is composed as follows:

In scope activities:

External Communications - Press	All costs associated with press office and media activities/functions including but not limited to: <ul style="list-style-type: none"> • Media handling • Media evaluation and monitoring • Media-focused ministerial events/visits • News planning (e.g. managing a grid) • Public relations • Speech writing undertaken by communications staff • Public affairs (in arms-length bodies).
External Communications – Other	All costs associated with other external communications activities/functions including but not limited to: <ul style="list-style-type: none"> • Campaign management • Campaign evaluation • Events management (non-ministerial, non-news) • Partnership marketing • Insight and research • Design, editorial, copywriting & print management • Strategic communications and stakeholder engagement • Brand management and corporate communications • Advertising management and production (excluding recruitment advertising but including statutory advertising) • Communications planning and media buying • Digital communications, including social media
Internal Communications	All costs associated with internal communications activities/functions including but not limited to: <ul style="list-style-type: none"> • Employee engagement • Internal publications • Intranet and internal digital media • Staff events and conferences

Note: All communications programme / procurement spend from April 2012 will be through Government Procurement Service (GPS) communications contracts. When programme / procurement spend data is available from GPS this should be used as the only source for spend on Communications related procurement to ensure consistency across government.

Out of scope activities:

Activity co-ordinated but not undertaken by communications function	Such as PQs, correspondence, FOIs and speech writing, where this work is completed by private office, policy teams and other parts of the business.
Business customer contact service	Customer contact services that are operated by the central communication function on behalf of the organisation (e.g. call centres, online services).
Research and analysis undertaken primarily to inform policy or service delivery	For example customer or market segmentation analysis, econometric modelling, as this activity is undertaken for the benefit of business areas.

Frequently Asked Questions

Why are Estates and ICT excluded?

Estates and ICT definitions are included in separate definition documents.

Units

Spend should be recorded in £ millions

Staff should be recorded as FTEs

What constitutes departmental / organisation “corporate services”?

For the purposes of this guidance corporate services includes the provision of the following functions:

- Human Resources (HR)
- Finance
- Procurement Function
- Legal Services
- Communications (Internal & External)

Why measure staff as FTEs?

Measuring staff in a particular function as full time equivalents rather than headcount converts part-time staff time into its full time equivalent. This gives a better indication of the human resource dedicated to a function over headcount as the number of staff hours will vary.

How should I count the number of FTEs for a function?

Full-time equivalents are counted as 1 full-time equivalent. Part-time employees' hours should be converted into those worked by full-time employees. For example, if a part-time employee worked 10 hours per week and the full-time working week in your organisation was 37 hours then the part-time employee would equate to 0.27 full-time equivalents (10 divided by 37). For the purposes of counting FTE's overtime should be excluded.

What is a shared service?

A shared service arrangement is where several departments / organisations consolidate a function or activity. Provision of the activity or function may no longer take place within the department / organisation. Often one body will take on the role of the Shared Service Provider with the other organisations becoming customers.

What is an outsourced activity / function?

An outsourced arrangement is where a defined function or activity is taken on by a third party, i.e. non-government organisation, in exchange for payment. With an outsourcing arrangement provision of the function or activity is taken outside of Government.

In some cases staff previously providing this service within a department / organisation will transfer to the third party at which point they are no longer considered Government employees for the purposes of this guidance. Therefore, no staff fulfilling an outsourced function should be counted for the purposes of this guidance.

What is a mutual / joint venture?

In this context “mutual” refers to the product of a transfer of a government service into one of a variety of forms of employee ownership.

The joint venture is a particular mutual model in which employees have a stake along with one or more partner organisation(s). This combines employee ownership with additional expertise and capital investment.

Should staff providing a shared service be counted for the purposes of this guidance?

Yes. A reasonable estimate of the effort spent in providing the service to an individual department / organisation by a shared service should be included in data returned following this guidance.

Should staff working on a function / activity as part of an outsourced arrangement be counted for the purposes of this guidance?

No. These individuals are not (no longer) Government staff and therefore should not be counted. However, all costs associated with outsourced arrangements for the specified period should be included.

Should overheads not defined in this guidance be included in function costs?

No. Only costs specifically outlined in this guidance should be included. This is to ensure consistency of measurement across government. Other overhead costs such as the provision of non-specialist IT equipment or office space should not be included.

Where a function makes use of another functions service (e.g. procurement making use of legal services) how should these costs be assigned?

In such cases the costs of providing this service should be assigned to the service providing function. So in the above example the cost would remain within legal services and not be assigned to procurement. This is to ensure consistency and to avoid double counting.

Appendix A: Data Items Summary

Data Member ID	Data Member Name	Description	Type
CS1	Cost of HR Function - staff costs	Cost of the HR function staff (£m).	Decimal (15,2)
CS2	Cost of HR Function - CCL costs	Cost of the HR function CCL (£m),	Decimal (15,2)
CS3	Cost of HR Function - outsourced activity costs	Cost of the HR function outsourced activities (£m)	Decimal (15,2)
CS4	Cost of HR Function - shared service costs	Cost of the HR function shared services (£m)	Decimal (15,2)
CS5	Cost of HR Function – joint venture / mutual costs	Cost of the HR function joint venture / mutual (£m).	Decimal (15,2)
CS6	Cost of HR Function - other external advisory costs	Cost of the HR functions external advice which does not fall under any of the other cost headings, ex. VAT.	Decimal (15,2)
CS7	Cost of HR Function - other direct function costs	Cost of the HR function other direct costs (£m) , ex. VAT. Other direct costs are: <ul style="list-style-type: none"> o Travel and subsistence costs; o Specialist training and library/publications costs; o Costs of producing corporate publications (e.g. annual report, staff handbook); o IT costs for specialised systems directly attributed to a function (e.g. finance systems) including costs of capital, such as depreciation, where appropriate; and, o Accommodation costs which are directly managed and attributed to a function (e.g. general training rooms (HR)) including costs of capital, such as depreciation, where appropriate. 	Decimal (15,2)
CS8	No. HR Staff - FTEs	Full time equivalent (FTE) number of staff working as part of the HR function.	Decimal (15,2)
CS9	No. CCL - FTEs	Full time equivalent (FTE) number of staff working as part of the HR function.	Decimal (15,2)
CS10	Cost of Finance Function - staff costs	Cost of the Finance function staff (£m).	Decimal (15,2)
CS11	Cost of Finance Function - CCL costs	Cost of the Finance function CCL (£m).	Decimal (15,2)
CS12	Cost of Finance Function - outsourced activity costs	Cost of the Finance function outsourced activities (£m).	Decimal (15,2)
CS13	Cost of Finance Function - shared service costs	Cost of the Finance function shared services (£m).	Decimal (15,2)
CS14	Cost of Finance Function – joint venture / mutual costs	Cost of the Finance function joint venture / mutual (£m).	Decimal (15,2)
CS15	Cost of Finance Function - other external advisory costs	Cost of the Finance functions external advice which does not fall under any of the other cost headings.	Decimal (15,2)

Data Member ID	Data Member Name	Description	Type
CS16	Cost of Finance Function - other direct function costs	Cost of the Finance function other direct costs(£m). Other direct costs are: o Travel and subsistence costs; o Specialist training and library/publications costs; o Costs of producing corporate publications (e.g. annual report, staff handbook); o IT costs for specialised systems directly attributed to a function (e.g. finance systems) including costs of capital, such as depreciation, where appropriate; and, o Accommodation costs which are directly managed and attributed to a function including costs of capital, such as depreciation, where appropriate.	Decimal (15,2)
CS17	No. Finance Staff - FTEs	Full time equivalent (FTE) number of staff working as part of the finance function. (Average number of staff for the financial year)	Decimal (15,2)
CS18	No. CCL - FTEs	Full time equivalent (FTE) number of staff working as part of the finance function.	Decimal (15,2)
CS19	Cost of Procurement Function - staff costs	Cost of the Procurement function staff (£m).	Decimal (15,2)
CS20	Cost of Procurement Function - CCL costs	Cost of the Procurement function CCL (£m).	Decimal (15,2)
CS21	Cost of Procurement Function - outsourced activity costs	Cost of the Procurement function outsourced activities(£m).	Decimal (15,2)
CS22	Cost of Procurement Function - shared service costs	Cost of the Procurement function shared services (£m).	Decimal (15,2)
CS23	Cost of Procurement Function – joint venture / mutual costs	Cost of the HR function joint venture / mutual (£m).	Decimal (15,2)
CS24	Cost of Procurement Function - other external advisory costs	Cost of the Procurement functions external advice which does not fall under any of the other cost headings.	Decimal (15,2)
CS25	Cost of Procurement Function - other direct function costs	Cost of the Procurement function other direct costs(£m). Other direct costs are: o Travel and subsistence costs; o Specialist training and library/publications costs; o Costs of producing corporate publications (e.g. annual report, staff handbook); o IT costs for specialised systems directly attributed to a function (e.g. finance systems) including costs of capital, such as depreciation, where appropriate; and, o Accommodation costs which are directly managed and attributed to a function including costs of capital, such as depreciation, where appropriate.	Decimal (15,2)
CS26	No. Procurement Staff - FTEs	Full time equivalent (FTE) number of staff working as part of the organisation's procurement function. (Average number of staff for the financial year)	Decimal (15,2)
CS27	No. CCL - FTEs	Full time equivalent (FTE) number of staff working as part of the HR function.	Decimal (15,2)
CS28	Cost of Legal Function - staff costs	Cost of the Legal function staff (£m).	Decimal (15,2)
CS29	Cost of Legal Function - CCL costs	Cost of the Legal function CCL (£m).	Decimal (15,2)
CS30	Cost of Legal Function - outsourced activity costs	Cost of the Legal function outsourced activities(£m).	Decimal (15,2)

Data Member ID	Data Member Name	Description	Type
CS31	Cost of Legal Function - shared service costs	Cost of the Legal function shared services (£m).	Decimal (15,2)
CS32	Cost of Legal Function - other external advisory costs	Cost of the Legal functions external advice which does not fall under any of the other cost headings.	Decimal (15,2)
CS33	Cost of Legal Function – joint venture / mutual costs	Cost of the Legal function joint venture / mutual (£m).	Decimal (15,2)
CS34	Cost of Legal Function - other direct function costs	Cost of the Legal function other direct costs (£m). Other direct costs are: <ul style="list-style-type: none"> o Travel and subsistence costs; o Specialist training and library/publications costs; o Costs of producing corporate publications (e.g. annual report, staff handbook); o IT costs for specialised systems directly attributed to a function (e.g. finance systems) including costs of capital, such as depreciation, where appropriate; and, o Accommodation costs which are directly managed and attributed to a function including costs of capital, such as depreciation, where appropriate. 	Decimal (15,2)
CS35	Number of Legal Staff - FTEs	Full time equivalent (FTE) number of staff working as part of the organisation's legal function. (Average number of staff for the financial year)	Decimal (15,2)
CS36	No. CCL - FTEs	Full time equivalent (FTE) number of staff working as part of the HR function.	Decimal (15,2)
CS37	Cost of Communications Function - staff costs	Cost of the Communications function staff (£m).	Decimal (15,2)
CS38	Cost of Communications Function - CCL costs	Cost of the Communications function CCL (£m).	Decimal (15,2)
CS39	Cost of Communications Function - outsourced activity costs	Cost of the Communications function outsourced activities (£m).	Decimal (15,2)
CS40	Cost of Communications Function - shared service costs	Cost of the Communications function shared services (£m).	Decimal (15,2)
CS41	Cost of Communications Function – joint venture / mutual costs	Cost of the Communications function joint venture / mutual (£m).	Decimal (15,2)
CS42	Cost of Communications Function - other external advisory costs	Cost of the Communications functions external advice which does not fall under any of the other cost headings.	Decimal (15,2)

Data Member ID	Data Member Name	Description	Type
CS43	Cost of Communications Function - other direct function costs	Cost of the Communications function other direct costs (£m). Other direct costs are: <ul style="list-style-type: none"> o Travel and subsistence costs; o Specialist training and library/publications costs; o Costs of producing corporate publications (e.g. annual report, staff handbook); o IT costs for specialised systems directly attributed to a function (e.g. finance systems) including costs of capital, such as depreciation, where appropriate; and, o Accommodation costs which are directly managed and attributed to a function including costs of capital, such as depreciation, where appropriate. 	Decimal (15,2)
CS44	No. of Communications staff - FTEs	Full time equivalent (FTE) number of staff working as part of the organisation's legal function. (Average number of staff for the financial year)	Decimal (15,2)
CS45	No. CCL - FTEs	Full time equivalent (FTE) number of staff working as part of the HR function.	Decimal (15,2)

Appendix B: Changes since v1.0

Page 16 – the Communications definition has been streamlined and re-written in bullet form to aid clarity. There is no material change to the scope of Communications.