



April 1st 2008

To all Local Authority Chief Executives in England and Wales

Dear Colleague,

Government Connect

Government Connect (GC) is a strategic partnership between national government and the local government community. Through the partnership of the Department for Work and Pensions (DWP), Communities and Local Government (CLG), the Department for Children, Schools and Families (DCSF) and the local government community, a secure IT infrastructure is currently being rolled out to support better collaboration between central government departments and local authorities. Given the significance of GC to enable closer working between central and local government we are writing to colleagues to advise you of the important changes to the GC Programme announced today and our plans for the GC infrastructure over the next three years.

GC will help to deliver faster and more secure services. For example, GC will help improve the processing of Housing and Council Tax Benefits, provide better security for sensitive data on children and learners, and support the future rationalisation of local government performance reporting and grant processing. It is expected that, if fully adopted, using GC in place of existing postal and courier services for communicating with central government and other public sector agencies will reduce the local authority sector's costs by over £30m per year.

As a result of the work of the CLG/Local Government led team, GC is already being adopted by 223 local authorities, which equates to over 50% of the local government sector having GC connections in place or on order. However, only with all 410 English and Welsh¹ local authorities connected to GC will the full business benefits be realised and the security risks be addressed.

DWP, CLG and DCSF are today designating GC as their preferred common secure method for the electronic transfer of data between the three departments and local authorities. As part of this process, the GC infrastructure will enable the strategic replacement over time of the encryption solution recently advised by DWP. From April 2009 the three departments will begin phasing out the less efficient, less robust and less secure internet and postal based solutions that currently exist.

DWP, CLG and DSCF, with the support of the LGA, are also announcing the investment of £33 million in GC between now and 2011. This means that local authorities will only have to cover their internal costs during this period. Beyond CSR07 it is expected that ongoing operational costs will be shared across the GC user community.

¹ GC connectivity is being rolled-out to Welsh Local Authorities as a result of DWP funding contribution to the GC Programme

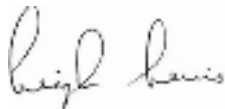
As from April 1st 2008, GC will transfer from being a CLG sponsored e-government national project and will become an expanded Cross-Government programme, led by DWP. GC will continue to report to its own central/local government programme board which will be extended to include wider representation from the LGA, the Local Government Delivery Council and other key local government stakeholders.

The three departments and GC will be working closely with the LGA, SOLACE and SOCITM on the forthcoming local government guidelines on data handling to ensure that local authorities can maximise their exploitation of GC in support of their own data handling and service transformation plans.

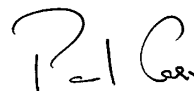
To conclude, we believe that GC is a key strategic enabler to improving public services for citizens and communities and would like to thank all the Chief Executives who have actively supported their own authority's adoption of GC. We would like to encourage all of their colleagues to do likewise and personally champion their authority's early adoption of GC so that together we can meet the target of 100% Local Authorities connected well before the end of March 2009.

In particular we would be grateful if these authorities would look to register their interest in connecting to GC by responding to the new GC SRO, Kenny Robertson (Director of Transformational Government DWP) at Kenny.Robertson@dwp.gsi.gov.uk by 30th April 2008 as to when they envisage linking to GC and what support, if any, we can offer in helping you to do so.

For further information about GC please visit the GC website www.govconnect.gov.uk which contains details of GC's dedicated team of Regional Account Managers who will be pleased to assist authorities to secure an early connection to the GC infrastructure.



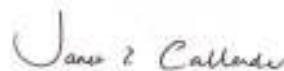
Leigh Lewis
Permanent Secretary DWP



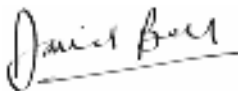
Paul Coen
Chief Executive
Local Government Association



Peter Housden
Permanent Secretary CLG



Janet Callender
Chief Executive Thameside MBC –
Chair of Government Connect and
Local Government Delivery Council



David Bell
Permanent Secretary DCSF