

Public Document Pack



BARRY KEEL
Chief Executive
Floor 1 - Civic Centre
Plymouth
PL1 2AA

www.plymouth.gov.uk/democracy

Date: 01/02/11 Telephone Enquiries 01752 304867 Fax 01752 304819
Please ask for Nicola Kirby, Senior Democratic Support Officer (Cabinet) e-mail nicola.kirby@plymouth.gov.uk

CABINET

DATE: TUESDAY 8 FEBRUARY 2011
TIME: 2 PM
PLACE: WARSPITE ROOM, COUNCIL HOUSE

Members –

Councillor Mrs Pengelly, Chair
Councillor Fry, Vice Chair
Councillors Bowyer, Brookshaw, Jordan, Michael Leaves, Sam Leaves, Monahan,
Mrs Watkins and Wigans

Members are invited to attend the above meeting to consider the items of business overleaf

Members and Officers are requested to sign the attendance list at the meeting.

Please note that, unless the Chair agrees, mobile phones should be switched off and speech, video and photographic equipment should not be used during meetings.

BARRY KEEL
CHIEF EXECUTIVE

CABINET

AGENDA PART I (PUBLIC MEETING)

AGENDA

PART I – PUBLIC MEETING

1. APOLOGIES

To receive apologies for non-attendance submitted by Cabinet Members.

2. DECLARATIONS OF INTEREST

Cabinet Members will be asked to make any declarations of interest in respect of items on this agenda.

3. MINUTES

(Pages 1 - 6)

To sign and confirm as a correct record the minutes of the meeting held on 18 January 2011.

4. QUESTIONS FROM THE PUBLIC

To receive questions from the public in accordance with the Constitution.

Questions, of no longer than 50 words, can be submitted to the Democratic Support Unit, Corporate Support Department, Plymouth City Council, Civic Centre, Plymouth, PL1 2AA, or email to democraticsupport@plymouth.gov.uk. Any questions must be received at least five clear working days before the date of the meeting.

5. CHAIR'S URGENT BUSINESS

To receive reports on business which, in the opinion of the Chair, should be brought forward for urgent consideration.

REPORTS FROM SCRUTINY

**6. OVERVIEW AND SCRUTINY MANAGEMENT BOARD
SCRUTINY REPORT - SECOND QUARTER**

(Pages 7 - 10)

Councillor James (Chair of the Overview and Scrutiny Management Board) has been invited to attend the meeting to present the Overview and Scrutiny Management Board Scrutiny Report for the second quarter.

7. BUDGET AND CORPORATE PLAN SCRUTINY REPORT (Pages 11 - 26) 2011

Councillor James (Chair of the Overview and Scrutiny Management Board) has been invited to attend the meeting to present the Budget and Corporate Plan Scrutiny Report 2011 and recommendations.

The minute of the Overview and Scrutiny Management Board held on 26 January 2011, on this matter, will be submitted.

Cabinet will be asked to respond to the recommendations and take account of the outcome in their consideration of item 8 below.

CABINET MEMBERS: THE LEADER, COUNCILLORS BOWYER AND SAM LEAVES

8. BUDGET AND CORPORATE PLAN (Pages 27 - 162)

CMT Lead Officer: Corporate Management Team

Report of the Officers	Pages 27 - 30
Corporate Plan 2011 – 2014	Pages 31 - 54
Corporate Asset Management Plan 2011 – 2015	Pages 55 - 104
2011/12 Revenue and Capital Budget	Pages 105 - 162

Cabinet will be asked to make recommendations to the City Council on 28 February 2011.

CABINET MEMBERS: COUNCILLORS BOWYER AND SAM LEAVES

9. JOINT PERFORMANCE AND FINANCE REPORT - THIRD QUARTER (Pages 163 - 200)

CMT Lead Officer: Assistant Chief Executive and Director for Corporate Support.

Cabinet will receive the third quarter monitoring report for performance and finance.

CABINET MEMBER: COUNCILLOR MRS WATKINS

10. CHILDREN AND YOUNG PEOPLE PLAN 2011 -2014 - DRAFT DOCUMENT FOR CONSULTATION (Pages 201 - 216)

CMT Lead Officer: Director of Services for Children and Young People

Cabinet will receive the draft Children and Young People Plan 2011-2014, for approval for consultation.

11. EXEMPT BUSINESS

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item(s) of business on the grounds that it (they) involve(s) the likely disclosure of exempt information as defined in paragraph(s) of Part 1 of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

PART II (PRIVATE MEETING)

MEMBERS OF THE PUBLIC TO NOTE

That under the law, the Committee is entitled to consider certain items in private. Members of the public will be asked to leave the meeting when such items are discussed.

Nil

Cabinet

Tuesday 18 January 2011

PRESENT:

Councillor Mrs Pengelly, in the Chair.

Councillor Fry, Vice Chair.

Councillors Bowyer, Brookshaw, Jordan, Michael Leaves, Sam Leaves, Monahan, Mrs Watkins and Wigens.

Also in attendance: Barry Keel (Chief Executive), Carole Burgoyne (Director for Community Services), Colin Moore (Assistant Director for Lifelong Learning), Anthony Payne (Director for Development and Regeneration), Paul Barnard (Assistant Director for Planning Services), Katie Fry (Spatial Planning Officer), Richard Grant (Spatial Planning Coordinator), Clive Perkin (Assistant Director for Transport), Melanie Starr (Spatial Planning Coordinator) and David Taylor (Spatial Planning Coordinator).

Apology for absence: Bronwen Lacey (Director of Services for Children and Young People).

The meeting started at 2pm and finished at 2.55 pm.

Note: At a future meeting, the Cabinet will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

89. **DECLARATIONS OF INTEREST**

There were no declarations of interest in accordance with the code of conduct from councillors in relation to items under consideration at this meeting.

90. **MINUTES**

Agreed that the minutes of the meeting held on 14 December 2010 are confirmed as a correct record.

91. **QUESTIONS FROM THE PUBLIC**

There were no questions from the public for this meeting.

92. **CHAIR'S URGENT BUSINESS**

There was no Chair's urgent business.

93. **GROWTH AND PROSPERITY SCRUTINY - REVIEW OF HIGHWAYS MAINTENANCE**

Councillor James (Chair of the Overview and Scrutiny Management Board) and Councillor Nicholson (Chair of the Growth and Prosperity Overview and Scrutiny Panel and Task and Finish Group) presented the scrutiny report on the review of highways maintenance.

Councillor James indicated that the Overview and Scrutiny Management Board had given delegated authority to the Lead Officer, in consultation with the Chair, to approve the report for submission to Cabinet and asked that, whilst he appreciated the current economic and financial situation, the Cabinet give serious consideration to the recommendations.

Councillor Nicholson thanked Clive Perkin (Assistant Director for Transport), Tom White (Head of Network Management Unit) and the representatives from Amey, for their support during the scrutiny process. He drew the attention of Cabinet Members to –

- (a) the budget of £8m on highways maintenance, which included maintenance on street lighting and grass verges etc.;
- (b) the need to review processes. The task and finish group had made site visits to Peverell to look at the process for filling in potholes and Cabinet Members were asked to look at the operation of the contract;
- (c) the amount of money available for this work. There was an element of capital expenditure and Cabinet Members were asked to consider giving greater priority to maintenance, rather than new schemes;
- (d) the increase in claims from injury. It was noted that in 2008/9 and 2009/10, less money was spent on maintenance;
- (e) the possibility of an invest to save proposal for footway maintenance.

The Chair thanked Councillors James and Nicholson and the members of the task and finish group, for their hard work and recommendations.

The Director for Development and Regeneration submitted a written report on the recommendations of the Growth and Prosperity Overview and Scrutiny Panel, through a Task and Finish Group, indicating that further work was required before officers could make recommendations to Cabinet.

Councillor Wiggins (Cabinet Member for Transport) also thanked Councillors James and Nicholson for the review, which had been well managed and enabled a number of departments to come together. He indicated that time was required in order to give full consideration to the proposals.

Agreed that –

- (1) the following recommendations of the overview and scrutiny panel are noted -
 - (a) that the Transport and Highways Partnership review service levels in relation to highways maintenance to improve value for money;
 - (b) that highways maintenance be assured of greater emphasis within the transport and highways capital programme alongside new works, but not at the expense of other areas of prioritised work;
 - (c) that an Invest to Save Bid be submitted by officers to successfully secure additional capital funding;
 - (d) that despite the current difficult economic climate and the budget position of the authority, that the council should consider giving a higher priority to highway maintenance needs over and above other priorities included in the Council's Capital Programme;
 - (e) that the Council's Insurance Reserve be reviewed to identify whether an element could be diverted to planned preventative term maintenance instead;
- (2) officers are requested to review and report back on each of the panel's recommendations.

94. **LOCAL DEVELOPMENT FRAMEWORK: SUSTAINABLE NEIGHBOURHOODS INCLUDING KEY SITE ALLOCATIONS DEVELOPMENT PLAN DOCUMENT**

The Director for Development and Regeneration submitted a written report on the preparation of the Sustainable Neighbourhoods (including key site allocations) Development Plan Document, as part of the Local Development Programme.

The following documents were also submitted –

- Plymouth Sustainable Neighbourhoods Development Plan Document Pamphlets (appendix 1);
- Draft Urban Fringe Development Plan Document Pamphlets (appendix 2).

Cabinet Members were advised that this consultation would be run with those for Derriford and Seaton Area Action Plan and the Shopping Centres Supplementary Planning Document.

Agreed that –

- (1) the Sustainable Neighbourhoods Development Plan Document consultation pamphlets are approved for the purposes of public consultation and as a material consideration in the determination of planning applications;
- (2) authority is delegated to the Assistant Director of Development and Regeneration (Planning Services), in consultation with the Cabinet Member for Planning, Strategic Housing and Economic Development, to agree the final publication format of the consultation pamphlets.

95. **LOCAL DEVELOPMENT FRAMEWORK: SUBMISSION OF DERRIFORD AND SEATON AREA ACTION PLAN**

The Director for Development and Regeneration submitted a written report on the process for the plan to be progressed under the Town and Country Planning (Local Development) (England) (Amendment) Regulations 2008, as part of the Council's Local Development Framework programme.

The report outlined -

- the priorities and challenges within the Derriford and Seaton Area Action Plan; and
- the outcome of the issues and preferred options consultation undertaken in February and March 2009.

The draft area action plan was also submitted.

The Assistant Director for Planning Services reported on representations received.

In response to a request from Cabinet Members, officers undertook to identify major buildings or landmarks on the maps used for public consultation.

Agreed that the City Council is Recommended to –

- (1) approve the Derriford and Seaton Area Action Plan Pre-Submission draft for consultation purposes;
- (2) delegate authority to the Assistant Director of Development and Regeneration (Planning Services), in consultation with the Cabinet Member for Planning, Strategic Housing and Economic Development, to agree the final pre-submission format of the Area Action Plan;

- (3) delegate authority to the Assistant Director of Development and Regeneration (Planning Services), in consultation with the Cabinet Member for Planning, Strategic Housing and Economic Development, to agree minor amendments to the Area Action Plan in response to the consultation process;
- (4) instruct the Assistant Director of Development and Regeneration (Planning Services) to formally submit the Area Action Plan to the Secretary of State after completion of the consultation process.

96. **LOCAL DEVELOPMENT FRAMEWORK: SHOPPING CENTRES
SUPPLEMENTARY PLANNING DOCUMENT**

The Director for Development and Regeneration submitted a written report on the draft Local Development Framework Shopping Centres Supplementary Planning Document which supported Chapter 7: Shopping, of the Core Strategy and included detailed information and guidance for each of the district and local centres within the city, to assist with determining planning applications.

The draft consultation document was also submitted.

The consultation would be carried out in February and March with the other local development framework documents, with a view to adoption by the City Council in the summer.

Agreed that –

- (1) the Shopping Centres Supplementary Planning Document (Consultation Draft) is approved for the purposes of public consultation and as a material consideration in the determination of planning applications;
- (2) authority is delegated to the Assistant Director for Development and Regeneration (Planning Services) to approve the final publication version of the consultation draft Supplementary Planning Document.

97. **ANNUAL PERFORMANCE ASSESSMENT OF ADULT SOCIAL CARE 2009/10 -
REPORT FROM THE CARE QUALITY COMMISSION**

The Director for Community Services submitted a written report on the 2009/10 rating for adult social care in Plymouth, published by the Care Quality Commission.

The report indicated that the overall rating was grade 3, performing well and each of the seven outcomes had also been awarded 'performing well'. It also highlighted the key strengths and key areas requiring further development.

The report from the Care Quality Commission was also submitted.

The Chair reported that it was really pleasing that the services to vulnerable people were of such a high standard for the second year running and thanked Councillor Monahan, the Director for Community Services and the staff for their work and contribution to this positive assessment by the Care Quality Commission.

Agreed that the officer's report and the report from the Care Quality Commission are noted.

98. **ANNUAL CHILDREN'S SERVICES ASSESSMENT- REPORT FROM OFSTED**

The Director of Services for Children and Young People submitted a written report on the 2009/10 rating for children's services in Plymouth, published by Ofsted.

The report indicated that the overall rating was grade 3, performing well. It also highlighted the key strengths and key areas requiring further development.

The report from Ofsted was also submitted.

Councillor Mrs Watkins (Cabinet Member for Children and Young People) reported that Plymouth was in an encouraging position, compared with other authorities, on the progress of the English baccalaureate in schools.

Agreed that the officer's report and the report from Ofsted are noted.

99. **YOUTH JUSTICE PERFORMANCE IMPROVEMENT FRAMEWORK 2010/11**

The Director of Services for Children and Young People submitted a written report on the Youth Justice Performance Improvement Framework 2010/11, which was an annual plan submitted to the national Youth Justice Board, laying out its strategic plans for preventing offending and reducing reoffending across its area of operation.

The report indicated that -

- (a) Part 1 of the document had been incorporated into the strategic Children and Young People's Plan and would be updated in line with those timescales;
- (b) the report related to Part 2 – Capacity and Capability Self Assessment and set out performance commentary regarding National Indicators and the capacity and capability of nine outcome areas identified in the report.

Cabinet minute 16 gave approval to the draft document, for consultation, and no amendments have been made to it. The Children and Young People Overview and Scrutiny Panel, on 11 November 2010, noted the report.

Agreed that the City Council is Recommended to adopt the Youth Justice Performance Improvement Framework Part 2 Capacity and Capability 2010/11.

CITY OF PLYMOUTH

Subject: Overview & Scrutiny Management Board Scrutiny Report – Second Quarter
Committee: Overview & Scrutiny Management Board
Date: 26 January 2011
CMT Member: Ian Gallin (Assistant Chief Executive)
Author: Giles Perritt, Head of Policy, Performance and Partnerships
Contact: giles.perritt@plymouth.gov.uk
Part: Part I

Executive Summary:

This report sets out a review of the performance of the Overview and Scrutiny Management Board for the second quarter of 2010/11, incorporating the meetings of 22 September, 6 October, 27 October and 24 November, 2010.

Corporate Plan 2009-2012:

The Overview and Scrutiny Management Board provides management of strategic scrutiny of all Corporate Improvement Priorities and is the lead scrutiny body for the Corporate Plan.

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

The Management Board has scrutinised the revenue and capital budgets, and Corporate Improvement Priorities relating to the above during the period of this report.

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.

As above

Recommendations & Reasons for recommended action:

That the report is noted

Alternative options considered and reasons for recommended action:

N/A

Background papers:

Overview and Scrutiny Management Board agendas and minutes.

CITY OF PLYMOUTH

Overview & Scrutiny Management Board Scrutiny Report – Second Quarter

1. Introduction

- 1.1 This report sets out a review of the performance of the Overview and Scrutiny Management Board for the second quarter of 2010/11, incorporating the meetings of 22 September, 6 October, 27 October and 24 November, 2010.

2. Scope of the Overview and Scrutiny Management Board

- 2.1 The Overview and Scrutiny Management Board is primarily responsible for managing the workload of the Council's five scrutiny panels, namely -
- Health & Adult Social Care
 - Children & Young People
 - Customers & Communities
 - Growth & Prosperity
 - Support Services
- 2.2 The detailed terms of reference for the Overview and Scrutiny Management Board are contained within the Council's Constitution.
- 2.3 The Panel, through its strategic management of the Council's scrutiny function, including monitoring of finance and performance, focuses on the role of the following Cabinet Members and Corporate Management Team officers:

Title	Name
Cabinet Member (Finance, Property, People and Governance)	Councillor Ian Bowyer
Cabinet Member (Performance and Transformation)	Councillor Sam Leaves
Director for Corporate Support	Adam Broome
Assistant Chief Executive	Ian Gallin
Chief Executive	Barry Keel
Leader of the Council	Councillor Mrs Pengelly

3. Membership and Attendance

- 3.1 Membership of the Overview and Scrutiny Management Board comprises the following councillors, co-opted representatives and supporting officers –
- Councillor James (Chair)
 - Councillor Ball (Vice-Chair)
 - Councillor Browne
 - Councillor McDonald (appointed with effect from 6 October, 2010 to replace Councillor Williams)
 - Councillor Nicholson
 - Councillor Ricketts
 - Councillor Stevens
 - Councillor Thompson

- Councillor Wildy
- Councillor Williams (resigned after meeting on 22 September, 2010)
- Mr Douglas Fletcher, Co-opted Representative
- Mr Jake Paget (appointed with effect from 6 October, 2010)
- Giles Perritt, Lead Officer
- Katey Johns, Democratic Support Officer

3.2 The graph below demonstrates the attendance of panel members at meetings during this quarter -

		Number of Meetings			
		1	2	3	4
Panel Membership	Councillor James				
	Councillor Ball				
	Councillor Browne				
	Councillor McDonald				
	Councillor Nicholson				
	Councillor Ricketts				
	Councillor Stevens				
	Councillor Thompson				
	Councillor Wildy				
	Councillor Williams				
	Mr Fletcher				
	Mr Paget				
	Giles Perritt				
	Katey Johns				

4. Key Achievements to Date

4.1 Since the last performance report the panel has met on four occasions. Meetings have been well structured, efficiently managed and well attended by members. Members have continued to challenge the council’s executive and make a positive contribution to support an effective strategic and operational overview through –

(a)	questioning the Leader and Chief Executive on the impact on the Council as a result of the recent change in government;
(b)	scrutiny of the Joint Performance and Finance Report and the Medium Term Financial Strategy 2010/14;
(c)	receipt of updates/additions to the Forward Plan;
(d)	monitoring progress against recommendations arising from the 2009/10 budget scrutiny process.

4.2 In addition, the Board has appointed a second co-opted representative to its membership to represent young people in the City. As a former co-optee to the Children and Young People’s Overview and Scrutiny Panel, and a former member of the Youth Parliament, Jake Paget has considerable knowledge and experience to bring to the Board.

- 4.3 At its meeting on 6 October, 2010, the Board considered the first councillor call for action which had been submitted in respect of the Budshead Trust. The Budshead Trust was a well-established community organisation which had successfully delivered a number of youth projects around drug and alcohol misuse but was at risk of closure due to its inability to secure core funding. Members heard from a number of witnesses supporting the work of the Trust, including the Police. Whilst it was recognised that the Budshead Trust worked hard to provide an excellent service within the community and that there could be consequences should it have to close, Members were mindful that this call for action was very much a 'test case' in that other areas of the voluntary sector would be watching to see the outcome. The Board did not, therefore, want to set a precedent to open the floodgates for similar bids for financial assistance. Full details of Board's considerations can be seen in the minutes from that meeting and that of the meetings held on 27 October and 24 November, 2010.
- 4.4 A working group comprising the non-chair members of the Overview and Scrutiny Management Board has been established to review how effectively the scrutiny function is holding the executive to account and to identify ways of improved working. To date the group has met twice from which a number of recommendations have been referred back to the Board, including establishment of a Task and Finish Group to look at how scrutiny can better engage with the media.

5. On the Horizon

- 5.1 Over the next year the Board will -
- continue to ensure that scrutiny and partnership governance arrangements reflect the changing local, regional and national policy agenda of the new government
 - meet on 5, 12 and 17 January, 2011, to scrutinise the revised Corporate Plan and budget setting arrangements for 2011/12
 - receive regular quarterly updates on Joint Performance and Finance
 - look at the Transformational Change Programme
 - investigate data sharing between partner agencies
 - monitor reviews in respect of Citybus and the Joint Strategic Needs Assessment
 - undertake post-decision scrutiny of the 'Final Sign Off of Devonport Regeneration Community Partnership (DRCP) Succession Strategy
 - carry out a Task and Finish Group to look at how scrutiny can better engage with the media

6. Recommendation

- 6.1 That the progress of the Overview and Scrutiny Management Board be noted.

Giles Perrit, Head of Policy, Performance and Partnerships
Lead Officer Overview and Scrutiny Management Board
January 2011

PLYMOUTH CITY COUNCIL

CABINET

8 FEBRUARY 2011

Overview and Scrutiny Management Board Minute 95 of the meeting held on 26 January 2011	BUDGET AND CORPORATE PLAN SCRUTINY 2011
---	---

The Chair and Lead Officer presented for consideration the draft report arising from scrutiny of the Budget and Corporate Plan 2011. Members were advised that positive feedback had been received, both from the Executive and senior management, in regard to the professionalism with which the process had been undertaken and the high degree of challenge which had been demonstrated.

Discussion then turned to the report content and recommendations. Whilst the majority of the Board were happy with the report, the Labour Councillors on the Overview and Scrutiny Management Board were concerned that some of the budget proposals did not fully support the areas of 'raising aspiration' and 'reducing inequalities' within the Corporate Plan. They considered that some of the delivery plans in the budget had the potential to disadvantage both families and vulnerable people in Plymouth. They believed that amendments to two of the recommendations, together with the inclusion of an additional recommendation, would enhance the scrutiny report and, if adopted, may help to alleviate many of the areas of disadvantage within this budget. Councillor Wildy therefore proposed the following amendment with regard to recommendations to the Corporate Management Team –

- R2.2 add 'that this is produced and is available to Members *before* the budget setting at Full Council';
- R2.11 add at end of final sentence 'and links to neighbourhood profiles are demonstrated in Service Delivery Plans';
- R2.14 add new recommendation 'Profiling of households should take place prior to final determination. These profiles should be carried out annually and made available to Members as part of the preparatory work of the budget setting process'.

The proposal, having been seconded by Councillor McDonald, was put to the vote and declared lost. At Councillor Wildy's request the vote was recorded as follows -

For: Councillors McDonald and Wildy

Against: Councillors Ball, Browne, James, Nicholson, Ricketts and Thompson

At the suggestion of the Board, a few minor amendments were then made to the main body of the report as follows –

- P. 12 paragraph 8 – delete the word ‘agreed’;
- P. 15 paragraph 13 – delete the word ‘noted’ and replace with ‘were informed of’;
- R2.10 renumber second 2.10 to 2.11 and then change remainder of numbering to run consecutively.

Agreed the Budget and Corporate Plan Scrutiny Report 2011.

**Overview and Scrutiny
Management Board**

Scrutiny Review Report

January 2011



Budget and Corporate Plan Scrutiny 2011

Plymouth City Council

Contents

Foreword	3
Scrutiny Approach	4
<i>Findings and recommendations</i>	
Overview	5
Corporate Support and Chief Executive's	6
Children's Services	9
Community Services	10
Development and Regeneration	12

Foreword

1. The Council's Overview and Scrutiny Management Board, formed in July 2009, has responsibility for holding the Cabinet to account for its decisions with respect to the corporate budget and policy framework, as set out in the Council's constitution. Its members, drawn from both parties and assisted by co-opted members with expertise from the business and education sectors, are charged with independent scrutiny of the Council's decisions with respect to financial and performance management matters, as well as the Council's key strategies.
2. The Overview and Scrutiny Management Board has planned its programme carefully to challenge whether:
 - the Council's Corporate Priorities within the draft Corporate Plan are properly tested as being fit for purpose in delivering the city's strategic objectives and achieving the Council's vision
 - the proposed budget, both capital and revenue, is both deliverable and supports the priorities;
 - arrangements are in place to deliver the stated priorities within the financial framework set out in the budget.
3. We would like to extend our thanks to members of the Board, both councillors and co-opted members, for their commitment in conducting this scrutiny review. We would also like to thank the officers who supported us, Cabinet Members, Directors and Assistant Directors who took part in the review. We would also like to express our appreciation of the contribution made by colleagues from NHS Plymouth, the Community and Voluntary Sector, City College, Devon and Cornwall Constabulary and the Culture Board.



Councillor James, Chair



Councillor Ball, Vice-Chair

Scrutiny Approach

4. The Board convened over two and a half days to hear from Partners, Cabinet Members, Directors and Senior officers to consider the Draft Corporate Plan 2011 – 2014 and the Revenue and Capital Budgets 2011/12. As part of their considerations the Board received a number of documents which supported the scrutiny process, including –
 - Key Performance Indicators 10/11
 - Level 1 and 2 priority indicators;
 - An update on the financial settlement and grant changes
 - Annual audit letter 2009/10
 - Public budget consultation results
5. The first session on 5 January saw members probe the city's strategic partners about their views on the council's plans and the impact that these plans would have on their own service provision. Prior to the meeting partners had received the indicative budget and draft corporate plan and had been involved in the process for agreeing the city priorities. Partners welcomed the opportunity to participate in the process and representations were received in person from NHS Plymouth, the Community and Voluntary Sector and City College Plymouth as well as in writing from Devon and Cornwall Constabulary the Culture Board and the Chamber of Commerce
6. Issues raised within the various representations were taken forward by members of the board and used to inform a more robust challenge over the two-day scrutiny session with Cabinet Members. Board members also used the information to form recommendations on how the Council could work better with its partners in the future.
7. The session on 12 January included an overview of the shared city vision, the vision for the council and the city priorities. This overview was presented by the Leader, Chief Executive, Director for Corporate Support and the Assistant Chief Executive and was followed by separate sessions for each corporate service area over 12 and 17 January. The programme of scrutiny culminated in a concluding session with the executive team of the Leader, Cabinet Member for Finance, Property, People and Governance, the Chief Executive, the Assistant Chief Executive and the Director for Corporate Support.
8. The meetings were public and recommendations were drafted and generated in a dynamic manner throughout each session.
9. At the beginning of each departmental session individual Cabinet Members provided an overview of their portfolio and were then interviewed alongside the accompanying Directors and Assistant Directors, where the impact of delivery plans on service provision was explored as well as some more detailed issues.

Process Recommendations

To the Overview and Scrutiny Management Board –	
<i>R 1.1</i>	That the Director for Public Health, as a joint appointment, should contribute to the budget and corporate plan scrutiny process in future years

Findings

Challenge of the Overview

The Leader, the Cabinet Member for Finance, Property, People and Governance, the Chief Executive, the Director for Corporate Support and the Assistant Chief Executive set the scene for the budget scrutiny and gave an overview of the Draft Corporate Plan and Indicative Budget. Board Members were advised that -

10. The Council is facing an enormous financial challenge and has to make efficiency savings from its overall budget totalling £30m over the next three years. This is quite unprecedented given the current economic climate and the requirement to make savings in the public sector to reduce the deficit. Despite this, the Council remains committed to its ambition to make Plymouth one of Europe's finest, most vibrant waterfront cities where an outstanding quality of life is enjoyed by everyone. In consultation and agreement with its key strategic partners, the shared priorities for delivering the vision have been reduced from 14 to four -

- Deliver Growth
- Raise Aspiration
- Reduce Inequality
- Provide Value for Communities

11. Key to achieving these savings are –

- stronger and integrated operational delivery of services with partners
- better use of assets
- focusing on departmental delivery plans
- modernising the Council to improve customer services, including establishment of a single point of contact (SPOC)
- cutting out duplication and “working smarter”

12. The Council is starting this challenge on a strong and sound base having achieved many successes during 2010, highlights of which include the Municipal Journal award for Best Achieving Council of the Year and strong performance assessments in respect of child protection and adult social care. In addition, £4m of in-year savings have already been achieved.

Following the introduction and at the end of the budget scrutiny process, Board Members challenged the Executive on the overview of the process and documents before them.

- 13.** The Board were informed of the different approach being taken in this budget to direct the burden of the savings to be achieved to service areas not identified as being crucial to delivery of the four city priorities as opposed to sharing the cuts equally across all departments.
- 14.** The Board welcomed the formation of the Peninsula Group to look at ways of working in partnership with Plymouth and other local authorities in Cornwall, Devon and Torbay, particularly around the possibility of shared services. However, Members were concerned at the lack of scrutiny involvement in this process to date and reinforced the importance of engagement with all partners at the earliest opportunity.
- 15.** Whilst noting the continuation of a number of major projects within the capital programme, the Board expressed concern at the changes made to its format, having gone from a rolling list to only including those projects which were funded. This meant that there was no public record of what the other projects were, where they sat in order of priority or when they may come to fruition.
- 16.** It was acknowledged that because the draft budget had been prepared earlier this year than in the past, it had not been possible to provide comprehensive detail in respect of the equalities impact assessments. However, concern was expressed that, whilst equalities impact assessments were useful, it would have been better to undertake some form of modelling to establish the differential effect of this budget on individuals (single, unemployed, elderly), households and neighbourhoods and the cumulative impact on those which are affected by more than one change.
- 17.** Despite the fact that working with partners and sharing services with other authorities was highlighted as being a key factor to ensuring delivery of the budget and that fundamental to this was the reliance on excellent ICT and data compliance, it remained unclear how the ICT provision was being managed or on what basis it was being prioritised.

Corporate Support/Chief Executive's Challenge

- 18.** The Board noted the continuation of last year's policy to reduce back office spend and, whilst commending the fact that to date there had only been a total of 14 redundancies arising from the deletion of 170 posts, concern was expressed at the fact that a number of posts were still being covered by agency staff. Bearing in mind that it was the Council's intention to cut a total of 500 posts from the structure over the next three years, clarification was sought in writing as to the exact number of posts being covered by agency staff, in which service areas they were situated and on what grade.
- 19.** Within Democratic Services, Members voiced concerns at the proposals to reduce the level of civic engagements and queried the degree to which the Lord Mayoralty and civic functions would be cut and how these cuts would be determined. A written response was provided in this regard. Clarification was also sought on what was meant as a 'core' committee and Members were advised that they would be ones that were

required by statute. However, this would ultimately be a decision for Full Council to debate and determine.

- 20.** Members were concerned at the effect of job losses on service provision. Whilst it was acknowledged that savings could be achieved through the introduction of smarter working practices without having to reduce staff numbers – one example being Revenues and Benefits where despite a reduction in service spend, staff numbers and performance had been maintained against an increase in customer contact – Members felt more should be done to demonstrate how these savings and performance were being measured and whether or not they offered value for money.
- 21.** Consideration was given to the opportunities provided to partners to engage in the budget setting process through the 11 theme-based budget groups. Whilst it was appreciated that this would not be appropriate in all service areas. Members heard that there was a discrepancy of views about the extent to which NHS Plymouth had been involved in Social Care delivery plans.
- 22.** The Board queried the ‘green’ status of the feasibility and risk element of the delivery plan relating to debt management. This indicator related to how effectively income was collected overall, it was felt by Members that there should be pre-adoption scrutiny of the Corporate Income Recovery Plan, including cash collection options.
- 23.** Concerns were raised over a lack of scrutiny involvement with procurement initiatives which would amount to £4m worth of savings over the next three years, particularly given that this amount made up 12 per cent of the total delivery plan savings.
- 24.** Given the current economic climate, the Board acknowledged that the capital programme would inevitably be subject to change, however, in doing so, they felt that present governance and scrutiny arrangements were not sufficient to allow this to happen in an open and transparent way, particularly around invest-to-save schemes.
- 25.** Whilst the Board appreciated that longer term budget planning would always be subject to change, Members felt that in order to have a more joined up budget and corporate plan both should span the same period. At present the Corporate Plan ran for five years, whereas the budget predictions covered just three.
- 26.** Following consultation with the Plymouth Third Sector Consortium, members became aware of the difficulties faced by community and voluntary groups in obtaining grants for small schemes. The current system had been identified as overly bureaucratic which caused some groups severe difficulties, and in some cases even prevented, in them obtaining grants.
- 27.** Members were concerned at the funding shortfall with respect to the Volunteer Centre and infrastructure support to community and voluntary groups and the impact that this would have on the sector.
- 28.** In terms of reporting, Members felt that representing people as a percentage did not always give the best picture in terms of the actual impact when it came to an increase or decrease in service provision. They therefore suggested that when such information is presented in future actual numbers as well as a percentage are included.

Due to the differences in communities across Plymouth measures of dispersion were also important where possible.

29. Given the significance of the Local Strategic Partnership (Plymouth 2020) and the fact that its existence and purpose was promoted in a public manner, it was felt that the work and decisions of the Partnership, as well as how it represented community view, should be made more open and transparent.

Recommendations

To Cabinet -	
R 2.1	Where shared service arrangements with other local authorities are being developed, the Overview and Scrutiny Management Board be given an oversight role. Partners should be involved at the earliest opportunity to ensure a more joined up approach in delivery of shared services.
R 2.2	Where delivery plans will result in a reduction of service to citizens , modelling should be undertaken to assess the impact on individuals, households and communities. This should include both the differential impact on those groups within each neighbourhood and the cumulative impact on those who are affected by more than one change. Account should be taken in undertaking the modelling of income levels.
R 2.3	Value for Money and performance benchmarking information against the Council's 'family group' should form part of the performance management reporting that is submitted to the Overview and Scrutiny Management Board.
R 2.4	The Corporate Income Recovery Plan relating to how the Council collects the money owed to it from a variety of sources should be the subject of pre-adoption scrutiny by the Support Services scrutiny panel. Options relating to cash collection as set out in the Corporate Support Services budget delivery plan should be included.
R 2.5	That the Overview and Scrutiny Management Board receive a progress report on the Council's new procurement initiatives , namely Procure to Pay, buyer rollout, and 'sell to Plymouth'. The Board will monitor, through the quarterly performance and finance monitoring reports, ongoing work around these projects which equate to £4m savings over the next 3 years.
R 2.6	That governance and scrutiny arrangements are agreed between the Scrutiny Management Board and the Cabinet and the Corporate Management Team with regard to the prioritisation of the capital programme and the 'invest to save' programme .
R 2.7	That draft proposals for years 3, 4 & 5 of the capital programme be prepared for this budget and as part of the ongoing budget setting process.

R 2.8	That a proposal for a small grants scheme for community and voluntary groups is developed and implemented jointly with Plymouth 2020
R 2.9	That urgent consideration is given to addressing the funding shortfall for the Volunteer Centre and infrastructure support for community and voluntary groups created by the ending of Local Area Agreement Performance Reward Grant.
R 2.10	In making savings to the cost of senior management , a risk analysis of potential loss of capacity within the Council to deliver its change agenda should be undertaken.
To the Corporate Management Team –	
R 2.11	That Directors and Assistant Directors should ensure that reporting of service provision which affects people (for example adults' and children's social care) should include statistics as both a percentage and in terms of actual numbers of people. Where possible, measures of dispersion – geographic / neighbourhood information should be included.
R 2.12	Cabinet and delegated decision reports include provision to indicate where an Equality Impact Assessment is required, and, if so, this is listed as one of the background papers.
To the Local Strategic Partnership -	
R 2.13	That consideration should be given to ensuring that there is better public understanding of the role of the Plymouth 2020 Partnership and how community views are represented on it.

Department for Services for Children and Young People Challenge

30. In addition to previous comments made around impact assessments (paragraph 16 and R2.2), it was felt that further consideration was particularly important in terms of children's services delivery plan proposals which were more likely to have a cumulative impact on households, for instance a family in receipt of services for a child with a disability and special educational needs who also received school transport provision could be affected by three separate elements of the delivery plan for the Children and Young People service.

31. The Board acknowledged that the department was awaiting clarity from government around grants and resources, the outcome of impending announcements would inevitably affect the capital projects currently listed. Members felt that once confirmation of funding was received the prioritised list of capital projects should be prepared and published. In addition to this, a list of services which would not be continuing as a result should also be published along with details of the alternatives to be put in place.

Recommendations

To Cabinet -	
R 3.1	That impact assessments with regard to delivery plan proposals be prepared, as (2.2) above, in respect of:

	<ul style="list-style-type: none"> • Schools transport • Locality restructure • Disability Service restructure • Changes to Special Educational needs policies • Reduction in contribution to Youth Offending Service • Financial support and non-statutory payments to Care Leavers
R 3.2	That a prioritised list of capital projects in Children's Services be prepared and published pending clarity from Government about the availability of resources
R 3.3	That a review of all grants relating to the provision of children's services that are not continuing, with succession arrangements, is published

Department for Community Services Challenge

- 32.** Members noted with concern the comparatively low recycling target for the City and felt that, in order to improve at a rate that would match Plymouth's aspiration for excellence, a more challenging target was required.
- 33.** The Board noted the intention of the Localism Bill to transfer assets to communities and the Council's desire to utilise this provision. However, concern was expressed that there was little evidence, particularly given the current economic climate, that community groups would be interested or have the ability to take this responsibility on board. Members suggested that in-depth scrutiny of any proposals would be beneficial.
- 34.** It was acknowledged that not all grants received by the department would continue and that this may affect service provision. Further detail of which schemes would be affected, together with details of succession arrangements, where appropriate, should be published.
- 35.** In a similar vein to issues highlighted during discussions with Children's Services (paragraph 30) around the cumulative impact of delivery plan proposals, Members reiterated concerns raised and suggested that the same modelling investigations should be undertaken by Community Services.
- 36.** Members welcomed the use of community payback resources in the City to address street cleansing issues but felt that more could be done to maximise use of the probationary service as well as other voluntary groups to address reduced resources as a result of funding cuts. Establishment of a Volunteering Plan for the City would set guidelines for the use of this resource and encourage take-up where consideration has not previously been given.
- 37.** The Board was aware of the requirement to establish a Police and Crime Panel by 2012 and expressed concern that Plymouth's needs as a City may be diluted if a proactive approach is not taken in its establishment at an early stage.
- 38.** Board members were concerned that whilst Plymouth compared favourably with neighbouring authorities with respect to the personalisation agenda, a more productive and worthwhile comparison might be with the family group and the national picture.
- 39.** Members were aware, through budget consultation with partners, that substantial amounts of government funding had become available through various streams, e.g. the Health Fund and Winter Pressures Fund. As proposals for the use of this funding were yet to be confirmed, Members requested that the Health and Adult Social Care Overview and Scrutiny Panel be consulted over the spending proposals.
- 40.** Concern was raised at the impact of the cultural strategy on the City's vision. Whilst the Corporate Plan promotes the importance of the City's cultural offering, the departmental delivery plan appeared to reduce it. Members felt that a more detailed proposal in terms of savings relating to events, grants and other initiatives would be beneficial.

Recommendations

To Cabinet -	
R 4.1	That the recycling target be reviewed in the light of Plymouth's aspirations for excellence and the benchmarks for similar authorities within the Council's 'family group'.
R 4.2	That a policy with respect to community transfer of assets in line with the provisions within the Localities and Decentralisation Bill be developed and submitted to the Scrutiny Management Board. Specifically the feasibility of asset transfers referenced within Community Services budget delivery plans should be quantified.
R 4.3	That a review of all grants relating to the Community services that are not continuing, with succession arrangements, is published.
R 4.4	That impact assessments with regard to delivery plan proposals be prepared, as (2.2) above, in respect of: <ul style="list-style-type: none"> • Cemeteries and Crematoria fees • Rationalisation of Environmental Services structure • Changes to library opening hours
R 4.5	That a Volunteering Plan for the city is produced, including provision for the increased use of Community Payback resources to undertake work on behalf of the Council and partners to increase efficiency savings.
R 4.6	Plymouth takes a lead role in establishing a Crime Panel in line with legislative proposals.
R 4.7	That targets for the Personalisation agenda be set in line with 'family group' authorities rather than regional comparators.
R 4.8	Proposals for use of the £3.5m health fund , and any other related unallocated resources be brought to the Health and Adult Social Care scrutiny panel.
R 4.9	Details are provided of the specific proposals about savings related to events, grants and other initiatives as set out in the Culture, Sports and Leisure budget delivery plan.

Development and Regeneration Challenge

41. The Board was concerned at the lack of clarity in the department's delivery plan which referred to a 'package of transport options' amounting to £300k. The proposals gave examples of what these options might be rather than the specific detail of which options would be selected.
42. Following discussions around the establishment of a Local Economic Partnership for Plymouth, Members were concerned that progress appeared to be slow and suggested that the Growth and Prosperity Overview and Scrutiny Panel be involved in monitoring its progress.
43. As per previous discussions with Children's Services (paragraph 30) and Community Services (paragraph 35) around the cumulative impact of delivery plan proposals, Members suggested that the same modelling investigations should be undertaken by Development and Regeneration.
44. Given the amount of money paid out in compensation on slips, trips, falls and potholes, Members were of the opinion that consideration should be given to an invest-to-save scheme around the highways maintenance and improvement programme.
45. In relation to discussions around job creation for the City, Members commented that to set a target for 2026 without interim targets or milestones would make it difficult to monitor progress effectively. Whilst it was appreciated that it would be challenging to set interim targets, it was thought to be necessary as job creation was a key element in delivering the City's growth agenda.

Recommendations

To Cabinet -	
R 5.1	Details are provided of the transport options for savings currently being considered in the budget delivery plan.
R 5.2	Following ministerial feedback, the revised Local Economic Partnership for Plymouth be reviewed by the Growth and Prosperity overview and scrutiny panel
R 5.3	That impact assessments with regard to delivery plan proposals be prepared, as (2.2) above, in respect of: <ul style="list-style-type: none"> • Family Intervention Project • Anti-social behaviour • Transport options
R 5.4	That interim targets for job creation between now and 2026, including monitoring and evaluation criteria with regard to sustainability should be put in place to enable more effective monitoring.

CITY OF PLYMOUTH

Subject: Budget & Corporate Plan

Committee: Cabinet

Date: 8 February 2011

Cabinet Member: The Leader, Councillors Bowyer and Sam Leaves

CMT Member: Director for Corporate Support

Author: David Northey, Head of Finance
Jonathan Fry, Policy, Performance, Partnerships

Contact: Tel: 01752 (30)4566
e-mail: david.northey@plymouth.gov.uk
jonathan.fry@plymouth.gov.uk

Ref:

Key Decision: No

Part: 1

Executive Summary:

The Budget and Corporate Plan comprises the following reports:-

- Corporate Plan 2011-14
- Corporate Asset Management Plan 2011-15
- 2011/12 Revenue and Capital Budget (update to December report)

Each of these reports supplements and compliments the others They set out the Council's vision and how we have allocated our resources to match our priorities.

The attached Corporate Plan sets out the council's strategic direction for 2011-14 and beyond. It focuses on the vision for the city and for the council, the four shared priorities that the council and its partners have signed up to and a range of supporting outcome measures. It also summarises the council's financial position and its drive to make efficiencies at a time of reduced public expenditure. The importance of transformational change to improve services with fewer resources is a theme throughout. The Plan also highlights the public budget consultation, partnership input and Overview and Scrutiny focus. More detailed supporting documents sit below the Corporate Plan.

The attached Corporate Asset Management Plan is the City Council's update of the Asset Management Plan. The Asset Management Plan timetable has been revised to the end of 2015 due to the effect of the current economic downturn. This will be reviewed during the next twelve months.

The document includes the council community asset transfer strategy which will respond to the new government agenda on devolving more control to communities and also support several elements of the council's budgetary delivery plans. It also details information on the management of assets including the provision of a new corporate property database, the ongoing maintenance strategy, statutory compliance, corporate property forum and new developments around the Single Point Of Contact (SPOC) for Corporate Support and Corporate Buyer function.

The attached 2011/12 Revenue and Capital Budget updates the budget report presented to Council on 6th December 2010, and details both the Revenue allocations as a result of the December 2010 Local Government Settlement announcements, and updates the Capital Programme following funding allocations.

As a result of the Settlement there is a need to revisit the original budget assumptions. Whilst this report outlines a balanced budget in the context of resources available, more detailed work will continue during February and any refinement to the budget proposals will be reported to Full Council on 28 February 2011. The report also seeks approval for increases to various discretionary fees and charges proposed as part of the budget considerations

This report therefore provides an update on how the Council has allocated its revenue and capital resources across departments and priority areas for 2011/12 to improve outcomes for local people. It is fully linked and underpins the Council's Corporate Plan 2011-14. For the Capital Programme, there have been significant reductions in funding areas linked to all government departments, and there is much uncertainty over funding streams post 2011/12. The Council is still planning a significant capital investment and this will increase in years 2012/13 – 2014/15 as more funding streams become available. This report presents the revised Medium Term Capital Programme for approval.

The Treasury Management Strategy for 2011/12 was subject to scrutiny by the Audit Committee on 21 January 2011. Following the revisions to the capital programme, there is a need to revise the prudential indicators as outlined in the report. The revised indicators are included at **Appendix G**. These require approval by Full Council.

Corporate Plan 2011-2014 as amended by the four new priorities for the City and Council:

The Corporate Plan 2011-14 replaces the previous one and includes the four priorities mentioned above

The Corporate Asset Management Plan supports both the Corporate Plan 2011-2014 and the Revenue and Capital Budget.

The 2011/12 Revenue and Capital Budget is central to the successful delivery of the Corporate Plan 2011-14.

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

Once approved the 2011/12 budget will become the base year for the Medium Term Financial Strategy (MTFS) 2011-14.

The MTFS will be revised and updated in the light of the final 2011/12 budget and settlement implications. Human resources, ICT and asset implications have been fully considered and referred to throughout the report.

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.

The Corporate Plan and Revenue and Capital Budget reports both refer to headline risks and equality issues. All Departmental Delivery Plans are covered by Equalities Impact Assessments, signed off by the relevant Director. Each delivery action has considered the impact on: council priorities, legal obligations, customers and other services and partners. Each separate action has been risk assessed in terms of potential barriers to implementation with corresponding mitigation stated where relevant. The Corporate Asset Management Plan deals with issues regarding accessibility, health & safety and equality in respect of the corporate building estate.

Recommendations & Reasons for recommended action:

It is recommended that

Corporate Plan 2011-14

Cabinet commend the Corporate Plan to full council for adoption subject to minor amendments and editorial design changes being delegated to the Chief Executive and the relevant portfolio holder

Corporate Asset Management Plan 2011-15

Cabinet commend the Corporate Asset Management Plan to full council for adoption.

2011/12 Revenue and Capital Budget Report

1. The proposed net revenue budget requirement of £208.237m for 2011/12 and five year Capital Programme (2010/11 – 2014/15) of £192.635m is recommended to Full Council on 28 February 2011, subject to any final amendments

2. Increases to fees and charges as outlined in **Appendix C** be approved by Cabinet.
4. The Revised Prudential Indicators outlined **Appendix E** be recommended to Council for approval.

Alternative options considered and reasons for recommended action:

The Corporate Plan sets the strategic direction for the council and brings together a range of related information in one place. This year more emphasis has been placed on ensuring that all the key elements of sound business planning are represented within the plan.

There is a statutory requirement under Section 33 Local Government Finance Act 1992 for the Council to produce and deliver a balanced budget and to set a Council Tax.

Background papers:

- Finance Settlement Papers Department of Communities and Local Government (CLG)
- The Prudential Code for Capital Finance in Local Authorities
- Equality Impact Assessments
- The Local Government Act 2003 and The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003
- 2010/11 Budget / Prudential Code Working Papers
- Medium Term Financial Strategy
- Capital Financing Regulations
- Workforce development Strategy
- ICT Strategy
- Accommodation Strategy
- Proposed 2010/11 Budget Report to Council 6 December 2010
- Treasury Management Strategy report to Audit Committee 21 January 2011

Sign off

Fin	MC10 11.019	Leg	10793/ DVS	HR	n/a	Corp Prop	CT/0 60/3 1011 1	IT	n/a	Strat Proc	PWC 1011 .011
Originating SMT Member Malcolm Coe											

CORPORATE PLAN 2011-14



Our shared vision for the city with our Plymouth 2020 partners

To be one of Europe's finest, most vibrant waterfront cities, where an outstanding quality of life is enjoyed by everyone

A city that will be:

A healthy place to live and work

A wise city that is a place for learning, achievement and leisure

A wealthy city which shares and creates prosperity

A safe and strong city

Our shared priorities for delivering the vision with our Plymouth 2020 partners

Deliver growth

- Develop Plymouth as a thriving growth centre by creating the conditions for investment in quality new homes, jobs and infrastructure

Raise aspirations

- Promote Plymouth and encourage people to aim higher and take pride in the city

Reduce inequality

- Reduce the inequality gap, particularly in health, between communities

Provide value for communities

- Work together to maximise resources to benefit customers and make internal efficiencies

Corporate Plan 2011-14

Published by Plymouth

City Council

Date

CONTACT

Policy, Performance, Partnerships

Civic Centre

Plymouth PL1 2AA

Tel 01752 305546

To keep costs low the Corporate Plan is only available electronically in a simple design format

Key messages

1 We live in very difficult times, but also ones that provide us with real opportunities. Over the next three years we have to make significant efficiency savings from our overall capital and revenue budget. This is involving us in some hard choices and will lead to a managed reduction in jobs within the council. We aim to protect front line services that are most critical to our residents and we are looking at how we can make our services more efficient, particularly the back office support ones. We have budgeted to make our efficiencies over the next three years and eleven budget delivery groups have come up with plans for doing this. In terms of direct provision, we will have more varied delivery options and a stronger focus on commissioning services. There will also be cases where we stop doing things.

2 We will see a significant transformation of the council as it becomes leaner in some areas and more strategic and customer focused. At the same time, we will be taking on greater responsibilities for public health. Although the efficiencies are strongly influenced by the tight financial context in which we have to operate, they are also based on ideas we had already been developing or implementing for providing more customised services and better value for money.

3 We have recommitted, along with our partners, to our ambitious vision to make Plymouth one of Europe's finest, most vibrant waterfront cities where an outstanding quality of life can be enjoyed by everyone. We have developed four key priorities with our partners to really help us drive and achieve that vision. These are to deliver growth, raise aspirations, reduce inequalities and provide value for communities. Despite the tight financial circumstances, we have a real opportunity in Plymouth to make a difference, be more innovative and achieve great things. We are ambitious for the people of this city and want to work with them to deliver our vision for the city.

4 In this Corporate Plan we set out our strategic direction over the next few years, our operating context, where we need to improve, what we will focus on, how we will align our resources to achieve our aims and what we expect of the council. The focus is on remaining ambitious and really driving the modernisation process we have already begun.

Leader

Chief Executive

Purpose of this Corporate Plan

The Corporate Plan helps us make sense of our often complex world. It:

Outlines the strategic direction of the council for the next three years

Provides an assessment of current performance and future challenges

Shows how we contribute to achieving the shared vision and priorities for the city

Demonstrates how we align our resources and contribute to the efficiency drive and transformation of service delivery

Informs the integrated planning process with partners

Gives clear direction on how the organisation will operate

Helps us hold ourselves to account and ensure we deliver for the city and its residents

Brings key information together in one place – particularly for members, managers and partners

Content

Vision statement & priorities	2
Key messages	3
About our business	4
Our vision for Plymouth	5
Our vision for the council	6
Where we are as a city	7
Where we are as a council	8
Delivering our priorities	11
Resources and efficiencies	13
People and transformation	18
Managing our business	21

About our business as a council

5 We offer over 300 distinct services to our customers, involving thousands of products and activities. To do this we employ over 11,000 people in a variety of occupations. Across the council we are responsible for the implementation of a huge amount of national legislation and regulation and the development of statutory plans in areas like transport and planning. Our relationships with our customers are not simple ones.

- Some people choose our services on a fairly competitive basis, such as using a sports centre or reading books from our libraries, as alternative provision is also available
- Some may have a legal relationship with us, such as a family where a child is under a care order, or a food outlet owner who needs to comply with hygiene regulations, or a developer seeking planning permission.
- Others benefit from our services at different points in their life, such as when they have a child in school or need care.
- Our customers are also the recipients of uniform city-wide services like refuse collection and street cleaning.
- Our customers are very varied ranging from a homeless person seeking support to an investor requiring information about business development sites

We are a big, complex organisation, but one that needs to be continuously looking at how it can be more efficient and customer focused.

We are a diverse and complex business

Daily we help around 3,500 older people to live in the community, support the education of 40,000 children and fund 4,220 nursery places

Weekly we pay out £1.5m in benefits, collect bins from 117,000 households, respond to 600 housing advice requests and undertake 30 food hygiene inspections

Yearly we dispose of 127,500 tons of domestic and bulky waste, process 2,000 planning applications, issue over 1,315,000 books from our libraries and cut 6m square metres of grass

This is just some of what we do

Main Services

Departments	Services
Community Services	<input type="checkbox"/> Environmental Services <input type="checkbox"/> Culture, Sport & Leisure <input type="checkbox"/> Adult Health & Social Care <input type="checkbox"/> Safer Communities
Children & Young People's Service	<input type="checkbox"/> Lifelong Learning <input type="checkbox"/> Learner & Family Support <input type="checkbox"/> Children's Social Care
Development & Regeneration	<input type="checkbox"/> Planning Services <input type="checkbox"/> Transport <input type="checkbox"/> Economic Development <input type="checkbox"/> Strategic Housing
Corporate Support	<input type="checkbox"/> Finance, Assets & Efficiencies <input type="checkbox"/> Customer Service & Business Transformation <input type="checkbox"/> ICT <input type="checkbox"/> Democracy & Governance <input type="checkbox"/> Human Resources & Organisational Development
Chief Executive's	<input type="checkbox"/> Communications <input type="checkbox"/> Policy, Performance & Partnerships

What our vision for Plymouth means

6 The transformation of Plymouth into a series of sustainable communities where the most is made of the city's very considerable natural assets is at the core of the vision for Plymouth to become "one of Europe's finest, most vibrant waterfront cities where an outstanding quality of life is enjoyed by everyone". The city's distinct natural setting between Plymouth Sound, Mt Edgecumbe, the Tamar and Plym rivers and Dartmoor is seen as its biggest selling point, of which more could be made. The vision is based on the view that the city should grow in width to the east and in height to exploit its waterfront setting.

7 Plymouth's vision involves growing the city's population to achieve the critical mass to provide the range of amenities needed to become the regional economic hub of the far South West - attracting more visitors, inward investment and jobs; developing the cultural and retail offer and making the place more vibrant. This means responding to what will be a growing and changing population, as new workers and visitors arrive, in an inclusive and welcoming way. It also means building on the city's strengths and developing a series of interlocking and sustainable communities, where there is strong resident engagement. Ensuring that there are high quality access networks across the city to leisure, work, health and other amenities is a feature of the vision, together with improving the major gateways to the city like the ferry terminal, rail and bus stations and our major road corridors.

8 The vision involves building new learning centres that are central to and support community regeneration; a city campus approach to learning that enhances choice and is focused on skills for the future; with the University of Plymouth centred on enterprise and City College on vocational skills. It is also about co-locating services like health and social care, so they are more accessible and bringing services together better at the locality level. It is focused on developing jobs in six high value growth areas; having a vibrant city centre of regional significance and a second centre for the growing high tech and medical sciences quarter to the north of the city at Derriford. It involves getting the most from the 12 miles of open waterfront that runs from Jennycliff near Mount Batten to Devonport; exploiting and enhancing green amenities like the Hoe, Central Park and Stonehouse Creek; improving the city centre by building upon successful initiatives like Drake's Circus and the west end development that will link to the regeneration of Millbay, as well as enabling regeneration across key areas of the city.

The type of city we want to be

A city that is a thriving regional centre that attracts visitors and businesses

A city with a series of sustainable communities enjoying a high quality of life

A city with a strong cultural and retail offer

A city that is aspiring with excellent educational attainment

A city that is cutting edge with high tech, high value industries and jobs

A city that people want to live, work and play in because of the quality of its environment and waterfront setting

A city with a strong regional, national and international identity

A city that is dynamic and innovative with a growing and diverse population

Our plans involve increasing the city's population from 248,000 in 2005 to around 300,000 by 2026, with an additional 50,000 in the surrounding area.

They include opening up the waterfront, renovating the harbour areas and delivering area action plans

It means, creating 13,000 sq metres of office space per annum; 172,000 sq metres of new retail space by 2021; as well as 100 new hectares of local nature reserves, 32,000 new homes and 42,500 new jobs in our six growth areas:

- advanced engineering,
- business services,
- creative industries,
- marine industries,
- medical and health care
- tourism and leisure

9 It also includes rejuvenating areas like Devonport and North Prospect; ensuring the housing stock is decent, there is a good balance of quality and affordable homes; waste is effectively recycled; providing a safe and healthy environment for residents and visitors; building a Plymouth Life Centre that provides local and nationally significant sports facilities; enhancing the cultural offer through major events and other attractions to create vibrancy and having a thriving voluntary and community sector. It is also a vision that is about people in terms of raising aspirations, widening horizons, maximising opportunities and having a vibrant, creative culture. It is a vision that is now work in progress with achievements to date and there is no intention of moving away from it. The vision and consequent commitment to growth and transformation is what makes Plymouth distinct from other places. It is also a level of ambition against which progress has to be judged. In Plymouth the bar is higher.

Where we want to be as a council

10 A vibrant, innovative city needs an innovative, efficient and enabling council focused on its customers, so we must continue our process of modernisation and improvement. Looking to the future, we will have a stronger enabling function, as we seek to build up capacity in local communities and help people achieve their ambitions and become less dependent on services in some cases. In terms of direct provision, we will have more varied delivery options and a stronger focus on commissioning services. We will e-enable all our services so that where appropriate we can provide our customers with the choice of self service at times that suit them. There will be closer working with our partners as we seek to provide more seamless services and easy contact points for a range of advice and support. We will share more back office functions where we can to reduce costs and gain benefits of scale. There will be more flexible working as we 'hot desk' and lower office costs. We will also share more accommodation with our partners, whether that is offices, depots or other facilities. Our staff will be empowered to make decisions; they will be far more self reliant; there will be considerably less management overheads and more focus will be placed on strong strategic leadership, good communication and managing outcomes. The council will be both a more exciting and more challenging place to work.

The type of council we want to be

We will be very focused on our customers and work with partners to provide easy points of contact and streamlined service delivery

We will be ambitious for our city, all its residents, our council, Members and staff

We will have staff that recognise the value and demands of operating within a democratically accountable body; while our Members will value the knowledge and commitment of our staff

We will encourage innovation and take reasonable risks in pursuit of our vision for the city, encouraging both user and staff engagement to improve services

We will work from flexible settings, sometimes co-located, sometimes remotely, and there will be more movement around the organisation and across the partnership to tackle issues

We will be a confident, learning organisation; an employer of choice where people feel they can develop and realise their full potential

We will be more of an enabling organisation rather than simple provider – helping others to deliver services where possible

We will have clear and transparent leadership and sense of direction, with an enabling management culture where staff are empowered to act and make decisions

We will be an organisation that shares its support services with other agencies to get maximum efficiencies and benefits

We will be a 'can do', problem solving organisation that is focused on having an impact and getting things done

We will constantly raise the bar and challenge ourselves to perform better

Where we are as a city

11 The Plymouth Report in summer 2010 brought together in one place for the first time a range of information from needs analysis, strategies and plans to assess where the city is on its journey towards its vision. As well as covering the healthy, wealthy, safe and wise themes of the Plymouth 2020 partnership, it also looked at customer and capacity issues. Whilst recognising achievements, the focus was on what needs doing and whether we and our partners have the capacity to do it.

12 The report stressed that the city's growth agenda makes Plymouth distinct and touches all aspects of partnership activity, which is not surprising given its scale. For example, it inter-weaves with health as both a vehicle for planning healthy communities, with better quality housing, services and improved access to specialist facilities, which can help reduce inequalities and prevent poor health; and, is a means of attracting more high value jobs and companies to the city, with the development of the medical sciences, hospital and university. It can, therefore, be the thread that binds a range of activities together in a highly focused way.

13 The report highlighted many positives about the city, such as its relative safety and cleanliness when compared to other cities; the major infrastructure developments that are taking place to support growth; examples of effective partnership working and community engagement; a strong record around children protection and providing support to adults with care needs and some innovative projects working with those at risk or disadvantaged. However, it also stressed that a step change in focus and delivery would be needed to achieve our city's vision. It showed that: the city's workforce was not sufficiently entrepreneurial or skilled in the right areas; there was a large gap in health inequality; aspirations were relatively low; the voluntary and community sector was relatively small; there was no shared focus on dealing with the customer amongst public sector agencies, or a shared resource plan to support partnership delivery at a time of diminishing resources.

14 The Plymouth Report became the basis for re-assessing our priorities as a city and a council and agreeing the four priorities we are now all committed to.

Key challenges to achieving our vision

The growth agenda is what makes Plymouth distinct and it can be the thread that binds a range of activities together

The city is successfully implementing a spatial framework and developing the infrastructure to meet its very ambitious vision, but its current profile does not match that ambition as in the main it is not sufficiently entrepreneurial or skilled in the right areas

Health is improving but health inequalities are wide and are linked to a range of other inequalities that tend to converge around the western edge of the city

Educational attainment is improving well, but entry to higher education is relatively low when compared to other cities and performance around vocational qualifications could be better

The same customers are often dealt with by many agencies in many places, but there is no shared contact point and customer management strategy across agencies

There is currently no resource plan for Plymouth 2020 covering people, finance and assets, while there is growing pressure on ensuring how more limited resources can be used across the partnership and risks and impacts assessed

The Plymouth Report can be found on the Plymouth 2020 website at:
www.plymouth.gov.uk/plymouth2020

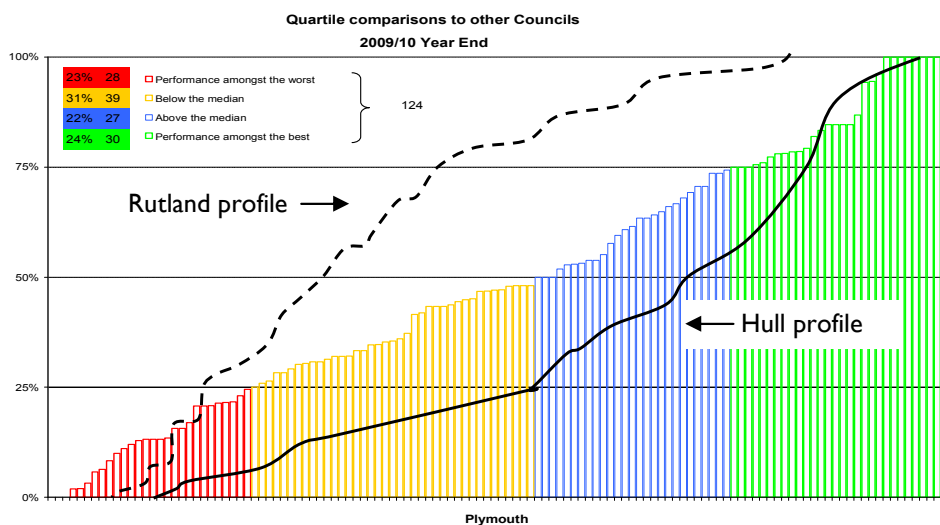
Where we are as a council

A successful track record

15 We have made major improvements as a council in recent years. In 2009, we did very well under the former Comprehensive Area Assessment and in 2010 we won the Municipal Journal's Award for Best Achieving Council. We have also won many other awards. There are major outward facing modernisation programmes in place in areas like Adult Social Care, as we seek to change the way services are delivered and increase people's independence. We have strong stories to tell in areas like partnership working, community engagement, child protection and spatial planning. Internally, we have been rationalising our accommodation requirements and modernising our resource functions. Our financial management has improved significantly over the years and we have built up our reserves. A number of major decisions are now behind us, such as Job Evaluation, the selling of City Bus, setting up Plymouth Community Homes and re-zoning waste collections. We have a sound base to build on. We do though face many challenges in what is a changing working environment and there is still a lot to do if we are to be the kind of innovative, dynamic and enabling authority that is commensurate with the scale of our ambitions for the city.

Our comparative performance

16 Against a basket of 124 performance indicators the council performs around the average when compared with other unitary councils. The analysis from Price-Waterhouse-Coopers' benchmarking club, which has only just been released, shows we have 54% of indicators in the bottom half of the distribution and 46% in the upper half for 2009/10. Overall, we have improved against our 2008/09 performance, with 53% of our indicators improving and 34% declining. Our performance continues to improve over the years, whilst we hover either side of the average performance line for unitary councils, where performance as a whole has also been improving. The table below shows our quartile performance against the best and worst unitary performers, albeit a small council in the case of the top performer. We are over represented in terms of third lowest quartile performance; while it would only take a net increase of five indicators in the top half of the distribution for us to be spot on the average mark. However, average performance is not good enough for us. Given the scale of our ambition, we need to be better.



The table shows the number of indicators in the four coloured quartiles for Plymouth and compares our overall distribution line to the top and bottom performers. Rutland, for instance, hits mid-point and top quartile performance much earlier than we do, Hull much later. The bar lines represent our performance against the 124 indicators. Councils will differ in terms of which of their indicators sit in which quartile – one council's top quartile indicator may be another council's bottom quartile performer. Sometimes the indicators cover a narrow range of comparative performance between councils.

17 While the 124 benchmarked indicators cover a number of areas of partnership activity, the set does not provide a comprehensive view of all performance. It does not, for instance, reflect progress with inward investment, infra-structure development or programmes for building schools or projects like the Plymouth Life Centre where we are doing well. It does though tell us something about outcomes for people at a given time, such as their levels of attainment or health. Not all the indicators in the current national set will be important to us and we need to make a decision about what is acceptable performance in some areas. We are currently focusing on areas where we need to be improving performance at a lower cost, such as in waste collection and learning disability. We have also had success in improving value for money in an area like planning. We do, however, need to move to a much higher level and get a step change in performance in those areas most critical to us and the achievement of our vision. We will, therefore, be strengthening our focus on driving up performance improvement.

18 Our most recent public perception data from 2009 shows low overall public satisfaction with the council and we are not seen as offering sufficient value for money. While specific service level satisfaction rates are higher, they are not that strong when compared nationally and again hover around the average.

Meeting the challenges ahead

19 We have a strong vision, but we need to promote ourselves more aggressively if we are to attract government support and inward investment in the current regional climate. Internally, our staff satisfaction levels have improved, though we need to do far more around change management. Historically, we have been a provider rather than a commissioner of services, though this is changing. Whilst we have some experience of sharing services with others, this has not been extensive. We have engaged in some process re-engineering to make services more efficient, but again this has not been extensive. Strategic commissioning, business process implementation and change management are all skills that will be required in greater abundance if the council is to transform itself. They are also skills that are in short supply within the public sector. In other areas, like social work, where there are skills shortages nationally, we have put a lot of work into recruitment and retention, though this remains a challenging area for us.

Departmental challenges and opportunities

Chief Executive's – challenges and opportunities

- Budgetary pressures making it more important to work collaboratively; while ending of Local Area Agreement Performance Reward Grant means funding has gone from posts immediately supporting P2020
- Public health moving from PCT to council
- Move away from top down target setting nationally, inspection regimes in many cases and prescriptive partnership approaches gives more autonomy while putting the emphasis on self-improvement

Corporate Support – challenges and opportunities

- Managing the much tighter financial situation with reduced government formula grant and capital programme support
- Increasing demand for benefits and radical future changes to the benefit system
- Increased public sector transparency and requirements to publish expenditure over £500
- Sharing back office functions with partners and looking at how we can maximise employment opportunities in the city
- Supporting the transformational change agenda across the council as we try to get more for less
- Providing more streamlined customer services and more efficient ways of engaging with customers
- Improving the quality of ICT at a difficult time financially

Children & Young People – challenges and opportunities

- Growing pressure on school accommodation, particularly at primary level, due to the recent increase in the birth rate.
- A lot of our school stock is still ageing, with a maintenance backlog
- Schools will have greater freedom to procure education support services from wherever they choose
- Growing interest in academies
- Increase in referrals to Children's Social Care - 40% between 2007/8 and 2009/10
- The (Southwark) legal judgement is increasing the number of homeless young people presenting to Children's Social Care
- National policy focus on prevention and early intervention, with more intensive and targeted services for the most vulnerable

20 We have been improving our customer services across the council and this is a big agenda that involves greater use of e-transactions, first time resolution of queries, better joined up contact facilities and more seamless services across agencies. We are doing more to make better use of our procurement power and standardise purchasing across the authority, but again this is an area where there is much to do. With the reduction in national prescription, the ball is very much in our court in some areas and we need to push ourselves forward. This includes exerting a strong influence regionally, attracting more income to the city and council and leading the growth agenda with the private sector. Building on the good work we have already done with local communities and neighbourhoods, we have to empower local communities further, help build capacity in the community and reduce dependency on services. As part of this we must develop imaginative ways to break the cycle of deprivation in parts of the city and ensure that the focus on localism is managed fairly across our neighbourhoods.

21 Our departments face many challenges as they adapt to and take advantage of an environment that is changing in terms of technology, demographics, national policy and customer expectations and as a result of our very success in many areas. At the same time as we respond to change, we also have to continue to ensure children and vulnerable adults are safe and that key services that impact on the public as a whole are maintained at a sufficient level. All this is against a background of reduced resources, so we will have to stop doing some things, do others very differently and do more with partners.

Community Services – challenges and opportunities

- Growing elderly population and increase in long term care needs, with national focus on more personalised and preventative services
- Adult social care and health expected to join up to enable integrated delivery where possible, while health partners face major changes
- Managing public expectations around waste disposal, waste collection and recycling against tight budgets
- Proposals to change the way police are governed with elected police commissioners to replace police authorities
- Increasing national focus on engaging with local communities
- Population expected to grow and diversify with need to ensure good community cohesion
- Legislative focus on equality impacts, but less stress on national standards/targets and more on local priorities
- National funding reductions covering culture, media, sports

Development & Regeneration – challenges and opportunities

- National focus on localism and decentralisation – removal of Government Office South West and Regional Development Agency, including funding streams; replacement with Local Economic Partnerships; with greater emphasis on council to lead growth agenda with private sector
- Removal of regional strategies and mechanisms – e.g. spatial strategy and the setting of housing numbers and Regional Funding Allocation for transport
- Expected radical reform planning framework with a new form of Local Plan centred on neighbourhoods and incentivising development –Community Infrastructure Levy and New Homes Bonus new funding mechanisms
- Changes proposed to housing tenure, policy, allocations, statutory duties, benefits and affordable rents; reductions in grant support towards provision of affordable housing; private sector renewal grant discontinued
- New Growth Point/Family Intervention Service grants gone
- Maintaining and increasing income streams during downturn
- Major transport scheme decisions now national, with no new major schemes to be funded during 4 year spending review
- Transport funding through integrated block grant reduced and replaced by Sustainable Transport Fund requiring competitive bidding for key infrastructure projects
- Ensuring our ability to take advantage of emerging funding opportunities such as the Regional Growth Fund, homes bonus scheme and sustainable transport fund.
- Creation of a Growth Fund

Delivering our priorities

Priority focus

22 Following our analysis of the Plymouth Report we have reduced the number of our priorities for the city, the council and our key partners to four: deliver growth, raise aspirations, reduce inequalities and provide value for communities. We have recommitted to our growth agenda and recognised that we need to focus on it much more strongly if we are to get the step change required to achieve our vision for the city. This is the agenda that makes Plymouth distinct. Closely tied to that is the need to raise aspirations. We not only want our children and young people to set their sights higher, but for those in contact with them to have higher expectations; for people to want to come to Plymouth as a place where they can develop and prosper. We do not want the local population to be held back by deprivation and inequalities, but to contribute to and share in the city's growth. At the same time, we recognise that we are operating in tight financial circumstances and need to be innovative, resourceful, more customer focused and provide greater value for money.

23 These four priorities are all interlinked, with the growth focus particularly pertinent to our current situation Plymouth. Together with partners we have agreed a set of very high level long term outcome measures that sit under the priorities and for which we share collective responsibility. Under these sit a set of medium term outcome measures which will contribute to the delivery of the high level ones and involve effective partnership working if we are to achieve the desired results. These are almost finalised, with the next step to agree targets across all the measures. The priority descriptors and the outcome measures are listed in the tables below.

Plymouth 2020 priority descriptors			
Deliver growth	Raise aspiration	Reduce inequality	Provide value for communities
Develop Plymouth as a thriving growth centre by creating the conditions for investment in quality homes, jobs and infrastructure	Promote Plymouth and encourage people to aim higher and take pride in the city	Reduce the inequality gap, particularly in health, between communities	Work together to maximise resources to benefit customers and make internal efficiencies

Level I Outcome Measures			
Increase the number of jobs in Plymouth	Increase in the percentage of working age people with level 3 and above qualifications	Reduce the gap in life expectancy by at least 10% between the fifth of areas with the lowest life expectancy and the population as a whole by 2020	Increase the value of commissioned goods and services by civil society organisations
An increase in the headline gross value added per head index at current basic prices	Increase in graduate retention rates in the city from local colleges	Reduce the rates of premature mortality (<75 years) in men from all causes by 40% by 2020	Customer satisfaction with all public services offering VFM
An increase in the average gross weekly pay of full time workers	Increase in the number of visitors coming to the city	Reduce Child Poverty	People who feel they can influence decisions in their locality
Offering a good range of housing in safe, inclusive and sustainable communities	Overall / general satisfaction with local area		Per Capita CO2 emissions in the LA area
Deliver connectivity with key regional, national and international markets	Rate of small businesses with turnover greater than £100k		% of people who believe people from different backgrounds get on well together

Plymouth City Council & P2020 priorities

Deliver growth	Raise aspiration	Reduce inequality	Provide value for communities
-----------------------	-------------------------	--------------------------	--------------------------------------

Level 2 Outcome Measures

Hectares of employment land delivered per annum	Achievement of 5 or more A*-C grades at GCSE or equivalent incl Maths & English	Reduction in the educational attainment gap at Key Stage 4 between the most and least deprived localities in the city	Increase in the value of commissioned goods and services
Percentage of developments meeting quality of design and place-making criteria	General satisfaction with public sector organisations	% of vulnerable families scoring 4 or more of the 24 factors that contribute to the definition of vulnerability	Increase in the use of volunteers
Economic sector growth	Achievement of a Level 3 qualification by the age of 19	Child protection plans lasting two years or more	Customer satisfaction with the council offering vfm
Deliver strategic and local infrastructure	Reduce under 18 conception rate	Social Care clients receiving self directed support.(direct payments & individual budgets)	% of priorities identified at neighbourhood meetings that have been resolved
Improvement in public perceptions of violent crime levels and image of city – public and business – <i>still in discussion on this</i>	16 to 18 year olds who are not in education, training or employment (NEET)	Prevalence of breastfeeding at 6-8 weeks	Percentage of household waste sent for reuse, recycling and composting
Deliver a sustainable environment	Graduate retention rate	Worklessness and skills outcome measure being prepared	CO ₂ reduction from public sector operations
Rate of non-domestic property fires – <i>still in discussion on this</i>	Public sector staff perception	Housing decency - Number of Category 1 Hazards removed	No of racist, disablist, homophobic and faith, religion and belief incidents
Number of affordable homes	Rate of anti social behaviour incidents per 1000 population	Narrow the gap in overall crime	First point of contact resolution and percentage of avoidable contacts – different targets for each agency
Net additional homes provided	Number of active interventions through Positively Plymouth marketing campaign	Reduce the rate of accidental dwelling fire casualties	Level of community engagement in neighbourhood plans
Improved rail journey times		Reduce the rate of adult smoking	
Percentage of households connected by broadband		Narrow the gap in Coronary Heart Disease (CHD)	
Improved road journey times		Decrease the rate of childhood obesity in Year 6 children by 10% by 2020	
		Reduce the rate of alcohol-related admissions by 2020 to 2010 levels	
		Access to services and opportunities through transport provision	

NB: Some changes still being made to these outcome measures

Finance and efficiencies

Financing our priorities

24 We remain committed to sound financial management as a basis for achieving our priorities, providing good quality services and protecting those who are most vulnerable. We aim to put resources behind our priorities and move them away from those areas that are less important or where we can stop doing things. We also want to increase our income where we can and be more resourceful, so achieving a priority is not always about putting more money behind it. We resource our priorities over time, so some priorities may feature more strongly as circumstances change. This year we are particularly focusing on value for communities and the efficiency agenda. We are also protecting budgets around growth and have increased resources to cover rising demand around adult and children's social care. All our budget delivery plans are assessed for their impact on our four priorities, particularly equalities.

Operating in a difficult financial climate

25 The 2010 Comprehensive Spending Review (CSR) proposals were announced in October 2010 with the detailed local authority settlement coming on 13 December. It means a reduction in real terms of 28% in the local authority formula grant over the next four years. In addition, the new government has instigated a full review of public sector pension provision, the results of which will not be known until spring 2011. The current economic climate is causing significant budget pressures, as we experience the impact of reduced income from our car parks and commercial rents. The downturn has brought reduced interest rates and therefore reduced income from our treasury investments. Our ability to use future capital investment in the city to stimulate growth and regeneration will also be restricted. Capital grants and spending will significantly reduce, by as much as 45% in some areas, and funding for programmes that were previously planned, such as Building Schools for the Future, have already been withdrawn. We also face increasing spending pressures in areas like adult social care and children's care services.

Medium Term Financial Strategy

26 Although times are challenging, we have a sustainable Medium Term Financial Strategy, having for some time been modelling for a significant reduction in the government's formula grant and requirement for a council tax freeze. During 2010/11, we applied a £4m in-year funding reduction in response to the new coalition government's emergency budget and made some adjustments to our capital programme. We have standardised inflation allocations for departments at 0% for the next two years and 2% in 2013/14. We have also removed any overall pay award allocations for the next two years, while retaining 2% for 2013/14. We rolled forward the 2010/11 reductions into our calculations for forthcoming years. Following the settlement announced in late December 2010, we have grant funding confirmed for 2011/12 and 2012/13 only, with an indication of income for the next two years. We expect our income from the formula grant and council tax to fall from £201.8m at the start of 2010/11 to £186.7m by 2013/14, which represents a shortfall of around £30m if these income streams had kept pace with inflation.

Three year net revenue budget by department				
	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m
Children's Services (excluding schools)	51.111	49.383	50.302	49.288
Community Services	110.777	109.180	106.905	104.943
Development & Regeneration	16.184	17.074	15.617	15.094
Corporate Support	31.479	27.400	24.826	21.675
Chief Executive's	1.728	1.509	1.376	1.165

27 To address this likelihood we set up 11 theme based budget delivery groups with efficiency saving targets ranging from 40% by year three for some back office functions and 6% by year three for some front line ones. The advantage of this approach has been that it has enabled us to look at entire spend for a specific function, such as policy & performance across all departments, identify duplication, process improvements and alternative delivery arrangements. We aim to achieve efficiency savings of around £26m over the next three years through this work, which together with other rolled over efficiency savings will enable us to balance our budget. Community Services is by far our biggest budget, followed by Children's Services excluding school budgets - where there are delegated budgets which are not part of these calculations. The big percentage savings are in back office functions in Corporate Support and Chief Executive's.

28 Although our budget is declining we still have the freedom to move resources around within that reduced amount. We have, for instance, allocated £0.7m for increased numbers of children in care; £0.2m for the pay increase for low paid workers, who may be exempt from the local authority pay freeze; and, £1m to cover demographic changes in Adult Social Care. Our average Council Tax was the lowest in the region for 2010/11 and may well remain so, given the freeze on any increases and the tight financial situation facing all councils.

Efficiency focus

29 We are using the challenging financial context to look at how we can become more efficient and improve services, not simply cut back our budgets. The proposals that have come out of the budget delivery groups have been built into departmental budgets over the next three years and it is the responsibility of departments to ensure delivery.

30 Inevitably the scale of reductions required will mean some posts are likely to go. Over the next three years we are looking to reduce the combined direct and indirect costs of the workforce, including overheads, by £18m or 14% of the total wage bill. Support services and administration will see the most significant changes through proposals to improve customer services, ICT modernisation, accommodation rationalisation and changes to working practices. Our management structures across the

Our efficiency savings focus

Council-wide efficiency focus

- Reductions in spending on support functions, including administration, and amalgamating functions across the Council wherever possible
- Increasing efficiency and improving customer service by directing more calls through the Council's customer contact centre and investing in a new website to enable more transactions to be made online
- Reducing accommodation costs by rationalising the number of buildings used by the Council and changing working practices
- Substantially reducing spending on subscriptions to external bodies and on print and publicity across all Council services
- Investigating ways of increasing income, including raising fees and charges
- Improving commissioning and procurement to get better value from our contracts and from our purchasing of goods and services
- Investigating options for external organisations and the private sector to take over the running of some facilities

Chief Executive's efficiency focus

- Re-alignment and reduction of staff across council focused on policy, performance and partnership, with the focus on a smaller higher quality service, including consultation expertise
- Streamlining of partnership activity, governance and scrutiny; as well as strategies, plans and better co-ordinated research work
- Driving out duplication in communication across the council and improving clarity and focus both internally and externally
- Reduce print, publicity and advertising costs

Corporate Support's efficiency focus

- Changes to cash collection, facilities, property and debt and treasury management
- Raising income through fees and charges; with reduced audit costs
- Procure to pay buyer roll out greater standardisation across council; better category management
- Restructure of human resources staff in line with greater e-support and shared service development
- Review and revise terms and conditions
- Changes to legal, democratic and registration services
- Further roll out of Accommodation Strategy
- Business support restructure across council
- Integration of customer services and revenues and benefits, including Single Point of Contact and increased use of council website
- Bring more services into contact centre

organisation, including senior and middle managers, will also be reviewed. Overall, we estimate we will need to reduce our workforce by 500 posts in this period, in consultation with trade unions. Although we cannot rule out compulsory redundancies, we are actively seeking to avoid this situation where we can through natural wastage, planned retirements, recruitment controls, improved redeployment and training opportunities.

31 We have a good record of achieving efficiency gains in the past, though we, along with other councils, are no longer required to report efficiencies to government through national indicator 179. The departmental delivery plans are our efficiency programme for the future and central to our transformation.

Investing in transformation

32 In a new initiative to assist with the council's transformation programme we have established the principle of 'invest to save' projects. Departments can bid for investment funds where there is a clear business case delivering ongoing revenue savings. Examples of this approach include the already approved Accommodation Strategy; supporting the launch of a new website for our customers that will allow 24/7 access, greater functionality and more efficient electronic transactions with the council; and, the upgrade of the Care First system to improve our management of client information in adult and children's social care.

33 Investment in improved Information and Communications Technology (ICT) is fundamental in achieving greater efficiency, more customised services and transformation. It will enable us to have one consistent, joined up and reliable source of information on the customer; support flexible working across all our buildings and better links with partners; increase the use of e-learning facilities and provide greater functionality to support e-transactions and other customer contact. These are all central to our ICT Strategy, where we have initially prioritised investment and activity that supports the Accommodation Strategy and replacement website. We are striving to reduce the number of applications used within the council and consolidate around enterprise-wide

Services for Children & Young People's efficiency focus

- We are transferring services such as policy and performance to the corporate centre.
 - In Children's Social Care the focus will be the continuation of wrap around services and risk managed diversion strategies, to ensure that children are able to stay with families in a safe environment wherever possible. We have driven down placement costs this year and will continue to do so.
 - We will continue our reductions of admin staff to deliver further efficiency savings
 - Policy reviews, such as the transport review and the work regarding Special Educational Need, will address underlying pressures, whilst ensuring the most vulnerable are supported.
- The programme will inevitably lead to significant changes and the partnership with schools will also be a key feature in shaping the size and transformation of the department in future.

Community Services' efficiency focus

- Domiciliary care services – maximisation of block contracts and standardisation of unit rates; efficiencies across in house and externally provided services
- Care management services – reviewing high cost packages and alternative service provision
- Remodelling of service and standardisation of unit rates for Supported living, Day care, Enabling and floating support and Residential Care – under 65
- Workforce remodelling linked to CareFirst 6 and Charteris Business Process Re-design
- Increase bulky waste collection charges
- Transfer of maintenance of some public toilets
- Some playgrounds and bowling greens to local community ownership/clubs
- Cemeteries and crematoria increase in fees
- Rationalisation of Environmental Services structure
- Reducing revenue support to Theatre Royal and Pavilions
- Library service modernisation
- Museums restructure
- Leisure Service Management contract
- Events, grants and other funding initiatives

Development & Regeneration's efficiency focus

- Review and rationalise Family Intervention and Anti-Social Behaviour services to account for lost grant
- Replacement of New Growth Points revenue grant through the creation of a ring fenced revenue growth fund from potential new revenue streams
- Removal of remaining contribution to former City Development Company
- Package of transport options proposed to identify budget savings – through increased income and or revised service provision – e.g. subsidised bus fares, shop mobility and additional car park charges.

ones. We want a wider, higher skill base with staff using common tools across the council and with partners to improve the way we work with information. This requires the cooperation of all departments and it is intended that the new corporate ICT architecture will be designed and delivered with the help of key partners, bringing in both expertise and capacity at a critical time.

Managing our investments

34 We have improved our financial reserves considerably over the years from a once poor position. Our working balance at 31 March 2010 was £11.5m or 5.7% of our net revenue budget, which is in line with unitary council averages. Our plan is to retain this level throughout 2011/12. In addition, specific earmarked reserves are forecast to reduce to £13m at the end of March 2011 and to £11.4m by March 2012. These specific reserves cover known or estimated costs for specific activities and/or liabilities, such as the Waste Management Reserve to meet interim revenue costs of waste disposal prior to the planned delivery of the energy from waste plant.

35 We receive and spend significant sums of money in order to provide services to people in Plymouth. Effective Treasury Management maximises our financial return on cash balances throughout the year whilst minimising risk. Our Treasury Management Strategy details our approach and rules around investment and borrowing and specifies the financial organisations that we are able to transact with, based on sound risk assessment. Due to continuing low interest rates, we will continue to make use of short term variable borrowing to cover cash flow. New investments throughout the year and cash balances have a target to achieve an overall return of greater than 1%.

Our capital and asset programmes

36 We remain committed to a significant capital investment programme. It supports our growth agenda for the transformation of Plymouth, while providing more immediate job opportunities in the construction industry. There remains significant volatility around future capital grant funding and income generation through capital receipts. The settlement was for two years only and apart from schools' funding the majority of grants are now un-ring-fenced, giving us greater flexibility to match funding with city priorities. Until the full implications are known, we have placed a hold on new commitments against any un-ring fenced funding. Although the current programme has little new investment in 2013/14 and 2014/15, this is likely to change as new grant allocations are confirmed. For example, the council was advised in late December 2010 that Plymouth had been awarded £19m ring-fenced revised Building Schools for the Future funding for two Academies. This has been reflected in our capital programme.

37 In reviewing our capital programme we have continued to reduce our reliance on capital receipt funding, given the current economic climate, and it now stands at £28.2m over the five year period. We have also built in additional temporary borrowing to cover the shortfall in capital receipts, which can be repaid in future years to coincide with rises in capital receipts as the economy improves. The situation is a fluid one and we will continuously monitor it.

Five year departmental capital programme forecast						
	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Total £m
Children's Services	30.759	33.412	10.211	0.000	0.000	74.382
Community Services	20.212	24.007	2.331	0.000	0.000	46.550
Corporate Support	2.658	6.987	0.560	0.500	0.000	10.705
Development	23.828	20.795	5.386	5.160	5.829	60.998
	77.457	85.201	18.488	5.660	5.829	192.635

38 We remain committed to using our assets better to support the growth agenda and to provide more efficient service delivery with our partners; as well as being more sustainable in terms of energy and transport usage. We have developed a new corporate property database and a council community asset transfer strategy, which will respond to the new coalition government's agenda on devolving more control to communities. Our accommodation strategy involves a one-off capital

investment of £6.4m and revenue one of £0.8m to rationalise our office premises and generate year on year savings of £1.5m. This approach will fundamentally change how we work with each other and relate to customers, with consequent efficiencies and service improvements.

Funding source - £m			
Capital Grants/Contribution	72.803	Capital Receipts	28.283
Supported Borrowing	33.260	Section 106/ Revenue/Funds	
Unsupported Borrowing	28.473	Total	<u>10.682</u>
			173.501

Significant schemes for delivery by 2014		
<ul style="list-style-type: none"> ■ £37.5m on the state of the art new college at Tor Bridge ■ £14.2m on improving schools in Southern Way Federation ■ £8.6m for a new School at Efford 	<ul style="list-style-type: none"> ■ £20m on improving transport access in Eastern side of the City Centre ■ £21m on improving transportation in Plymouth (Local Transport Plan) 	<ul style="list-style-type: none"> ■ £46.5m on Plymouth Life Centre ■ £0.5m on a new Library for Plympton ■ £3.88m on bringing Devonport People's Park 'back to life'
<ul style="list-style-type: none"> ■ We are also developing a long term waste disposal solution with Torbay and Devon County Councils, with the planned delivery of the multi-million pound energy from waste plant, with the Waste Partnership looking to announce a preferred delivery partner in 2011 for this Private Finance Initiative (PFI). Completion is currently planned for 2014 		

Operating within a partnership context

39 Although our focus is on achieving shared priorities, we recognise that our partners have additional challenges that reflect their particular circumstances and legislative context and which draw on resources, time and energy. For instance, our health partners have to make £20m annual efficiency savings at the Plymouth NHS Hospital Trust in order to meet rising demand; while Plymouth NHS Primary Care Trust has to transfer commissioning to GPs, public health to the council, set up new provider mechanisms for its community provision and further integrate adult social care. Both the Fire and Rescue Service and Police face financial pressures, with the latter having to plan for elected police commissioners; while the University, City College, third sector agencies, defence establishments and the private sector also all face pressures in the current financial climate. We are conscious of the impact that decisions taken by one partner can have on others in terms of unintended consequences and demands on service delivery. We have been sharing information on a partnership basis and using the scrutiny process to address this risk. We are also working more extensively with the private and community sectors to lead the city's growth agenda.

Consulting on and scrutinising our budgetary proposals and priorities

40 Our public consultation on the budget elicited 466 on line responses with corporate support identified as the main area for efficiency savings, with better joined up internal support and a reduction in the number of buildings we use. Increasing charges in some areas was also seen as a way of managing the tight budgetary situation. Partners also contributed to the process. Both police and health representatives stressed the importance of partners assessing the impact on each other of changes in their respective organisation. Business and culture sector representatives welcomed the focus on growth, with the latter also highlighting the importance of transformational change. From the voluntary sector the emphasis was on supporting preventative activities, addressing inequalities, particularly around health, and protecting the needs of those who are most vulnerable. Overview and scrutiny members put a great deal of stress on ensuring that the impact of any changes was effectively understood and managed. Delivery is seen as the key issue within a challenging environment.

People and transformational change

Transforming the council

41 Over the next few years we will be very much about change - changing our culture, changing our service delivery and changing our structure. Our staff will be central to that change in terms of how they work with each other, relate to customers, partners and contractors. We are likely to be a smaller organisation, as we seek to share back office functions with partners and become more of an enabling body. We have some way to travel, but we are on the road having come through job evaluation, adopted competencies, improved appraisals and some of our management information. We are also getting to know more about our staff and what they think, giving us a baseline as we roll out our change programme. Staff will need to get used to managing change on a continuous basis, supported by clear strategic direction and good communication. As stated earlier we are forecasting a reduced wage bill of £18m over the next three years, which equates to approximately 500 ftes and will carefully manage this process in full consultation with staff and unions. We have seen changes in recent years, such as the Amey contract around road maintenance and setting up of Plymouth Community Homes; but these have not significantly altered the way the council works. A much greater cultural change is required if we are to meet the challenges ahead.

Staff survey

42 Our 2010 staff survey had a 58% response rate, with 2,617 completed returns. This was a considerable improvement on 2007, with the great majority of responses more positive than last time. The biggest improvements were around staff getting customer feedback, manager feedback and motivation, learning and development, pay being fair and enjoying the job. Only 11 areas out of 58 went backwards, the worst being job security, not surprisingly given the national public finances situation in 2010, feeling action will be taken on the survey, induction information and feeling able to challenge how things are done. We did better than previously against local government comparisons, though there is still a way to go against major private sector employers. We are currently analysing the results on a service basis and will be responding to the findings. Key issues are around managing change well and staff feeling engaged in the change process.

Staff profile

43 Employment in the council is skewed towards the older age range, with 69% of staff over 40 and 38% over 50. This profile is slightly more exaggerated in Community Services where the comparable figures are 71% and 41%. Only 9.4% of staff are in their twenties and 0.3% are teenagers. More than two-thirds of

Highlights from our autumn 2010 Staff Survey			
Select questions and positive responses	Plym 2007	Plym 2010	Nat 2009
Morale is good where I work	37%	36%	45%
I feel my job security is good	33%	19%	49%
Manager gives regular feedback on how I do	52%	67%	55%
Manager motivates me to be more effective	43%	59%	48%
Directors/senior mgt provide effective leadership	26%	33%	33%
Directors/organisation manage change well	21%	29%	28%
Directors/senior mgt open/honest in staff coms	28%	30%	34%
Directors/senior mgt aware of what I have to do	24%	22%	29%
I am able to challenge ways things done	34%	26%	39%
I believe action will be taken on survey	33%	22%	39%
Happy how development needs identified	47%	65%	54%
Job makes good use of my skills and abilities	74%	79%	77%
Cooperation between teams good	56%	66%	61%
Get customer feedback	38%	57%	38%
Act on customer feedback	46%	69%	51%
Treated with fairness	60%	74%	67%
I feel my pay is fair	42%	60%	43%
I am happy/proud to work for council	51%	78%	72%
Would tell others good place to work	50%	58%	63%

The table compares our 2010 performance against that in 2007 and other local government agencies in 2009, with red scores negative, green ones positive for us.

our posts, 68%, are occupied by women. This profile is even more exaggerated in Children's Services where the comparable figure is 83%. Only Development bucks this trend with 52% of posts occupied by men. Women account for 48.35% of our top 5% of earners within the council.

Staff by Department November 2010				
			Excluding schools	
	People	Jobs	People	Jobs
Chief Executive's	50	50	50	50
Community Services	1,583	1,627	1,583	1,627
Corporate Support	1,008	1,101	1,008	1,101
Development	358	361	358	361
Children & Young People	8,017	10,013	1,494	1,660
Council-wide	11,016	13,152	4,493	4,799

44 Our workforce is predominately white. Of those 88% of posts where ethnic origin is identified on our system, 94.7% are 'white British' with this rising to 98.1% when 'other white background' and 'white Irish' are added. The black and minority ethnic (BME) grouping as a whole accounts for 5.3% of posts in the council; whereas BME staff account for 16% of Plymouth NHS staff. The BME population of Plymouth is around 6.6%, having trebled in the last 10 years, and is expected to rise to around 10% by 2012. Staff identified from employment records as having a disability account for 3.7% of posts; with the figures for Community Services and Corporate Support being 4.6% and 4.2% respectively. This percentage is almost certainly lower than the city's economically active populations with a disability and may reflect, in part, people either not wanting or not feeling the need to identify a disability, particularly if it does not impact on their work.

Staff appraisals

45 We are achieving a high percentage of appraisals, at 94.4% of those it was possible to complete. Our staff survey states that 77% of staff felt their appraisal was accurate and fair, with 68% feeling their manager helped them focus on performance. This compares to 82% and 61% in 2007. Last year 11% of staff did not meet expectations and there have been improvements amongst those staff since, which is good. This year, with appraisals now linked to grade progression 3.9% did not meet expectations, 84.7% met them and 11.3% exceeded them.

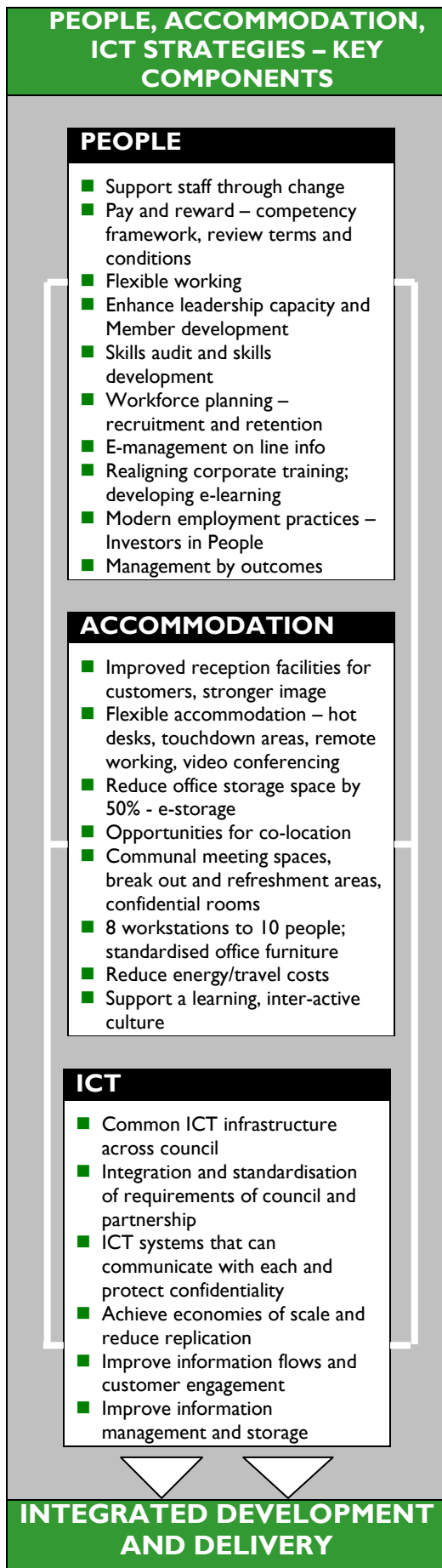
Staff absence

46 We lose 6.59 days per year per employee in sickness absence, rising to 9.36 days when school staff are excluded from the equation. The former figure is near the 6.4 national average using CBI data and below the 8.3 public sector average from the same data; with the figure clearly higher when we look at non school staff. Our immediate aim is to get down to the 6 day national average.

Staff absence by department – days per year				
			Excluding schools	
	FTE	EMP	FTE	EMP
Chief Executive's	7.24	7.15	7.24	7.15
Community Services	14.76	11.98	14.77	11.98
Corporate Support	13.56	10.23	13.56	10.23
Development	10.70	9.86	10.71	9.88
Children & Young People	8.00	5.40	11.02	7.91
Council-wide	9.23	6.59	11.85	9.36

Staff profile – transformational points

- The potential loss of experience and knowledge will be an issue for the council, particularly at a time of financial constraints, staff reductions and less recruitment. Succession planning and talent management should help here. Our use of apprenticeships could be further developed, together with internships, albeit with the caveat around recruitment restrictions
- Greater representation of men and women in what are often 'non traditional' male/female occupations and a stronger balance across higher paid posts
- Having a workforce that represents more accurately the changing demographics
- Ensuring we are providing opportunities for people with disabilities as part of the change agenda



Developing our workforce

47 Over the past two years, we have been aligning our people, accommodation and ICT approaches and requirements. Progress has been made with some on-line management information, office redesign, desk ratios and ICT connectivity, but we need to be making even stronger progress now. These are all areas that are critical to achieving the kind of efficiencies we want and attracting people to work for and with us, if we are to be an employer and partner of choice.

48 We must manage people better on the basis of outcomes. We must also ask people to be far more resourceful and innovative. We need to be more demanding here. While people should be given more responsibility, this must go with more accountability. We need more and better change, project and contract management, either through developing our staff, buying in or a combination of the two. Our staff will need to be more flexible and multi-skilled. We plan to do a staff audit as part of our on-line management information programme. This will enable us to identify and make better use of skills we already have, as well as identifying areas we need to develop.

Managing the business

Evaluating and delivering outcome measures

49 With less national focus on top down performance indicators and inspection we have greater freedom to do what we think is best for our circumstances. That does not mean that we can forget about performance indicators, as we need measures to evaluate our performance and get an indication of how we are progressing. In the past there has been a fixation nationally around targets and this has sometimes led to perverse outcomes, as people adjust behaviour to meet targets, often at the expense of equally or more valid outcomes. We will focus on what the measure is telling us about our performance to date, how that sits with the trajectory we need to be on to meet our ambitions and what, if anything, we need to do to alter performance. The emphasis will be on analysis, trends and decisions. Similarly, we will have better plans in place for achieving our outcomes, with resources more effectively aligned behind them. More time needs to be spent on effective scoping, planning and risk assessment, with strong but not overly bureaucratic programme management.

Reducing strategies, plans and partnerships

50 We will be rationalising the number of strategies and plans that we have and ensuring that those that remain relate to each other much better. We will have an overarching, high level Plymouth Plan with our partners. This will replace the Sustainable Communities Strategy and be about strategic delivery. It will focus on the four priorities, the relationship between key strategies that feed into it and how we organise ourselves and our resources to achieve our aims as a partnership. Below this will sit fewer more detailed strategies and plans with the focus on delivery in critical areas. The Plymouth Plan will not replace the major strategies we have, some of which are statutory requirements, but show how they fit together. We are also rationalising the number of partnerships we have across the city. Again, the focus will be on delivery, with greater simplicity and less duplication. This should also help to streamline reporting arrangements.

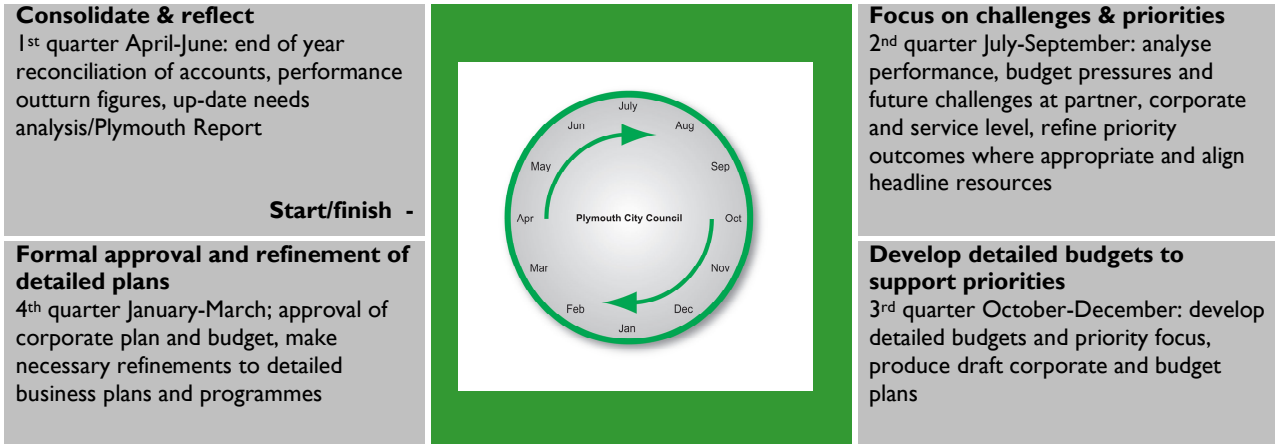
Integrated business planning across the partnership

51 We have developed an integrated business planning approach with our key partners in Health, the Police and Fire and Rescue Service to align key planning milestones; operate to a shared intelligence base; develop shared priorities; allocate resources behind those priorities and plan future delivery across headline areas. The key components of this approach are:

- Alignment of key planning milestones rather than a single planning process
- Plymouth Report as shared intelligence base
- Four shared priorities across the partnership arising from analyse of Plymouth Report
- Level 1 outcome measures for Plymouth 2020 partnership and Level 2 outcome measures covering contribution of key partners
- Development of shared high level plans and overarching Plymouth Plan

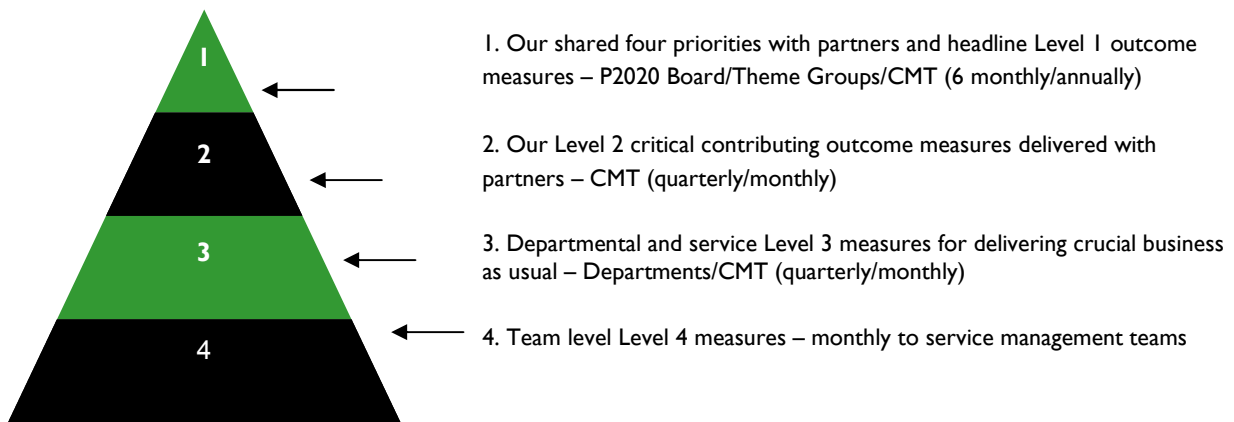
Council planning cycle

52 The aim of the planning cycle is to ensure the right decisions are made at the right time. With headline priorities established for a number of years it is envisaged that this process will become more light touch in future years, as resources and outcome measures are refined and adjusted rather than developed from scratch.



Plymouth’s pyramid of priority outcome measures

53 The aim of the pyramid approach we adopt is to allocate responsibility clearly and also ensure that issues are resolved at the earliest level



Key delivery and accountability arrangements

54 We are about to review our various partnership and scrutiny arrangements to respond to new legislative challenges, build on our past success, reduce managerial and governance overheads where we can and be more focused on delivery. This work is also linked to a reduction in strategies and plans generally. The key aims are:

- Partnership arrangements that are focused on delivery with clear plans and outcomes

- Stronger resource alignment behind focused delivery
- The focus on making decisions that impact on actions, rather than receiving and noting information
- Better linkages on delivering priorities to identify cross cutting impacts and combined pressures on resources
- More streamlined reporting arrangements with the focus at the right level
- More streamlined and integrated scrutiny arrangements

Risk management

55 Good risk management and the actual taking of risks in some cases are critical for a council with an ambitious vision and a difficult financial terrain to negotiate. Risks are managed at a project, departmental and corporate level and also form part of the competency framework and appraisal process. We also risk assessed our budget delivery proposals. The major risks facing the council, with their ameliorating factors, are outlined here.

- Significant reduction in formula grant following Comprehensive Spending Review – response: MTFS and budget delivery plans
- Reduced Homes and Communities Agency investment into new affordable housing and regeneration programmes – response: Local Investment Plan and prioritisation
- Capital programme reductions, including school build – response: prioritising and re-aligning programme generally, while awaiting national developments on schools

- Listing of Civic Centre and impact on council estate and alternative development options – response: market testing being undertaken to assess selling options
- Social Care client IT management system (Carefirst) which has problematic history – response: support team in place, programme management arrangements operational, process re-engineering work progressing
- Achieving carbon reduction commitment – response: working group in place, energy reduction measures adopted
- Increase in children subject to a protection plan or in care – response: focusing on preventative programmes to divert children from care
- Adult Social Care costs – response Programme Board monitoring plans and costs
- Energy from waste PFI and linked landfill allowance – response; monitoring situation as likely to exceed allowances from 2011/12, while waste solution might not be operational for 2014; recycling rates need to improve

Equality impacts

56 Key equalities issues facing the council over the coming years are outlined here. We have impact assessed our budget delivery proposals and other major work strands.

- Community Cohesion in Plymouth is in the lowest 25% in the country. We will need to improve this, particularly in the West of our city
- We recognise the current economic pressures and will work to minimise the affect this has especially on our vulnerable groups

- As the population grows and diversifies, services will need to adapt to meet this change. There could be greater demand on health and care related services as our population ages.
- Our BME communities are expected to grow and reach similar levels to other cities our size. We anticipate three or four communities to increase in number with some new smaller groups emerging. It is crucial that we involve and engage with them in service planning and delivery.
- We are determined to reduce the inequality gap particularly in health, between communities. We will align our activities to those neighbourhoods and diverse communities, where the gap is most acute.

Sustainability

57 Plymouth's commitment to a more sustainable city was reaffirmed in 2008 with the adoption of the Sustainable Development Framework 'Securing a Sustainable Future'. We will work closely with key partners and take the lead in ensuring that the growth of the city is sustainable, that we address social inequalities and support the responsible management of our environmental resources. In these recessionary times, working within sustainable limits also ensures we get value for money and that cost effective services can be maintained. A key focus for the council and city partners is the reduction of our carbon footprint to mitigate the economic and environmental effects of climate change. Plymouth has one of the lowest carbon footprints in the country at 5.5 tCO₂ per person in 2008 and we want to keep it that way. Groups like 'Plymouth 186', a citywide Low Carbon Network, have been set up to help businesses and public sector bodies cut

their carbon footprint. The immediate focus is on utilising our shared expertise, changing behaviour and taking action.

- Reduce the council's carbon footprint by 20% by 2013 and 60% by 2020, as part of our contribution to the city's overall carbon reduction
- Ensure the council and the city minimises the waste it produces and has the right facilities in place for meeting the targets for recycling and sustainable disposal.

- Refine the council's target to reduce its consumption of water by 20% by adopting a Water Management Plan to make savings of up to £50,000 from our major buildings.
- Support knowledge transfer, building on existing sustainability expertise in the city
- Development of sustainable growth within environmental limits – including adoption a long term Local Carbon Framework and the commitment to action for a greener economy that this brings the city.

One approach

58 As a large, complex organisation working across many fields of activity and with many partners it is important that we have a strong sense of how things hang together and where decisions are best managed, with the matrix below showing this fit.

Bringing it all together

	City	Council	
Vision ▼	<ul style="list-style-type: none"> ■ To be one of Europe's finest, most vibrant waterfront cities, where an outstanding quality of life is enjoyed by everyone - a city that will be: <ul style="list-style-type: none"> ▶ A healthy place to live and work ▶ A wealthy city which shares and creates prosperity ▶ A safe and strong city ▶ A wise city that is a place for learning, achievement and leisure 	<ul style="list-style-type: none"> ■ An innovative, efficient and enabling council focused on our customers 	Listen, learn and challenge
Plan ▼	<ul style="list-style-type: none"> ■ Plymouth Report ■ Four Priorities <ul style="list-style-type: none"> ▶ Deliver growth ▶ Raise aspirations ▶ Reduce inequality ▶ Provide value for communities ■ Key outcome measures ■ Plymouth Plan ■ Major supporting strategies (Policy Framework) ■ Integrated business planning ■ Risk and equality impacts 	<ul style="list-style-type: none"> ■ Corporate Plan ■ Service Business Plans ■ Transformational change plans ■ Integrated business planning ■ Risk and equality impacts 	
Do ▼	<ul style="list-style-type: none"> ■ Plymouth 2020 ■ Theme groups ■ Major partnership vehicles and shared programmes 	<ul style="list-style-type: none"> ■ Projects and programmes ■ Commissioning and contract management ■ Business as usual delivery through teams and individuals 	
Review ▼	<ul style="list-style-type: none"> ■ Monitoring and evaluation ■ Scrutiny ■ Internal and external challenge ■ Integrated business planning 	<ul style="list-style-type: none"> ■ Appraisals ■ Scrutiny ■ Monitoring and evaluation ■ Internal and external challenge ■ Integrated business planning 	
Decide ▼	<ul style="list-style-type: none"> ■ Plymouth 2020 	<ul style="list-style-type: none"> ■ Corporate and Departmental Management Teams ■ Cabinet/Council 	
	Lead and communicate		

Working more effectively across the council and with our partners we will deliver our ambitious agenda for modernising our services and delivering the vision for the city.

CORPORATE ASSET MANAGEMENT PLAN

2005-2015 (incorporating Capital Programme for
2010/11-2014/15)



PLYMOUTH
CITY COUNCIL



A plan for making the best use of our assets to achieve our Corporate Objectives and support service delivery

Plymouth City Council

February 2011 Update

CONTENTS

	Page
Corporate Asset Management Plan for 2005-2015 (February 2011 update)	
1.0 Service Overview	4
2.0 Corporate Property	7
3.0 Schools Estate	22
4.0 Commercial Property Strategy	26
5.0 Organisational Arrangements and Consultation	27
6.0 Capital Strategy	30
APPENDICES	
1 Capital Programme 2011-2015	34
2 Asset Transfer Policy and Process	39
3 Service Asset Strategy Framework	46

Corporate Asset Management Plan for 2005-2015 (February 2011 Update)

Responsible Officer – Chris Trevitt, Head of Capital and Assets

Telephone: 01752 305441

E-Mail: chris.trevitt@plymouth.gov.uk

1.0 Service Overview

This year's Asset Management Plan provides an update to our previous plan together with information on plans and process for modernising the asset base in line with recent central Government initiatives.

The current economic conditions, a reduction in resources and re-prioritisation against the Corporate Plan has meant that we are adjusting some of our outcomes in order to recognise changes in time and current circumstances.

This plan formalises intentions around Asset Transfer and Carbon Management as well as updating Asset and Capital strategies to support the growth agenda and current Capital Programme Commitments.

Council Priorities

Following the Plymouth Report the priorities for the city, the council and our key partners have been reduced to four: deliver growth, raise aspirations, reduce inequalities and provide value for communities.

The Council has recommitted to our growth agenda and recognised that it needs to focus on it much more strongly if we are to achieve the step change required to achieve our vision for the city. This is the agenda that makes Plymouth distinct.

Closely tied to that is the need to raise aspirations. We not only want our children and young people to set their sights higher, but for those in contact with them to have higher expectations; for people to want to come to Plymouth as a place where they can develop and prosper. We do not want the local population to be held back by deprivation and inequalities, but to contribute to and share in the city's growth.

The Asset Management Plan contributes to these four priorities in a variety of ways and this is expressed in the figure below.

Figure 1: City and Council top level priorities

Plymouth 2020 priority descriptors			
Deliver growth	Raise aspiration	Reduce inequality	Provide value for communities
Develop Plymouth as a thriving growth centre by creating the conditions for investment in quality homes, jobs and infrastructure	Promote Plymouth and encourage people to aim higher and take pride in the city	Reduce the inequality gap, particularly in health, between communities	Work together to maximise resources to benefit customers and make internal efficiencies

Asset Management Outcomes			
Increase the number of jobs in Plymouth by providing surplus sites for inward investment purposes	Increase in the number of visitors coming to the city and overall / general satisfaction with local area with general improvement in condition and accessibility of council properties	Reduce the gap in life expectancy by at least 10% between the fifth of areas with the lowest life expectancy and the population as a whole by 2020 by ensuring appropriate facilities are provided with health partners in all areas of the city and in particular those with high levels of deprivation	Increase the value of commissioned goods and services by the third sector by the asset transfer process
Offering a good range of housing in safe, inclusive and sustainable communities again by providing surplus site to the housing market			Increase in customer contacts resolved at the first point of contact across the public sector bodies by jointly rationalizing our estate with other public sector bodies to ensure joint facilities are provided where appropriate
			Per Capita CO2 emission reduction in the LA area via the Carbon Management Plan

Some slight refinement of outcomes still in progress

In addition to the above the Capital Programme will be aligned to these priorities and any new initiatives / projects will be prioritised against these outcomes

2.0 Corporate Property

The Council owns and utilises a large and diverse portfolio of property from which it provides its many services. The continued suitability of the property it utilises is a key factor in maintaining and enhancing the quality of the services it can provide to its customers. It is essential that Asset Management is coordinated and delivered on a corporate basis, with appropriate resources and processes in place to enable the continued adaptation of the portfolio, as the demands of the public, service providers and legislation change.

Corporate Asset Management is delivered for the Council by the Corporate Property Service which provides a suite of services aimed at supporting the whole life cycle of property through feasibility, acquisition, construction, occupation and disposal.

2.1 Council Assets

The Council operational portfolio comprises of 744 assets (including schools) with a value in the region of £560 million and a commercial portfolio of approximately 1,900 interests with a value in the region of £125 million. Made up in the categories detailed below

Figure 2: Plymouth City Council Estate – 2011

Properties	Number of Assets	Value (£m)
Admin, Offices	30	38.1
Schools/Colleges	86	337.0
Youth & Community Centres	22	8.9
Libraries	18	7.3
Social Services Centres	19	15.3
Parks, Playgrounds & Open Spaces	372	-
Playing Fields	26	3.8
Allotments	30	-
Museums	5	17.4
Sports Complexes and Swimming Pools	8	17.7
Car Parks	87	62.3
Public Conveniences	34	2.5
Theatres	2	£44.0
Cemeteries/burial grounds	3	£1.3
Waste Management Centre	2	£4.6
Commercial Property Interests	1,900	£125.0

Shaping the Portfolio

The pressure to rationalise and yet provide the most suitable portfolio possible within available resources has been with the authority for many years. But recent announcements as part of the Government's Austerity measures mean it is now critical that the whole portfolio is robustly reviewed to identify opportunities to generate revenue savings to support the retention of front line services.

2.3 Property Review

Corporate Property has now established a property review and performance model designed to measure performance of individual properties against a range of service and property performance criteria. This enables the best and poorest performing properties to be identified and thus providing a consistent and streamlined approach to support decision making by the services and the Authority as a whole. Results can be presented graphically on either a locality, category or portfolio wide basis facilitating decisions to retain or release assets at each of these levels.

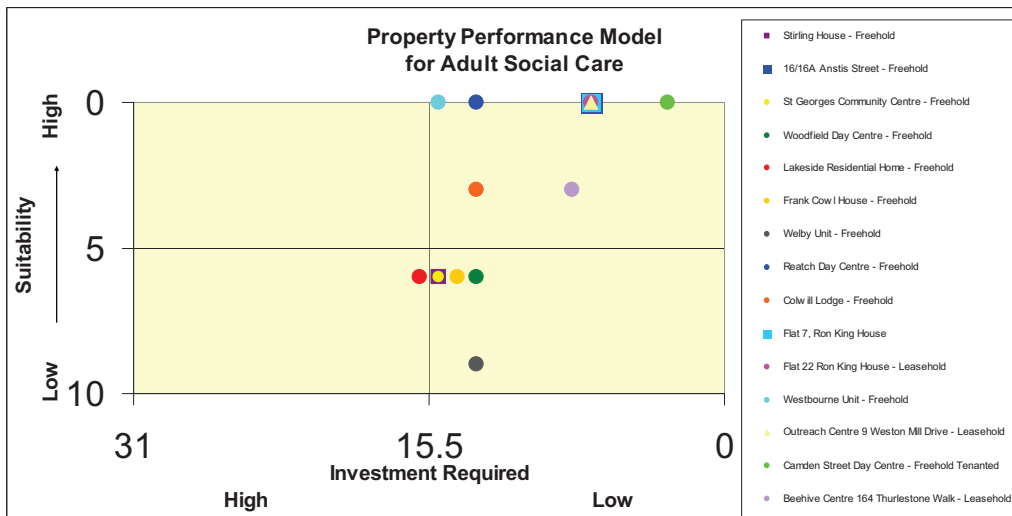


Figure 3: Example Property Performance Model

The results of the above can then be used to support individual services develop their service asset strategies as well as those on an Authority wide basis.

A framework has been developed to guide services and the Corporate Property team to provide consistency in the development of Service Asset Strategies Appendix 4 Service Asset Strategy Framework

Accommodation Strategy – delivering flexibility and efficiencies

The Business Case for the first phase of the Council's Accommodation Strategy was approved by Cabinet on 10th August 2010, which sets out the case for implementation of the move from nine to three principal office buildings, set around the principles of improved space utilisation and flexible working practices. Requiring up front investment of approximately £7 million in ICT and building reconfiguration costs the resultant ongoing savings of £1.5m per annum accords with the Council's standards for 'invest to save' initiatives needed to address the revenue budgetary pressures that it faces.

The ultimate direction of the strategy continues to have a high dependency on the results of the ongoing review of the future of the Civic Centre due to its Listed Status and results in a wide range of options requiring consideration at this time subject to the decisions to be made.

A business case is now under development for a further phase of the accommodation strategy aimed at supporting the consolidation of a range of services enabling the delivery of portfolio rationalisation in outlying areas of the city. This will be brought forward for approval to both enhance the revenue savings of the first phase and deliver capital receipts from surplus properties.

2.5 Community Asset Transfer

The Council has a leading role in the delivery of the Local Strategic Partnerships Vision for the City including close partnership working with the voluntary sector.

Also through other strategies and plans such as the, Sustainable Community Strategy the Council sets out how it intends to support the development of the voluntary sector and empower local communities to develop and deliver solutions to increase sustainability in turn making them stronger and more cohesive.

The Council recognises that the way its assets are managed and owned can have a positive impact on the long term strength of the voluntary sector and local communities more generally. Also that the transfer of assets to other organisations can secure access to resources otherwise not available which can be used to develop assets and services which might otherwise be unachievable.

The Council's aim is to ensure that the way assets are managed strongly underpins delivery of its corporate vision, and where appropriate, will use asset transfer as a means of

enabling Communities to become sustainable on a long term basis. To be successful asset transfer requires a long term partnership approach involving all relevant stakeholders.

Central Government provided clear policy direction by accepting, in full, the recommendations of the Quirk review, therefore it is not an option to fail to give serious consideration and support the transfer of assets to the community. The Governments stance has developed via a range of reviews and publications and its intention are made clear in its proposed Decentralisation and Localism Bill where Communities will have the opportunity to take over the running of services.

Plymouth already has an established track record in the delivery of asset transfer to Third Sector organisations such as with the transfer of the Devonport Guildhall.

Figure 4:



However in order to develop a consistent, proactive and progressive approach to this agenda, in partnership with the Asset Transfer Unit the Council has developed a Community Asset Transfer Policy and Process (Appendix 3). The process sets out the principles and provides a framework for supporting the successful delivery of asset transfer to the community and the decision making process for applications.

2.6 Partnership working and co- location opportunities

Officers from the Council, including those from Corporate Property, sit on a number of working groups alongside Public Sector Partner Organisations, to review service delivery including developing opportunities for joint working and co-location opportunities. To some extent progression has slowed due to the need for organisations such as the PCT to develop solutions to deliver services aligned to the Governments changing agenda for their service delivery. However the Council's Accommodation Strategy is considered to be flexible enough to accommodate opportunities as they arise.

There is demonstrable success in establishing co-located services including:

- 4 Plymouth Council premises where the police have teams located and working jointly with the council and over 20 occupied by joint PCT and PCC teams.
- The successful transfer of Devonport Guildhall and relocation of the library to St Aubyn's Church demonstrates success in working with a number of groups including Devonport Regeneration Community Partnership.
- Further proposals are in development including a proposal to relocate one of the Council's ICT data centres within the Plymouth University campus.
- Corporate Property and the Council's Planning Department are currently working with English Heritage, private sector specialists, local businesses and the community in the development of a long term strategy and business case to protect the future of the Plymouth Palmerston Forts. This includes detailed action plans to inform the future use and viability of the sections of this historic defensive chain which are owned by the Council.

2.7 Managing the Asset

Due to the limitation on resources and constantly changing Local Government agenda the Corporate Property Service is continually challenged to ensure it provides the best fit service for the demands the Council has placed upon it. To this end a range of improvements have been implemented and plans in place to provide the systems and tools required to do this:

2.8 Data Management

In order to deliver the dual benefits of delivering a single view of the asset and to provide appropriate accounting capability to deliver the demands of the IFRS regulations, the service is in the process of transferring its current property information management systems to one system provided by a market leading software provider.

2.9 Maintenance Strategy - Condition, backlog maintenance and legislative compliance

The Corporate Maintenance Strategy, instigated in April 2008, aims to provide effective building maintenance and premises legislative compliance within the resources available.

The strategy provides a framework for prioritising planned and reactive maintenance of corporate buildings where maintenance budgets were centralised in 2007/08 (excludes schools and other buildings where budgets have remained under the direct control of building managers) and facilitates a fit for purpose built environment capable of supporting corporate and service level objectives such as:

- Improved customer satisfaction and service image
- Maximise income generation and minimise revenue expenditure
- Improve staff productivity
- Risk management (e.g. statutory compliance) and business continuity

Recent improvements and actual performance:-

- The current predicted planned/reactive building maintenance spend for 2010/11 is 65% planned and 35% reactive. This is now approaching the industry best practice benchmark of 70:30 and recommended by the Audit Commission compared to a generally unknown position previously.
- A full suite of contracts for cyclical inspection and maintenance of plant, equipment water systems has been reviewed and let during 2010 reducing risk of statutory compliance failure. Now available to all Council premises managers and responsible persons.
- Completion of a legislative compliance gap analysis indicating the links between the corporate maintenance strategy, Capital and Assets Business plan, person in control initiative and the Plymouth Association of Primary Heads school legislation compliance initiative.
- Establishment of a statutory compliance joint working and monitoring group with the corporate Health & Safety Team
- Development of departmental Quality Assurance system.

The updated condition survey data indicates the following status related to condition and backlog building maintenance in the corporate portfolio:-

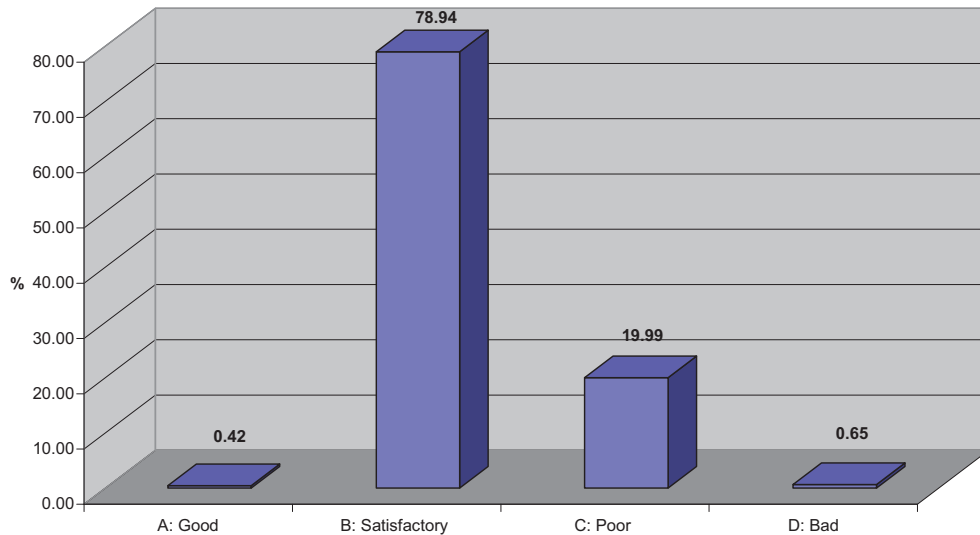
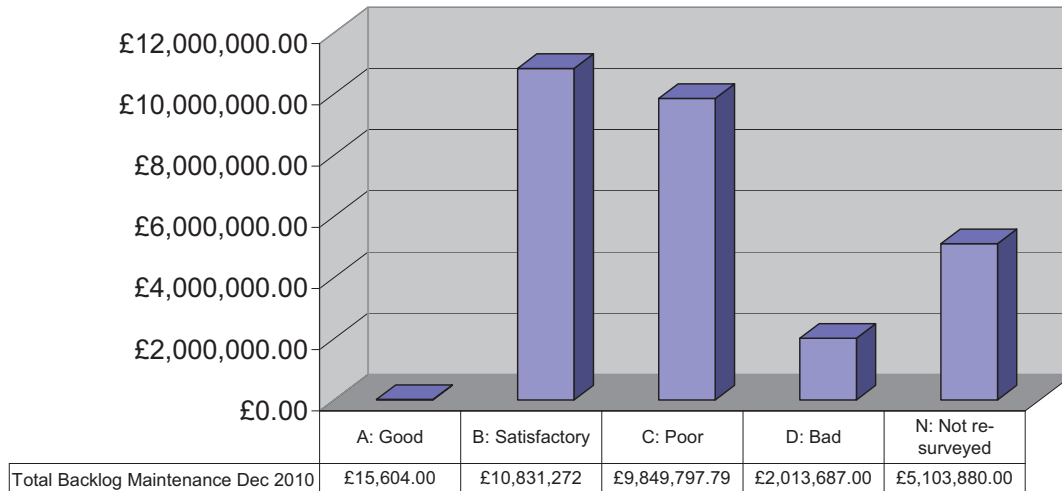
Table 1: Percentage of Gross Internal Floor Area (GIA) in Condition A – D

Table 1 indicates that 79% of the corporate property portfolio surveyed is condition B (satisfactory), 20% is in condition C (poor), Condition D (bad) at 0.65%. Condition A (good) increased to 0.42% which is broadly similar to the levels reported in the 2010 AMP update

The backlog building maintenance figures related to condition A (good), Condition C (poor) have increased to £15.6k and £9.84 million from £12k and £8.49 million respectively 2010. The backlog building maintenance figures for condition B (satisfactory) and condition D (bad) have decreased to £10.8 million and £2.0million from £13.7 million and £2.7 million respectively. However, the N condition rating relates to low priority properties that need to be resurveyed to bring them in line with the current performance benchmarking methodology.

Figure 6:

Table 2: Total Backlog Maintenance Costs of Properties in Condition A, B, C, D and N



Overall the backlog building maintenance figure is £27.8 million, which is a decrease from the £28.8 million reported in February 2010's AMP update. Progress on reduction of backlog building maintenance has been slowed by the inclusion within the corporate estate of newly introduced sites, formerly HRA, with substantial levels of backlog maintenance. Additionally, the method of prioritising budget allocation for 2010/11 has ensured the facilitation of corporate objectives and planned works to negate operational risks, at the expense of reducing current levels of backlog maintenance. The on-going condition survey review programme has also lead to increased backlog maintenance costs due to cost uplifts to allow for inflation and additional building component condition deterioration since the 2004 baseline condition surveys.

To mitigate these issues and to obtain the condition B targets identified in this Asset Management Plan enhanced targeting of available maintenance resources will be undertaken during 2011/12 and 2012/13 by linking the maintenance programme into the retained portfolio identified from the Property Review and the Accommodation Strategy programmes. This measure is expected to deliver improvements to the backlog figure as it is expected that the disposal programme will reduce the total number of properties retained within the corporate portfolio.

Additionally, reported in the 2010 AMP update key projects such as Central Park's leisure facility and others delivered by the capital programme, as well as expected disposals and the asset rationalisation will provide a backlog reduction by 2014 of an expected £11.3

million. This will help reduce the backlog to £17.5 million over the next 3 years, with further minor reductions achieved through implementation of the Corporate Maintenance Strategy.

Proposed Future Improvements:-

- Improved targeting of available maintenance resources by linking the maintenance programme to the Property Review and Accommodation Strategy programmes.
- Review and tender of building maintenance work to allow a corporately complaint process, as well as enhancing the contract administrator function within Corporate Property by improved contractual management and monitoring.
- Summary review and update of existing condition surveys to enhance the interrogation and prioritisation of data needed to provide the future planned maintenance programme and revised benchmarking.
- Implementation of new asset management software.
- Providing the Corporate Health & Safety team access to the legislation compliance contracts across the portfolio to allow auditing and resultant action where required.
- Review performance indicators and budgetary review to support appropriate benchmarking initiatives.

2.10 Building Accessibility

Despite the wider economic pressures, locally restricted resources and the abandonment of formal indicators for measuring performance against the accessibility requirements of the Disability Discrimination and Equality Acts, the Council continues with its endeavours to increase the accessibility of its publicly accessible buildings. Indeed throughout the past year has been able to increase its expectations, however this as much through organisational change as adaptations.

Percentage of Council buildings open to the public providing 'reasonable' levels of accessibility to disabled persons

Figure 7

Year	2009 Position	Revised Position
2008/9	14%	
2009/10	16% actual	17% actual
2010/11	18% target	25% actual
2011/12	20% target	27% target
2012/13		29% target
2013/14		31% target

International Financial Reporting Standards (IFRS)

Implementation of IFRS regulations have significantly impacted on the methodology for delivering the rolling programme of asset valuations. Working as part of the wider corporate project group the Strategic Property Team have established and implemented a range of

protocols and methodologies to address requirements of same, including; reclassification of assets, lease classification and componentisation requirements.

2.12 Assets and Carbon Management

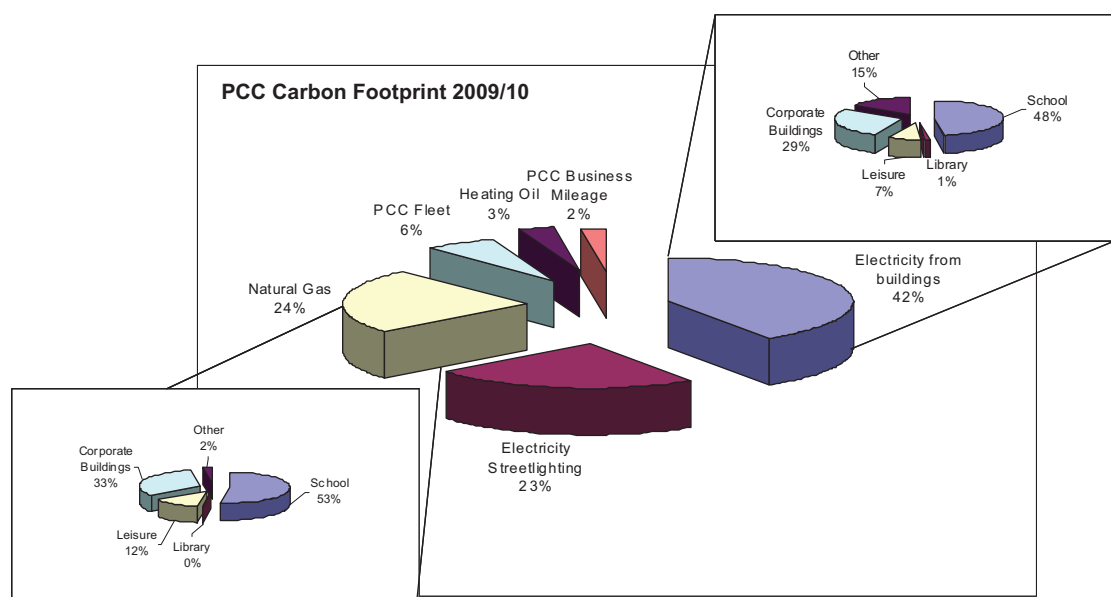
Our Corporate Property department is responsible for maintaining nearly 300 corporate and school buildings. We recognise that the way these buildings are managed and maintained has an important impact on the council's carbon footprint and costs. It is with this in mind that we have made the carbon management function an integral part of our Corporate Property department.

A carbon management plan (CMP) has been formulated to tackle emissions and cost reductions head on. The CMP details the sources of Plymouth City Council's (PCC) carbon emissions and establishes a baseline against which the effects of actions can be measured. It sets out the council's approach towards energy and carbon management and identifies key actions we are taking to reduce our carbon emissions. Our carbon reduction programme covers a five-year timeframe (2010/11 – 2014/15) and will include regular monitoring and annual reviews to assess and report on our progress.

We are aiming to reduce PCC's carbon footprint by 20% from a 2009/10 baseline by 2014/15. This is equivalent to a total carbon dioxide (CO₂) saving of 8,100 tonnes and will yield annual savings of £1.5 million from March 2015. In the first instance we will focus our efforts on two key areas where we believe real step change can be achieved. These are energy from buildings and transport.

We have already identified invest to save projects and actions for improved energy management, which will save the authority and schools £950,000 per year by March 2015. Actions to reduce emissions from waste, water, hydro-fluorocarbon and contractors are underway, and will be added to the plan when a baseline for them has been established.

Figure 8



Alongside invest to save projects and better energy management, we are committed to take systematic action for embedding carbon management practices across the council. Here are some key actions we have committed to or are proposing:

- Make carbon management a corporate priority by April 2011
- Create a carbon communications strategy by April 2011
- Include a carbon management section with meaningful and measurable outcomes in new departmental management plans by April 2012
- Make carbon and the wider sustainability agenda part of staff induction by April 2012
- Introduce carbon management objectives for Directors by April 2012
- Change the carbon manager's role towards an advisory service to Directorates on carbon reduction projects, with projects being driven by Directorates themselves from April 2012.

Strong leadership and a defined delivery structure are crucial to the success of the CMP. Our dedicated carbon manager will be driving the CMP on a day to day basis, backed by key individuals across council departments, which form the carbon management team. The ultimate responsibility for the delivery of the CMP rests with the Sustainability Programme Board chaired by our Director for Development and Regeneration. The function of the board is to embed sustainability across the council, of which carbon management is an important aspect. The board consists of key individuals from our Sustainable development, Home energy, Finance, Waste, Capital and Assets departments as well as the Cabinet Member for Street Scene, Waste and Sustainability.

Corporate Property Service

Corporate Property provides a range of services to support the Council and its services in the provision and management of its property portfolio. The service is divided into 4 key areas:

Strategic Property and Property Records providing:

- Property strategy development and implementation, disposal, acquisition and Landlord & Tenant Services
- Collation and management of the Councils property ownership and management records
- Street Naming and Numbering and Land Registration services

Building Surveying Design & Maintenance providing:

- Planned preventative and reactive maintenance services
- Statutory compliance and Health & Safety Services including 'Person in Control' (PIC) Training and support, contract procurement and management
- Building Design and contract procurement and management, including mechanical and electrical engineering services

Facilities Management Providing:

- Management of the Council's central Office Accommodation and Public Buildings including security, fire safety training and advice
- Cleaning and Caretaking Services to the operational and schools estates

Carbon Management providing:

- Development and implementation of the Carbon Management Plan
- Energy management, including guidance and advice

Service Improvement Plan

Primary Improvement Area	Detail	Responsibility
Data Management, Single View of the Asset	Implementation of Technology Forge Database Property ownership risk management review (Trees/footpaths/amenity land)	Kerry Birrell Barry Foster
Portfolio Review	Accommodation Strategy Ph 1 & 2 Whole Portfolio Performance Review Community Asset Transfer Strategy/policy	Graham Potter/Kerry Birrell Kerry Birrell Graham Potter
FM delivery	Management of flexible space, alternative service plan Cleaning & Caretaking efficiency review	Ian Banfield Ian Banfield
Maintenance Strategy	Review of statutory compliance & maintenance strategy Key contractor review	Dave Pollock Dave Pollock
Carbon Management/Sustainability	Production of Carbon Management Plan Preparation for CRC Energy Management plan Corporate Property Waste & Water Management	Alex Hurth Alex Hurth Alex Hurth Ian Banfield
Service Quality	Implement and integrate Quality Assurance across Corporate Property & Project Management Implement Corporate Project Management procedures	All team managers Joan Chilcott/Dave Pollock
IFRS	Implement IFRS for Asset Valuations	Kerry Birrell
Structure	Review of roles and structural realignment Corporate Support Single Point of Contact initiative	Graham Potter Graham Potter
Asset Management Forum	Re establishment of group	Graham Potter
Business as usual	Efficiency review	All Team managers

Approach to Customer Service

In as much as the Council focuses on ensuring its services are customer centric the Corporate Property Service continues to improve the way it supports and provides services to the occupiers and users of the portfolio it manages. This is delivered through existing successful and further proposed development and implementation of improvement activities aimed at ensuring consistent quality of service including:

- The final team within Corporate Property has now achieved ISO: 9001 Quality Assurance accreditation. The next step is to amalgamate these into a single accreditation for the wider Capital and Assets Service in which Corporate Property sits.
- Service Level Agreements, rolling out to additional customers SLA's based upon a similar model currently used with the schools portfolio.
- Corporate Support Initiatives; fully embracing the Corporate Support Directorates wider initiatives.
 - Service helpdesk (SPOC), aimed at ensuring customer enquiries are dealt with more quickly, by the right people, enabling services to concentrate on their own priorities and to consolidate and rationalise a range of back office 'helpdesk' based services. Including, public building booking, ID pass allocation, meeting room booking, front line land ownership enquiries.
 - Corporate Buyer/P2P, improving the way we procure our large range of building and FM related services through embracing these initiatives and delivering both cost and service efficiencies through central procurement. It is proposed, as part of our structural realignment, we provide contract management services for a range of corporate contracts.
- Compilation of annual customer satisfaction questionnaires. In recent results of the 'Strategic Property Survey' all but one of 13 respondents gave the team the highest rating for overall satisfaction.
- Risk Management – Service risks are reviewed monthly by the Capital and Assets Management team via a Risk Management Action Plan.

Asset Management Forum

It is recognised that a key to sound Asset Management, within an organisation as large and complex as Plymouth City Council, is to have in place an appropriate forum to facilitate cross departmental thinking, consultation and planning to ensure a corporate approach to maximising use of the asset. Until the recent past this was provided by the Property Forum, which has lapsed as a result of the wider pressures on service delivery created by the current financial climate and the effects this has had the structure and culture of Plymouth. It is therefore considered necessary that an Asset Management Forum re-established in a form which suits the organisation going forward. As such it is within the Corporate Property Service improvement plan to re-establish the group prior to the beginning of 2011/12.

3.0 The Schools Estate

3.1 Academies

Plymouth City Council's policy direction for all schools is to develop autonomy, either through the formation of a Trust or Academy status. The strategy for change, known as *Investment for Children*, which set out the Council's plans for maintaining the school estate was adopted by the Full Council in December 2008 and remains its policy for schools to develop independence. However, the landscape for investment in the education infrastructure in the city is transforming dramatically following the change of Government in May 2010. The new coalition government has set out an ambitious programme for schools to become, Academy, which transfers the asset liability and all capital investment to the Young Persons Funding Agency (YPLA) and established schools as independent non fee paying schools.

In September 2010, Plymouth opened two academies, which had been set up under the "old style" academy route. Further to the Academies Act becoming law in July 2010 and the "new start academies" procedure, a further primary school has transferred status. Most of the remaining secondary schools in Plymouth are also preparing to change status in this calendar year. This will have a dramatic change to the asset value of the city. The asset value transferring is in the order of 25% of the councils stock. Whilst the asset value will reduce it should also be born in mind that the asset liability also reduces as the backlog condition issues also transfer.

3.2 Government settlements;

On the 5th July the Secretary of State announced the scrapping of all education investment programmes and set out to review to how education capital is allocated and delivered. This review, chaired by Sebastian James was due to conclude in January 2011 but is now expected in February.

On the 13 December 2010 the Government announced all capital grant allocations for councils across the country. Plymouth City Councils (PCC) grants for all maintained schools amounted to £9.3m for the year 2011/12. This is a reduction on the previous years grants allocations of 51%.

In the emergency budget in June 2010, it was announced that capital spending would be protected in the Comprehensive Spending Review (CSR) because cuts to capital infrastructure would slow the recovery. However, the CSR announcement in October revealed that the capital settlement for the Department for Education (DfE)

would be reduced by just over 60% for the spending review period, which was the highest cut across all Government.

The most significant change to the Government's allocations will be the very considerable reduction in Devolved Formula Capital (DfC). This reduced from £4.4m in 2010/11 down to just £774k represents an 80% reduction.

All schools have had budgetary control of capital funding since the introduction of Fair Funding in late 1990's. This has recently been at levels that has allowed Governors to prioritise capitalised maintenance to ensure that schools do not fall into disrepair and that health and safety works are always completed.

In the past 10 years £38m has been allocated to schools through DfC and a further £10-15m has been allocated by the LA to condition related projects that support schools DfC projects. It is true however that not all schools have exercised this responsibility to the same degree, and the condition of school buildings remains therefore patchy. It is also noted that there remains a significant amount of the major elements, boilers, roofs, and M&E plant etc. that have not been tackled. As a result, the cosmetic appearance of school buildings, often hide underlying issues.

In addition to the issues of DfC, schools in Plymouth have continued to under resource the revenue R&M necessary to halt the decline of the asset and this continues to stretch the need for DfC.

It is possible that with the significant reduction in DfC, schools will take the view that it can now only meet ICT spend in schools, implying that the capital repair liability should revert back to the Council to be achieved from the Capital Maintenance Grant. Significant to this will be the Health and Safety liability to the condition of school buildings. In law the Health and Safety Executive (HSE) usually take the view that the line of responsibility rests with the budgetary control. In recent years it has become established that because schools have both revenue and capital control it is reasonable that school exercise a responsible role for health and safety. This could become unclear again if schools feel unable to use revenue budgets to meet H&S liability.

The reduction of DfC could also result in old style political lobbying to get funds for school repairs. It should be noted that the number of letters from schools has already increased significantly.

3.3 Children's Centres

Phase 3 programme is now mostly complete. This programme was co-ordinated with Extended School and Early Years funding giving a total investment of £1.3m. Under the new Government Settlement it is indicated that capital liability for Children's Centres is to be managed by the LA form non ring fenced investment programmes available to them.

3.4 Primary Schools

Significant progress has been made in transforming the quality of the asset base of primary schools in the city. In September 2009 three new primary schools, Oakwood , Mayflower and Shakespeare, opened to children. This follows on from the success of opening Riverside, Ernesettle and Whitleigh primary in 2008, Two further Primary schools, Beechwood and High View, have been dilivered this year and Tor bridge (previously Estover Primary School) is in contract and will be completed in July 2012, These nine primary schools replace fifteen old 1950 and 60's buildings and represent a considerable improvement in the asset base. Over the period of the last 5 years the council will have replaces 12% of the school asset base.

This investment is having a significant impact in reducing the backlog maintenance for Primary Schools. In 2006 the estimate was £52.7m. Whereas our revise forecast for 2010 is £35.8m.

3.5 Secondary Schools

The Buildings Schools for the Future (BSF) One School Pathfinder project at Tor Bridge (previously Estover Community College) completed the bulk of the Secondary element which opened in September 2010 including the public library and museum. The demolition of most of the existing school and the construction of the remaining part of the secondary school is on schedule to complete by September 2011.

As discussed above the New collocation Government scrapped the Building Schools for the Future Programme in July 2010, however lobbying to Government has ensured that there is funding of £19.2m which will be allocated directly to the two Academies in the programme which will ensure that the bulk of the condition liability in these schools will be resolved in the next couple of years.

3.5 Inclusion and Special Education needs

The Authority has followed an inclusion policy for 9 years, and in this time assets have been gradually adapted to include a mixture of facilities. These include simple access adaptations, the building of inclusion units within a school and the integration of special schools with mainstream schools in campuses such as Wood View campus and Tor Bridge Campus. There has also been an increasing number of children with special educational needs placed in mainstream education, leading to a continued need for special school buildings. This is also due to the need to reduce the overcrowding that exists in special schools and the building area standards that have risen to reflect the changing nature of supporting children with complex needs.

Whilst over the past 10 years there has been a substantial investment in special schools with three being completely replaced and one substantially refurbished. There remains 3 that have had little investment, 2 of these three are in considerable need or remodelling to deal with the very complex needs for children that attend these buildings.

3.6 Basic Need Growth; In October a cabinet paper was taken that set out the building pressure of Reception School Places 2010 and the need for additional capacity for 2011 and beyond. A Basic Need programme is being developed that will result in a number of projects that will seek to increase capacity in specific pockets across the city. Due to the tough economic climate it is possible that the number of temporary classrooms will increase across the asset base. This will reverse the long term trend that the council has achieved to replace poor quality temporary classrooms

The proportion of teaching work spaces undertaken in temporary accommodation in 2000 was 17%, by 2005 this had dropped to 11% and by 2010 had fallen further to 6.6%

4.0 Commercial Property Strategy

4.1 Commercial Property Investment Portfolio

The Commercial Property Investment Portfolio delivers annual income of £8.6m from almost 2000 individual tenancies and interests in land. The estate comprises a mixture of commercial properties including industrial estates, business centres, leisure and retail properties. The rental income is derived from commercial property leases and from various freehold ground rents.

The future management of the Commercial Property Investment Portfolio, to achieve improved financial performance and best value, will be determined by a comprehensive review of the assets culminating in an approved strategy. This review is due to take place in 2011

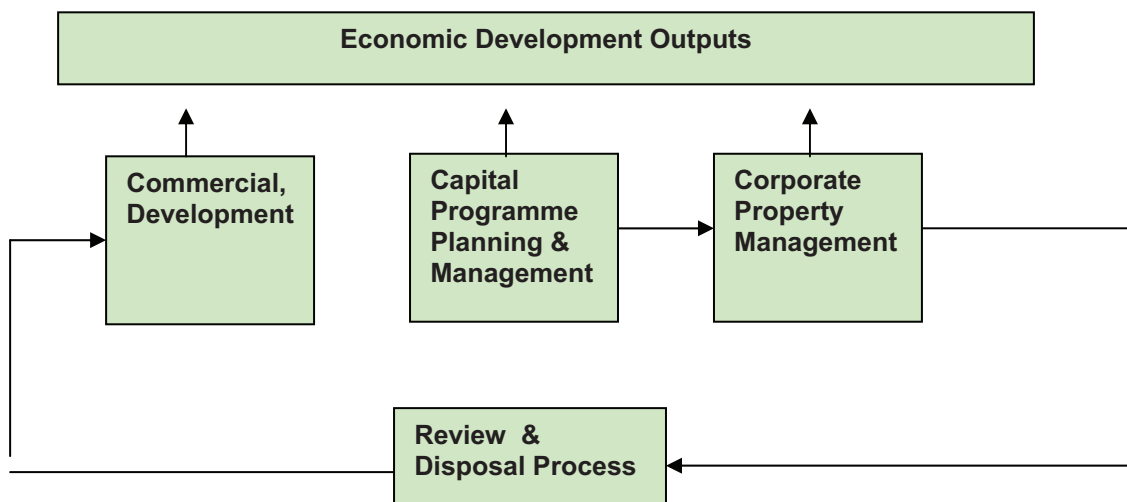
5.0 Organisational Arrangements and Consultation

5.1 Capital and Assets Service

A realignment exercise of the Property & Economic Development division was completed in April 2009 which resulted in a transfer into the Department of Corporate Support for the Corporate Property and Capital Projects sections. These sections have now been combined into the Capital and Assets Service. The Economic Development remained in the Department for Development.

The Capital and Assets Service will continue to work closely with the Economic Development Section to deliver the whole life cycle of property assets and the delivery of economic outputs, as shown below.

Figure 10



5.2 Capital and Assets includes:

5.2.1 Corporate Property Service

Corporate Property provides a range of services to support the Council and its services in the provision and management of its property portfolio. The service is divided into 4 key areas:

Strategic Property and Property Records providing:

- Property strategy development and implementation, disposal, acquisition and Landlord & Tenant Services
- Collation and management of the Councils property ownership and management records
- Street Naming and Numbering and Land Registration services

Building Surveying Design & Maintenance providing:

- Planned preventative and reactive maintenance services
- Statutory compliance and Health & Safety Services including 'Person in Control' (PIC) Training and support, contract procurement and management
- Building Design and contract procurement and management, including mechanical and electrical engineering services

Facilities Management Providing:

- Management of the Council's central Office Accommodation and Public Buildings including security, fire safety training and advice
- Cleaning and Caretaking Services to the operational and schools estates

Carbon Management providing:

- Development and implementation of the Carbon Management Plan
- Energy management, including guidance and advice

5.2.2 Capital Programme & Project Services including:-

- Portfolio Management – commissioning and management of projects and programmes on behalf of client directorates
- Project Management and other professional services
- Capital Programme monitoring and delivery

Economic Development includes:-

- Commercial & Development – managing industrial, retail and leisure premises, rent reviews, lease renewals, general disposals, Mount Edgcumbe Country Park
 - Business Space – providing flexible business space at City Business Park
 - Plymouth City Market – management of principal indoor City Market
 - Plymouth City Airport – management of landlord and tenant issues
- Key Strategic Projects – including Civic Centre.

6.0 Capital Strategy

- 6.1** Our financial strategy for capital has been to fully utilise the supported capital borrowing allocation available to us in tandem with maximising the availability of grant and third party payments. From 2011/12 onwards the government has replaced supported borrowing with cash grants, so maximising the use of these will now be the focus
- 6.2** We maintain the principle that capital schemes are only approved into the programme where specific funding has been clearly identified and supported by business cases. Thereby, the capital investment programme, at any set point in time, will evidence 100% funding allocation against approved schemes. Capital investment is prioritised to ensure that outcomes are maximised against the council's Priorities.
- 6.3** The council continues to challenge the affordability of its five year capital programme for the period 2010/11 to 2014/15. There remains significant volatility around future capital grant funding and income generation through capital receipts.
- 6.4** The BSF programme was suspended by the Government in June 2010. However Plymouth has now been awarded £19.134m BSF funding split between Marine Academy Plymouth £8.561m and All Saints Church of England Academy £10.573m. This will be received sometime after March 2011 once plans are agreed with Department of Education. At this stage it is not clear whether the grants will be paid direct to the Academies or through the City Council, but at this stage the funding has been added to the proposed Childrens' Services programme in 2011/12 until the process is clarified.

6.5 The proposed programme following central government funding changes is as follows:

Figure 11: Five year Departmental Capital Programme

	2010/11	2011/12	2012/13	2013/14	2014/15	Total
	£000s	£000s	£000s	£000s	£000s	£000s
Children's Services	30,759	33,412	10,211	-	-	74,382
Community Services	20,212	24,007	2,331	-	-	46,550
Development & Regeneration	23,828	20,795	5,386	5,160	5,829	60,998
Corporate Support/items	2,658	6,987	560	500	-	10,705
	77,457	85,201	18,488	5,660	5,829	192,635

This expenditure will be funded by:

	<u>£000</u>
* Capital Grants/Contributions/S106	126,943
* Supported Borrowing	8,167
* Unsupported Borrowing	29,956
* Capital Receipts	25,728
* Revenue / Funds	<u>1,841</u>
	192,635

6.6 We remain committed to a significant capital investment programme despite the current economic climate. The Council, engaging with partners in major regeneration of the City, will not only contribute towards delivering improvement priorities, but will also help to sustain much needed work opportunities in the local area (for example, the construction industry).

Significant schemes that will be delivered by 2014 include:

- £46.5m on The Plymouth Life Centre;
- £37.5m on the state of the art new college, Tor Bridge;
- £14.2m on improving Schools in the Southern Way Federation;
- £8.6m for a new School at Efford;
- £8.0 Completion of Chelson Meadow reinstatement;
- £22m on improving transportation Plymouth (Local Transport Plan);
- £20m on improving transport access in Eastern side of the City Centre;

- £3.88m on bringing Devonport People's Park 'back to life';
- £0.5m on a new Library for Plympton
- £1.0m electrical refurbishment of City Market

Note 1: total project costs, some of which were incurred prior to 2010/11

6.7 In addition, we are continuing with our long term waste disposal solution with Torbay and Devon County Councils, building a multi million pound Waste to Energy plant, with the Waste Partnership looking to announce a preferred delivery partner in 2011.

6.8 We will continue to regularly review the assets that we own to ensure that they are fit for purpose and optimise the use of capital receipts, where deemed beneficial, in order to support our overall capital investment programme. However, our ability to generate capital receipts has been severely impacted in the last couple of years due to significantly falling land and property prices.

In reviewing the capital programme as part of 2011/12 budget setting we have continued to **reduce our reliance on capital receipt funding, now £25.7m over the five year period**. This funding is based on a schedule of specific assets, with current estimated valuations and proposed timing for disposals. Our view is that we will dispose of very few assets over the next three years, with disposals increasing towards the end of the five year programme on the assumption that market conditions will improve.

6.10 The council has built in the requirement for **additional temporary borrowing** to cover the shortfall in capital receipt income for the 2010/11 and 2011/12 financial years. It is planned that this borrowing will be repaid in future years to coincide with our forecasted capital receipt income. Capital receipt generation will be kept under constant review by the Capital Delivery Board as part of regular monitoring. Any variations to the forecasted position will be reported to Corporate Management Team and Cabinet at the earliest possible opportunity.

6.11 Programme Governance

During the past year the procedures for the control of the Capital Programme have been reviewed.

Whilst overall responsibility for the programme still rests with full Council there are clear delegated responsibilities to Cabinet, CMT and the newly formed Capital Delivery Board.

The Capital Delivery Board is chaired by the Director of Development and Regeneration with representatives from each directorate at Assistant Director level together with the Director for Corporate Support and senior officers from the Finance and Capital and Assets Services.

The Delivery Board and capital process is managed by the Head of Capital and Assets and all new projects are reported to the board for approval in accordance with Council priorities and governance procedures. Monitoring of projects and overall spend in the programme is also undertaken by the board.

The revised Capital Programme governance procedures have been subject to Audit Committee, Cabinet and full Council approval.

The current capital programme process has also been subject to an audit by the Devon Audit Partnership and has been awarded an overall good standard.

The Risk Management process within the Project Management procedures have also been subject to external review and again achieved a high standard.

The Council will continue its policy of investing both revenue and capital resources in projects which deliver ongoing sustainable reductions to the revenue budget. Officers have been asked to come forward with proposals that can be evaluated by the Capital Delivery Board and Corporate Management before recommendation to Cabinet. They will be assessed against deliverability, payback period, the level of savings achieved and how they fit with the Council priorities.

All proposals will be assessed on their own merits and will be subject to the capital governance procedures approved in January at Audit Committee.

APPENDIX 1 CAPITAL PROGRAMME 2011 - 2015

Plymouth City Council Capital Programme
 Medium Term Financial Programme 2010/2011 - 2014/2015
 5 Year Sub Programme

Service	Latest Forecast 2010/11 £000	Latest Forecast 2011/12 £000	Latest Forecast 2012/13 £000	Latest Forecast 2013/14 £000	Latest Forecast 2014/15 £000	Total Programme 10/11 - 14/15 £000
Childrens Services	30,759	33,412	10,211	-	-	74,382
Community Services	20,212	24,007	2,331	-	-	46,550
Corporate Support	2,658	6,987	560	500	-	10,705
Development	23,828	20,795	5,386	5,160	5,829	60,998
Total Capital Programme	77,457	85,201	18,488	5,660	5,829	192,635

Plymouth City Council Capital Programme
Medium Term Financial Programme 2010/2011 - 2014/2015
5 Year Sub Programme

Childrens Services

Service	Sub-Programme	Latest Forecast 2010/11 £000	Latest Forecast 2011/12 £000	Latest Forecast 2012/13 £000	Latest Forecast 2013/14 £000	Latest Forecast 2014/15 £000	Total Programme 10/11 - 14/15 £000
Strategic Programmes	BSF	10,580	7,580	2,917	-	-	21,077
	Basic Need	-	500	5,300	-	-	5,800
	Indicative Future Allocations	-	-	-	-	-	-
	Primary Capital Programme	6,263	1,245	-	-	-	7,508
	Special Education and Inclusion	360	363	-	-	-	723
	Children's Social Care	-	-	-	-	-	-
	Localities	-	-	-	-	-	-
	PFI	700	-	-	-	-	700
School Development Works	Primary Development	11	-	-	-	-	11
	Secondary Development	209	-	-	-	-	209
	Special School Development	9	-	-	-	-	9
School Condition Works	School Condition Works	2,128	239	1,200	-	-	3,567
Surestart, Early Years and Childcare	Children's Centres	853	-	-	-	-	853
	Early Years	935	-	-	-	-	935
Focused Work	Extended Schools	352	-	-	-	-	352
	14-19 Diplomas and International Baccalaureate	549	-	-	-	-	549
	ICT in schools	612	-	-	-	-	612
	School Meals	2,421	720	-	-	-	3,141
	Section 106 projects	172	-	-	-	-	172
	Access	18	100	-	-	-	118
	Safeguarding	105	-	-	-	-	105
	Sustainability, carbon reduction and spend to save	737	-	-	-	-	737
	Tuition service	-	-	-	-	-	-
	Youth service	69	-	-	-	-	69
	Adult and community Learning	-	-	-	-	-	-
Children's Social Care	SEN and Inclusion	418	154	20	-	-	592
Devolved Formula Capital	Children's Social Care	350	-	-	-	-	350
	Primary	1,518	1,039	-	-	-	2,557
	Secondary	532	795	-	-	-	1,327
	Special	120	200	-	-	-	320
	Nursery	37	65	-	-	-	102
	Other	71	1,278	774	-	-	2,123
Other Items	Play and Sport	515	-	-	-	-	515
	Other Items	115	-	-	-	-	115
Academies - Capital Allocation post BSF	Marine Academy	-	8,561	-	-	-	8,561
	All Saints Church of England Academy	-	10,573	-	-	-	10,573
Childrens Services Total		30,759	33,412	10,211	-	-	74,382

Plymouth City Council Capital Programme
 Medium Term Financial Programme 2010/2011 - 2014/2015
 5 Year Sub Programme

Community Services

Service	Latest Forecast 2010/11 £000	Latest Forecast 2011/12 £000	Latest Forecast 2012/13 £000	Latest Forecast 2013/14 £000	Latest Forecast 2014/15 £000	Total Programme 10/11 - 14/15 £000
Sub-Programme						
Environmental Services	-	1,093	-	-	-	1,093
Parks	589	93	-	-	-	682
Vehicle Purchases	53	-	-	-	-	53
Plymouth Leisure	742	-	-	-	-	742
Culture, Sport & Leisure						
Plymouth Life Centre	17,475	21,252	1,640	-	-	40,367
Mount Edgcombe	-	1	-	-	-	1
Libraries & Museums	902	488	-	-	-	1,370
Adult Health & Social Care	452	1,101	691	-	-	2,244
Community Services Total	20,212	24,007	2,331	-	-	46,550

Corporate Support

Service	Latest Forecast 2010/11 £000	Latest Forecast 2011/12 £000	Latest Forecast 2012/13 £000	Latest Forecast 2013/14 £000	Latest Forecast 2014/15 £000	Total Programme 10/11 - 14/15 £000
Sub-Programme						
Information Systems	778	500	500	500	-	2,278
Economic Development	1,880	6,487	60	-	-	8,427
Corporate Property	2,658	6,987	560	500	-	10,705
Corporate Support Total						

Plymouth City Council Capital Programme
 Medium Term Financial Programme 2010/2011 - 2014/2015
 5 Year Sub Programme
 Development

Service	Sub-Programme	Latest Forecast 2010/11 £000	Latest Forecast 2011/12 £000	Latest Forecast 2012/13 £000	Latest Forecast 2013/14 £000	Latest Forecast 2014/15 £000	Total Programme 10/11 - 14/15 £000
Local Transport Plan	Demand Management	21	56	-	-	-	77
	Public Transport	556	117	11	-	-	684
	Walking & Cycling	363	222	-	-	-	585
	Road Safety	24	120	-	-	-	144
	Regeneration & Urban Renewal	174	-	-	-	-	174
	DfT settlement not yet allocated	-	3,590	4,218	4,155	4,829	16,790
	A386 special project	170	382	-	-	-	552
	Safety Camera Partnership	38	-	-	-	-	38
	Capital Maintenance	2,065	-	-	-	-	2,065
Transport - Non LTP	Eastern Corridor (excluding East End element - shown line below)	-	-	-	-	1,000	1,000
	East End Community Transport Improvement scheme	12,537	6,930	-	-	-	19,467
	West End	186	-	-	-	-	186
	A38 Junction improvements	448	-	-	-	-	448
	Flood Defence	-	-	-	-	-	-
	Other (Incl. Transport Asset Management Plan Works & CCTV projects)	-	-	-	-	-	-
Economic Development	City Market electrical refurbishment	25	925	50	-	-	1,000
	Barbican Landing Stage	-	-	-	-	-	-
	Granby Green	-	-	-	-	-	-
	Cumberland Gardens	26	-	-	-	-	26
	North Stonehouse	-	-	-	-	-	-
	Devonport Park	1,575	1,300	-	-	-	2,875
	Devonport Heritage Trail	21	-	-	-	-	21
	Other (Incl. Alleygates, Devonport St. Lights)	-	-	-	-	-	-
	Commercial Developments (Royal William Yard - noise compensation)	241	20	-	-	-	261
Planning	Housing & Planning Delivery Grant - planning services expenditure	26	-	-	-	-	26
	Stepping Stones to Nature	88	71	5	5	-	169
Retained Waste Projects	Material Recycling Facility	-	852	-	-	-	852
	Chelson Meadow restoration (Capping & Leachate)	3,034	4,826	102	-	-	7,962
Strategic Housing	Devonport Development Team	-	-	-	-	-	-
	East End Renewal Area	-	-	-	-	-	-
	Home Energy	355	241	-	-	-	596
	Energy Conservation	-	-	-	-	-	-
	Minor Works	-	-	-	-	-	-
	Disabled Facilities Grants	1,308	700	700	700	-	3,408
	Decent home Loans	236	94	150	150	-	630
	Empty Homes / Enabling	-	151	-	-	-	151
	Living Over the Shops (LOTS)	-	-	-	-	-	-
	Empty Homes	-	-	-	-	-	-
	Disabled Adaptations	-	-	-	-	-	-
	Housing Capital Salaries GF (Neighbourhood Regen & Renewals)	277	183	135	135	-	730
	Private Sector Other Works (stock condition)	36	15	15	15	-	81
	Decency Standards	-	-	-	-	-	-
	Eford Building Communities	-	-	-	-	-	-
Development Total		23,828	20,795	5,386	5,160	5,829	60,998

APPENDIX 2 ASSET TRANSFER POLICY AND PROCESS



Plymouth City Council Community Asset Transfer Strategy (Draft)

Scope

This strategy aims to provide a framework, for decision making and ongoing governance, to assist the Council in maximising opportunities to support Local Community service development, through the transfer of ownership and management of appropriate property assets.

In turn this will provide consistency, fairness and transparency in dealing with applications for asset transfer from community groups and ensure robust risk management and ongoing monitoring and support for successful schemes.

Ultimately the strategy aims to ensure that appropriate applications are progressed and result in successful and sustainable projects

Policy Context

The Council has a leading role in the delivery of the Local Strategic Partnerships Vision for the City including close partnership working with the voluntary sector.

Also through other strategies and plans such as the Sustainable Community Strategy and Asset Management Plan the Council sets out how it is going to support the development of the voluntary sector and empower local communities to develop and deliver solutions to increase sustainability and make them stronger and more cohesive.

The Council recognises that the way its assets are managed and owned can have a positive impact on the long-term strength of the voluntary sector and local communities more generally. Also that the transfer of assets to other organisations can secure access to resources otherwise not available which can be used to develop assets and services which might otherwise be unachievable.

The Council's aim is to ensure that the way assets are managed strongly underpins delivery of its corporate vision, and where appropriate, will use asset transfer as a means of enabling Communities to become sustainable on a long term basis. To be successful asset transfer requires a long term partnership approach involving all relevant stakeholders.

Background and Drivers to Support Community Asset Transfer



Central Government provided clear policy direction by accepting, in full, the recommendations of the Quirk review, therefore it is not an option to fail to give serious consideration and support the transfer of assets to the community. The Governments stance has developed not least via the following reviews and publications:

- 2006 Government White Paper demonstrated the Governments intention to increase opportunities to transfer the ownership and management of Public Sector assets to the Community. Later resulting in the £30 million community assets fund managed by the Big Lottery Fund
- Quirk Review (2007) Making Assets Work. An independent review, which looked at Community Management and Ownership of Assets, concludes that “Community organisations can realise tremendous potential by taking on the management and ownership of community assets.”
- The Government’s Empowerment Action Plan published in 2007 includes actions relating to the transfer of assets and to a programme of support for community anchors, including the availability of further funding to support the development of anchors.
- 2008 Communities & Local Government White Paper “Communities in Control; Real People Real Power” confirmed ongoing support for the Quirk Review, announced the establishment of a national Asset Transfer Unit, extended the advancing assets programme by a further year and announced a £70m community builders fund. The origins of this agenda go back to the ODPM’s 2003 Communities Plan. This acknowledged that sustainability is only possible where local communities play a leading role in determining their own future development.
- Asset Management Best practice, a plethora of best practice guidance and advice has been provided by Central Government, RICS et al directing Local Authorities to both rationalise their estate and facilitate more effective and efficient use of its asset base, where the focus is on service and community solutions not property solutions.
- Decentralisation and Localism Bill clearly demonstrates the coalition government’s ongoing positive view of the transfer of assets to the community. Including powers giving the community a right to ‘buy’ surplus assets, ‘build’ new assets and ‘challenge’ proposals for change.

Local Successes to Date

The Council already has achieved significant success in the transfer of assets to the Community such as:

Scott Business Park transfer to the Wolseley Trust (Cited in the Quirk Review)



Here the Council acquired the former hospital site at below market value, with a subsequent transfer to the Wolseley Trust on a 25 year lease, for the establishment of a business park and community facilities. The development now provides space to stimulate jobs and new business in an area of significant need and uses its trading surplus to provide a range of community facilities. The trust is an independent development trust, a community run limited company, where the community elects the board of Directors.

Devonport Guildhall

The Council has been successful in transferring the property on a 25 year lease to a community arts group. The project, funded from both a successful £1million bid from the Community Asset Transfer Fund and Devonport Community Partnership (£500,000) has resulted in an immensely important building having a secure future and removal from the Buildings at Risk Register.

However these have been progressed on a project by project basis but with an anticipated increase in interest and applications from community groups a consistent approach is now required.

Aims and Objectives

All Council strategies need to be aligned to the support and delivery of its overarching vision and key aims and objectives.

The Council's property portfolio includes a diverse range of land and buildings utilised for a variety of different business, social and community purposes. Community management and ownership of appropriate assets can deliver a range of benefits contributing to the overall vision such as through:

Community Benefits:

- Supporting the localism agenda, empowering communities as the most appropriate people to decide what is required
- Attracting and securing investment
- Securing stronger more cohesive and sustainable communities
- Increase capacity and confidence in the community

Council and Public Sector Partner Benefits:

- Enhanced ability to engage with the local community
- Establishment of a new partner with capability to access alternative and additional resources
- Creation of new services or facilities which complement existing provision
- Increases value for money and reduces management related revenue costs



- Opportunity to redirect and maximise use of scarce resources (e.g. Maintenance budgets and operational revenue expenditure)
- By coupling transfer to the wider property review and rationalisation process may allow a greater clustering of services thus freeing up additional assets for disposal.

Benefits to the Community Organisation

- Opportunity to develop capacity and capability through security provided (financial and physical).
- Creates independence and flexibility to expand and flourish
- Empowers the organisation and increases recognition and influence in the community

Principles of Transfer

As previously noted applications need to be considered in a consistent and structured manner in order to ensure decisions are made that support the success of appropriate and viable applications in order to make them happen. However strong and robust procedures and a decision making process needs to be followed in order to ensure protection of the Council and communities position and that of the public purse.

In order to support this it is advised that a number of fundamental principles be followed to create the framework for such a governance process including:

Corporate Priorities

All proposals and transfers must make a clear and unambiguous contribution to the City and Council's 4 revised Corporate Priorities:

City & Council Priorities (from April '11)

Delivering Growth	Attract jobs, encourage enterprise, improve skills and make Plymouth a thriving regional centre
Raising Aspiration	Promote Plymouth and encourage people to aim higher and take pride in the City
Reducing inequalities	Reducing the inequalities gap, particularly in health, between Communities
Providing Value for Communities	Work together to maximise resources to benefit customers and make internal efficiencies



Indeed appropriate Community Asset transfers could be seen to contribute to any or all of these priorities.

Tenure and Contractual Relationship

There will be a general presumption that transfers should be based upon a lease of 20 to 25 years on Full Repairing and Insuring Terms at rental levels consistent with the benefits and business case of the proposal, subject to all other reasonable terms and conditions considered appropriate by the Council's Solicitor. This will include alienation clauses appropriate to the circumstances. However, in appropriate circumstances, longer lease or even Freehold transfers may be considered. However it is recognised that as services and organisation mature new opportunities arise opening up new funding sources which may require extended security of tenure, with this in mind the Council will follow a flexible approach to the surrender and renewal of appropriate leases upon the merits of each application.

This will protect all stakeholders in the following ways:

- Continuous monitoring of the use and condition of the premises, protecting the Council's interest and value of the asset
- The tenant will fully understand its liabilities and responsibilities
- Supports the Community Group in demonstrating sufficient tenure in funding applications
- Enables a succession strategy to be developed and implemented as necessary
- Best enables the Council to be in a position to provide ongoing support to the tenant organisation

Other agreements

Dependent upon the nature of the organisation and service it will deliver, the Council may require the applicant to enter into formal Service Level agreements or other such agreements as may be required to ensure delivery of the function proposed in the application. This may include proportionate claw back provisions to safe guard and prevent the potential for misappropriation of public funds or formal agreements whereby any surpluses produced are used for investment in community initiatives. This may also include details of any support, if any, the organisation might expect from the Council throughout the life of the project.

Should proposals involve the undertaking of works, or alterations to property, applicants would be expected to enter into appropriate building licence agreement to ensure delivery of schemes or protect the Council through default provisions.

Process



In order to ensure fairness and transparency in the treatment of proposals and there is a clear rationale, supported by a robust business case demonstrating the organisations capacity and capability to deliver, behind any decision to transfer an asset a consistent and agreed process is required which includes:

- Single Point of Contact; having a first point of contact to which all requests and applications are made it is proposed this be the Head of Capital and Assets.
- Steering Group; applications considered and progressed via a cross departmental steering/working group made up of appropriate Council officers and project champions
- Standard application process and requirements; including completion of Pre Qualification Questionnaire, Business Case requirements and opportunity for presentation of proposals to be made to key stakeholders.
- Facilitate opportunity for open dialogue and negotiation with the applicant to develop a formal understanding of expectations and any Service Level requirements the Council may have to inform formal agreement
- Consultation; appropriate consultation is undertaken with appropriate stakeholders including, elected members, service departments, public sector partners and not least the Community.
- Option appraisal; standard option appraisal with agreed scoring methodology for assessing benefits particularly where supporting the delivery of Corporate Priorities
- Decision Making; via the Councils current governance framework

Proactive Approach

In order to maximise opportunities the Council needs to take a proactive approach to raising awareness and seeking opportunities for the transfer of assets to the Community and can do this via:

- Undertaking consultation and collaboration with existing and new partners, internal stakeholders and the community to identify and facilitate the progress of opportunities
- Consider the potential for transfer of assets to the community through its ongoing Asset Management and Portfolio review programmes and activities
- Communicate to the Community the assets which are or maybe available for Community transfer

APPENDIX 3 SERVICE ASSET STRATEGY FRAMEWORK

Plymouth City Council
XXXXXXXXXX Services
Service Asset Strategy

INDEX

Executive Summary

1. Introduction
2. Service Objectives
3. Service Vision
4. Service Strategy
5. Current Property
6. Service Improvement Plans
7. Suitability, Sufficiency & Condition
8. Sustainability
9. Wider Corporate issues
10. Portfolio Opportunities
11. Conclusions & Recommendations
12. Implementation & Improvement Plan

APPENDIX 1 Running Costs per Sq.m.

APPENDIX 2 Backlog Maintenance Costs per Sq.m.

APPENDIX 3 Utility Audit Recommendations

Plymouth City Council
(Service) Service Asset Strategy

1. Introduction

Introduction to service, structure, management, relevant legislation service works under, subject inspection regime (e.g. OFSTED etc)

2. Service Objectives

Objectives, link to Council vision and objectives

3. Service Vision

Where the service is going (5/10 year vision)

4. Service Strategy

Drivers for change, government policy, funding, challenges, spatial strategy, link to other service strategies

5. Property

Overview of current portfolio, description, size, location, challenges (fit for purpose!?)

6. Service Improvement Plans

Improvement plans (linked to inspection regime, changes in legislation) property implications, funding challenges/opportunities

7. Suitability, Sufficiency and Condition

Running costs, portfolio performance, condition data, DDA, size, location, bespoke requirements

8. Sustainability

Energy Audit (performance), potential issues/challenges/opportunities re CRC etc, contribution of service to sustainable communities agenda

9. Wider Corporate Issues

Link to AMP, other service asset strategies, existing development/rationalisation proposals, funding opportunities

10. Summary – Property Performance Model

Corporate Property: Service Asset Strategy Framework

11. Portfolio Opportunities/Proposals

12. Conclusions and Recommendations

13. Implementation & improvement Plan

Proposal for each property

Property	Comments	Performance	Future Action

APPENDIX 1 Running Costs per Sq.m.
(graphical comparison of all properties/benchmarks)

APPENDIX 2 Backlog Maintenance Costs per Sq.m.
(graphical comparison of all properties/benchmarks)

APPENDIX 3 Utility Audit Recommendations
(CRC plan actions)

2011/12 UPDATED REVENUE & CAPITAL BUDGET

Finance Assets & Efficiencies



PLYMOUTH
CITY COUNCIL

2011/12 Updated Revenue and Capital Budget

1. Introduction and Contents

- 1.1 The budget report presented to Council on 6 December 2010 detailed funding allocations made in the context of the Medium Term Financial Strategy (MTFS), assuming a reduction in Government grant of 5% year on year, with a Council Tax freeze for each of the next three years. The report also outlined the need to account for a number of corporate adjustments, including the impact of budget virements in 2010/11.
- 1.2 At the time of publishing the December draft budget report, the Council was still awaiting notification of it's Government settlement for 2011/12 along with details of the significant changes anticipated to specific grants, both revenue and capital, which would have a material impact in certain service areas.
- 1.3 The provisional settlement was finally received on the 13 December 2010, and final figures confirmed on 31 January 2011. Whilst significant year on year reductions had been anticipated, the Council along with all Councils nationally, had not anticipated the reductions to be so highly front loaded. In addition, the rolling in to the formula grant and other changes to a number of specific grant funding streams has made the settlement this year particularly complex, although the removal of ringfencing of many of the grants will give the Council greater flexibility to allocate revenue resources to corporate priorities.
- 1.4 As a result of the Settlement there is a need to revisit the original budget assumptions. This report outlines a balanced budget in the context of resources available.
- 1.5 This report builds on the December budget report providing an update on how the Council has allocated its revenue and capital resources across departments and priority areas for 2011/12 to improve outcomes for local people. It is fully linked and underpins the Council's Corporate Plan 2011/14.
- 1.6 The report also outlines amendments to the Prudential Indicators reflecting proposed revisions to the capital programme. These need to be referred to Full Council for approval.
- 1.7 The December report included a summary report from each Director outlining the departmental context, progress and investment against challenges and pressures faced and lays out a summary of what the department intends to do to deliver a balanced revenue budget in 2011/12, and the plans for 2012-2014. Detailed delivery plan actions were also outlined. Readers should refer to the original report for this information.
- 1.8 The December report also outlined how the budget interrelates with the following strategies:
 - The ICT Strategy and Investment
 - Human Resources and Workforce
 - Asset Management Plan

- Value for Money and Efficiencies

- 1.9 The budget proposals have been subject to wide consultation culminating in scrutiny by the Overview and Scrutiny Management Board on 12 and 17 January 2011. This updated budget report takes into account the recommendations of the consultation process.
- 1.10 Appendices to this report provide the main detail and delivery plans that underpin the 2011/12 budgets:

Appendix A	Local Government Act 2003, Section 25 Section 1: Analysis of Budget Robustness Section 2: Adequacy of Reserves
Appendix B	Updated Departmental Net Revenue Budget for 2011/12
Appendix C	Fees and Charges
Appendix D	Capital Investment Programme 2010/11 to 2014/15
Appendix E	Prudential Indicators

2. The Medium Term Financial Outlook

- 2.1 In setting the budget for 2011/12, there is a need to consider the wider implications for the medium term. Although the Comprehensive Spending Review covered a four year period, the settlement announcement gave funding allocations for a two year period only and the Secretary of State announced that a Local Government Resource Review will commence in the new year. In future Local Government funding is expected to move away from a needs based formula towards a greater emphasis on incentivised funding. The White Paper on growth outlined plans for a review of business rates with the intention that in future local government will be able to keep what they collect, the introduction of a new homes bonus (consultation currently ongoing) and plans to change the law so that Council's will be able to borrow against the proceeds of future business rates (known as Tax Increment Funding) in order to invest. In addition, the Government has instigated a full review of Public Sector pension provision.
- 2.2 Our ability for future capital investment in the city to stimulate growth and regeneration has also been reduced following the settlement. The reductions in core funding for the major blocks of Transport, Schools and Strategic Housing have been reduced between 20% and 50%. However it is anticipated that more resources from Central Government may become available from 2012/13 onwards. The capital programme will require robust management to ensure that outcomes are maximised and the impact on the Council's revenue budget is kept to a minimum.

- 2.3 The settlement will see a reduction in revenue resources of over £18m over the two year period. This increases when all specific grant funding is taken into account. Against this, the Council face increasing spending pressures moving forward. In addition to the reported increase in the number of children in care and impact of the growing elderly population on adult social care budgets, waste disposal costs for the Council will significantly increase in the coming years, particularly in advance of the planned delivery of the waste to energy PFI scheme. Demand for Housing Benefits and personal finance advice has also significantly increased over the last 18 months, directly linked to the economic situation.
- 2.4 The Council is not unusual in facing these issues and is prepared for the challenge. The Council will need to take some difficult decisions in the future about what services it does and what services it doesn't provide. The Council will need to continue to radically change shape over the coming years if it is to continue to improve the City and the Council itself. The stock transfer process is a good example of what the Council needs to do more of – working closely with other partners in the public and private sector to provide the best solution for the Council tenants and, in this example, hand services over to another organisation with the resources to dramatically improve the service.
- 2.5 Despite reducing resources and increasing spending pressures, Plymouth City Council continues to remain ambitious with our future plans. For example, the build of The Plymouth Life Centre will generate significant benefits to the residents of Plymouth. Such projects demonstrate our determination to press on with the regeneration and economic growth of the City in order to achieve our long term vision, meeting long term growth aspirations of 50,000 increased population and more than 40,000 new jobs by 2026.
- 2.6 The Medium Term Financial Strategy will be updated at the start of 2011/12 to reflect the final budget for 2011/12 and changes required as a result of the settlement and will be kept under review as details of the Local Government Resource Review become known.

3. Priority focus

- 3.1 As previously reported the Council has reduced the priorities for the City, the Council and key partners to four: deliver growth, raise aspirations, reduce inequalities and provide value for communities. The Corporate Plan 2011-2014 outlines in detail the Council's contribution to the priorities and how it will achieve these over the medium term.
- 3.2 The aim is to match resources to priorities, moving away from those areas which are "less important" and where we can stop doing things. In 2011/12 the Council will focus on value for communities and the efficiency agenda. Budgets around 'growth' will also be protected.

4. The Local Government Settlement - Revenue Resources

- 4.1 The provisional settlement was received on 13 December 2010, with final figures confirmed on 31 January 2011. Whilst significant year on year reductions had been anticipated in our financial planning and indicative budget proposals, the Council along with all Councils nationally, had not anticipated the reductions to be so highly front loaded.
- 4.2 This announcement stated that Councils would face an average reduction of 4.4% in 2011/12 and that no local authority would experience a decrease of more than 8.9% in 2011/12 or 2012/13 as a result of grant reductions. However, the comparative figures relate to 'local authority spending power' a new definition used by the Government which encompasses an individual authority's:
- Council Tax Requirement
 - Formula Grant
 - Specific grants within Aggregate External Finance
 - NHS funding for social care
- 4.3 The settlement this year is particularly complex, in that:
- a number of specific grants have been rolled into the formula grant,
 - Area Based Grant (ABG) has been abolished,
 - several new grants have been created,
 - new funding arrangements have been put in place between the Council and Health
 - floor dampening has been maintained to smooth the impact of funding reductions on specific councils
- 4.4 However, with the exception of the Dedicated Schools Grant, the ring fencing of grants has been removed giving us greater flexibility to be able to allocate revenue resources to corporate priorities.
- 4.5 When considering the abolition of numerous specific grants, reduction in formula allocation and integration of other grants our overall revenue funding has reduced from £242.218m in 2010/11 to £231.091m in 2011/12 a reduction of £11.127m or 4.59%. However, the actual reduction in formula grant when adjusted for comparison purposes is 9%.
- 4.6 Floor dampening, which is the means by which grant increases in excess of a guaranteed minimum are scaled back with resources redistributed to those below the floor, thus ensuring all authorities receive a guaranteed minimum increase. A damping of -(12.3%) has been applied to Plymouth which means that the Council would have received £9.338m more grant if the national damping had not been applied for 2011/12 .
- 4.7 The table below summarises the net revenue resource position over the medium term following the settlement.

Figure 1: Revenue resources following settlement

	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m
Council Tax income including collection fund	95.803	95.907	95.907	95.907
Formula Grant	106.022	112.330	105.172	TBC
Net Revenue Budget for Statutory reporting purposes	201.825	208.237	201.079	TBC
Area Based Grant and transferred specific grants (for comparison purposes)	21.484	0	0	N/A
Council tax freeze grant	0	2.397	2.397	N/A
Specific grants	18.909	20.457	20.499*	N/A
Total Resources available	242.218	231.091	223.975	N/A
Reduction £m		(11.127)	(7.116)	N/A
Reduction %		(4.59%)	(3.08%)	N/A

*HB Admin grant not yet announced assumed at 11/12 level for comparison

5. Revenue Budget

- 5.1 The proposed budget report in December outlined indicative budget targets to Departments based on initial budget planning and resource assumptions. The report however outlined the need to revisit the targets not least to update for a number of corporate adjustments and budget virements made during the later part of 2010/11. There is also a need to revisit targets as a result of the settlement if the Council is to be able to deliver a balanced budget for 2011/12.
- 5.2 As a result the following adjustments have been made to the target budgets since the December report:
- 5.2.1 Corporate adjustments to cover: NNDR, Insurance premiums and fund contributions and JE pay protection.
- 5.2.2 Changes resulting from the transfer of grant funding to formula grant. As outlined above, the settlement this year has been complex with the rolling in to formula grant of a number of specific grants and the abolition of the area based grant. This has necessitated an amendment to the Departmental budget targets to reflect the removal of income lines from the individual services.
- 5.2.3 Further reductions and amendments to departmental targets following the settlement to ensure a balanced budget for 2011/12. The front loading of reductions by the Government and the transfers of grant funding, meant the Council was left with further issues to address when comparing departmental

targets to the available resources. This shortfall will be addressed by a combination of the following:

- Reduction in spend directly correlating to the area where grant has been reduced (for example, Early Intervention funding);
- Securing savings in interest payable by rescheduling our PWLB debt;
- Progressing negotiations with the trade unions on revised terms and conditions;
- Evaluating likely income obtainable through the new 'Homes Bonus' funding;
- Where possible, bringing forward or speeding up the implementation of existing budget delivery plans, such as the senior management restructure, and procurement proposals;
- Increasing fees and charges on areas where charges are low compared to other authorities on benchmarking analysis;
- Improving housing benefit processes further to generate additional income;
- Finalising negotiations in respect of the Leisure Management Contract

A number of the actions proposed remain commercially sensitive. Indicative figures have been included in within the Corporate Items Budget and have not been disclosed in the detailed delivery plans. Further information on these proposals will be reported in the quarterly monitoring reports as and when negotiations have been concluded and the information becomes available for public review.

Appendix B tracks the movement on the budget targets at a service level.

- 5.3 The extent of the reduction in resources necessitates a programme of transformation across the whole of the Council. Therefore, target savings have been applied to all departments and services. However, the Council is keen to ensure that the reduced funding does not lead to a drop in the level of service provided in core priority areas. The Council has continued to make tangible improvements to client facing services whilst driving efficiencies throughout 2010/11. This principle underlies the strategy for the budget for 2011/12. The Authority has to direct scarce resources away from the support functions and towards the frontline services, but maintain the ability to provide the necessary level of support, not just for 2011/12 but the coming years.
- 5.4 The Council had been planning for a reduction in resources as part of the review of the Medium Term Strategy. In order to drive out savings, the Council set up eleven "Theme" budget delivery programmes, which cut across the departments of the Council. Each theme was sponsored by a Director, supported by a team drawn from all areas of the Council. These themes have developed robust, risk assessed delivery plans to underpin the achievement of the 2011/12 budget as well as making good progress towards achieving a balanced revenue position for

the 2012/13 and 2013/14 financial years. The departmental delivery plans were outlined in the December report.

5.5 These plans have been subject to a thorough consultation and scrutiny process throughout December 2010 and January 2011, including for the first time the use of a budget consultation tool on the Council's website. The results of this exercise together with formal written responses from:

- The Chamber of Commerce
- Police
- Cultural Board
- Third Sector Consortium

were fed into the scrutiny process. A separate report to today's meeting presents the recommendations of the Overview and Scrutiny Management Board.

5.6 The revised budget proposals as contained within this report have been prepared whilst considering the consultation and scrutiny outcomes. Any further necessary changes will be presented to the Full Council meeting on 28 February.

5.7 Revenue Budget Delivery Plans that specify planned action to achieve three year reduction targets were detailed in the December report. Progress against these plans will be incorporated within regular quarterly performance and budget reporting.

5.8 The table below shows the movement in budget resources between the years.

Figure 2 – Net Revenue Budget Comparison across years

	2010/11 *Adjusted Budget £000	2011/12 Proposed Budget Feb 2011 £000	Variance £000	% 'age variance
Children & Young People	49,987	49,383	(604)	(1.21%)
Community Services	111,064	109,180	(1,884)	(1.70%)
Development & Regeneration	17,597	17,074	(524)	(2.98%)
Corporate Support	31,808	27,400	(4,408)	(13.86%)
Chief Executives	1,728	1,509	(219)	(12.67%)
Corporate Items	6,742	3,691	(3,051)	(45.25%)
Totals:	218,927	208,237	(10,690)	(4.88%)

* 2010/11 budget adjusted for non recurring transfers from reserves and specific grant transfers for comparison purposes

5.9 A more detailed analysis of budgets at Service level within each department is shown as **Appendix B** to this report.

6. Review of Fees and Charges

6.1 Councils have powers to charge for a wide range of services. Many of these powers derive from legislation that applies to specific service areas. However under the local Government Act 2003, Council's also have wide powers to charge for discretionary services.

6.2 Fees, charges and rents, will account for around 8% of the Council's income in 2011/12.

6.3 Service managers are expected to review charges as part of the annual budget setting exercise unless a service review has been, or is due, to be undertaken. The underlying principle is that fees and charges should be reviewed annually and uplifted by the rate of inflation (RPI), currently 4.7%, with the exception of services where charges have been implemented or amended to fund services improvements or where benchmarking shows that the Council's costs may be low (or high) in comparison to those charged elsewhere. In deciding whether to increase fees and charges departments continue to have regard to the current economic climate, as well as the impact of the recent increase in VAT from 17.5% to 20%.

6.4 **Appendix C** provides more detail on the increases to fees and charges proposed as part of the 2011/12 budget consideration and for which approval is now sought from Cabinet where appropriate. Fees and charges in some areas remain under review and will be subject to separate approval.

7. Review of Reserves, Risk Management & Invest to Save

7.1 In terms of Reserves, the Council retains a prudent approach to risk management. Our core Working Balance, as at 31 March 2010, at £11.5m is 5.7% of our net revenue budget and remains in line with the Unitary Council average. Our plans are to retain this Working Balance level throughout 2011/12.

7.2 In addition to the Working Balance, the Council holds money in earmarked reserves to meet future spending plans. Specific earmarked reserves are forecasted to reduce to £13.3m at the end of March 2011 and forecasted to reduce further to £10.1m by 31 March 2012. The Council keeps its reserves under review. The reserves have been updated as part of the budget exercise and the next scheduled review will be in the light of the final outturn position for the year.

7.3 Sections 32 and 43 of the Local Government Finance Act 1992 requires billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. However, there is no set guidance on the minimum level of reserves that should be held.

7.4 A detailed analysis of the robustness of the budget, considering relevant risks, is detailed in **Appendix A** along with an analysis of actual, and planned, movement across all key Council Reserves.

7.5 Invest to Save

7.5.1 A vital element of effective financial management for future years is our ability to commission, and deliver, invest to save projects that will transform the council, improve services provided to our customers and generate efficiencies in the way in which we work.

7.5.2 A review of all the Council's reserves during 2010/11 has enabled a transfer £2.2m of previously earmarked resources to a new one off revenue Invest to Save Fund.

7.5.3 In addition to revenue, the Council's intention to support capital 'invest to save' initiatives, has been fully reported. At this stage two projects have been approved:

- The Accommodation Strategy £6.45m
- Environmental works at Jennycliff café £0.05m, subject to approval of the revised capital programme.

7.5.4 The business cases for three further projects are being finalised and once signed off by the Corporate Management Team (CMT) will be recommended to Cabinet for approval and inclusion in the Capital Programme:

- Children's Autistic Spectrum Disorder £0.65m,
- Corporate Web improvements £0.25m
- Care First.

7.5.5 The Council will continue its policy of investing both revenue and capital resources in projects which deliver ongoing sustainable reductions to the revenue budget. Officers have been asked to come forward with proposals that can be evaluated by the Capital Delivery Board and Corporate Management before recommendation to Cabinet. They will be assessed against deliverability, payback period, the level of savings achieved and how they fit with the Council priorities.

8. Capital Resources and Prioritisation

8.1 The Comprehensive Spending review indicated a reduction in capital resources of up to 45%, leading to a review of the capital programme. The local Government Settlement on 13 December 2010 confirmed the proposal to remove all supported borrowing, instead replacing borrowing allocations for Transport and Schools by a capital grants only regime. These grants are however in the main unringfenced, although the allocations have currently been allocated to the relevant service area.

- 8.2 The Council's financial strategy for capital has been to fully utilise the supported capital borrowing allocation available in tandem with maximising the availability of grant and third party payments. This will change to maximising the use of grants following the removal of government revenue support towards capital borrowing, which has been replaced by cash grants.
- 8.3 The principle that capital schemes are only approved into the programme where specific funding has been clearly identified and supported by business cases is maintained. Thereby, the capital investment programme, at any set point in time, will evidence 100% funding allocation against approved schemes. Capital investment is prioritised to ensure that outcomes are maximised against the council's Priorities.
- 8.4 The Council continues to challenge the affordability of its five year capital programme for the period 2010/11 to 2014/15. There remains significant volatility around future capital grant funding and income generation through capital receipts. Currently unringfenced grants notionally allocated for Transport have been announced for 2011/12 and 2012/13, with indicative figures for 2013/14 – 2014/15. Grants notionally allocated for Childrens' and Strategic Housing Services have only been announced for 2011/12 with some indicative figures for future years.
- 8.5 A grant of £0.6m for Flood Defence schemes following a recent grant submission is expected and will be added to the programme following confirmation and internal signed business cases.
- 8.6 The BSF programme was suspended by the Government in June 2010. However Plymouth has now been awarded £19.134m funding split between Marine Academy Plymouth £8.561m and All Saints Church of England Academy £10.573m. This will be received sometime after March 2011 once plans are agreed with Department of Education. At this stage it is not clear whether the grants will be paid direct to the Academies or through the City Council, but at this stage the funding has been added to the proposed Childrens' Services programme in 2011/12 until the process is clarified The proposed programme following central government funding changes is as follows:

Figure 3: Five year proposed Departmental Capital Programme

	2010/11 £000s	2011/12 £000s	2012/13 £000s	2013/14 £000s	2014/15 £000s	Total £000s
Children's Services	30,759	33,412	10,211	-	-	74,382
Community Services	20,212	24,007	2,331	-	-	46,550
Development & Regeneration	23,828	20,795	5,386	5,160	5,829	60,998
Corporate Support/items	2,658	6,987	560	500	-	10,705
Total	77,457	85,201	18,488	5,660	5,829	192,635

Figure 4: Five year proposed Funding

	Capital Receipts £000s	Unsupported Borrowing £000s	Supported Borrowing £000s	Grants & Contributions £000s	S106 etc £000s	Revenue and Funds £000	Total £000s
2010/11	4,126	12,756	8,089	48,690	1,969	1,826	77,457
2011/12	19,641	16,251	78	42,642	6,572	15	85,200
2012/13	1,459	949	-	15,680	400	-	18,489
2013/14	500	-	-	5,160	-	-	5,660
2014/15	-	-	-	5,329	500	-	5,829
Total	25,728	29,956	8,167	117,502	9,441	1,841	192,635

8.7 The current programme has little new investment showing in years 2013/14 and 2014/15. This will however change as new grant allocations are confirmed for the City. For example, we await confirmation of funding to replace the previous capital grants for investment in Schools etc. Full details of the programme shown at Service and Sub-programme level are included as **Appendix D**.

8.8 The Council remains committed to a significant capital investment programme despite the current economic climate. The Council, engaging with partners in major regeneration of the City, will not only contribute towards delivering improvement priorities, but will also help to sustain much needed work opportunities in the local area (for example, the construction industry). Significant schemes that will be delivered by 2014 include:

- £46.5m on The Plymouth Life Centre;
- £37.5m on the state of the art new college, Tor Bridge;
- £14.2m on improving Schools in the Southern Way Federation;
- £8.6m for a new School at Efford;
- £22m on improving transportation Plymouth (Local Transport Plan);
- £20m on improving transport access in Eastern side of the City Centre;
- £3.88m on bringing Devonport People's Park 'back to life';
- £0.5m on a new Library for Plympton
- £1.0m electrical refurbishment at City Market

Note 1: total project costs, some of which were incurred prior to 2010/11

8.9 In addition, a long term waste disposal solution is being developed with Torbay and Devon County Councils, building a multi million pound Waste to Energy plant, with the Waste Partnership having announced its preferred bidder MVV Umwelt in December 2010. Subject to approval by the three Councils in early February the partnership will be submitting its final business case to DEFRA to secure PFI credit support, prior to signing a long term delivery contract.

- 8.10 The Council will continue to regularly review the assets that it owns to ensure that they are fit for purpose and optimise the use of capital receipts, where deemed beneficial, in order to support the overall capital investment programme. However, the ability to generate capital receipts has been severely impacted in the last couple of years due to significantly falling land and property prices.
- 8.11 In reviewing the capital programme as part of 2011/12 budget setting the council has continued to reduce reliance on capital receipt funding, now £25.7m over the five year period. This funding is based on a schedule of specific assets, with current estimated valuations and proposed timing for disposals. Assumptions are that very few assets will be sold over the next three years, with disposals increasing towards the end of the five year programme on the assumption that market conditions will improve.
- 8.12 The Council has built in the requirement for additional temporary borrowing to cover the shortfall in capital receipt income for the 2010/11 and 2011/12 financial years. It is planned that this borrowing will be repaid in future years to coincide with our forecasted capital receipt income. Capital receipt generation will be kept under constant review by the Capital Delivery Board as part of regular monitoring. Any variations to the forecasted position will be reported to Corporate Management Team and Cabinet at the earliest possible opportunity.
- 8.13 Prudential Indicators

The Prudential Code governs the Council's ability to borrow for capital expenditure by requiring the Council to demonstrate affordability, prudence and sustainability as demonstrated by Prudential Indicators. The Prudential Indicators are reported as part of the annual Treasury Management Strategy reflecting the close association with the costs of borrowing for capital investment, and are required to be approved by Full Council.

The Treasury Management Strategy and Prudential Indicators for 2011/12 was scrutinised by Audit Committee on 21 January 2011, who recommended their submission to Full Council, subject to any changes required to the Prudential Indicators as a result of amendments to the capital programme by Cabinet. In the light of the changes to the capital programme now proposed and, in particular, the funding changes from supported borrowing to capital grant funding there is a need to revise the Prudential Indicators.

Appendix E outlines the updated Prudential Indicators. Cabinet is requested to recommend the Prudential Indicators as now reported to Full Council for approval.

9. Summary

- 9.1 This budget has been set under very challenging conditions, with unprecedented reductions in Government resources, both in terms of revenue grant and capital support.
- 9.2 Despite this operating environment, the Council is continuing its aims of transforming, modernising and increasing efficiency across the whole Council.
- 9.3 This budget builds on, where possible, protecting frontline services whilst rationalising and reducing the back office running costs.

- 9.4 All areas are under review, including initiatives to make savings from greater procurement efficiency, and invest to save projects, both revenue and capital, which will reduce future cost pressures.
- 9.5 As the Council undertakes transformation, there will be a need to reduce staff numbers, but this will continue to be managed in such a way as to reduce the need for redundancies.
- 9.6 The Council has a good track record in delivering budget savings as demonstrated by the achievement of over £10m savings in 2010/11 as at end of December 2010. The budget for 2011/12 relies on the delivery of further savings of £13m and a number of these actions contain risk strategies. The budget robustness statement at Appendix A provides more detail and a risk analysis of the budget. Monitoring reports during the year will continue to report on the progress of the delivery plan actions.
- 9.7 The Council remains very ambitious in terms of its capital investment programme and over the next year will continue to deliver projects such as , The Plymouth Life Centre at an investment of £46.5m; three new schools in Estover, the Tor Bridge campus; an ambitious Accommodation Strategy; a new Plympton Library and a new homeless hostel.

10. Recommendations

- 10.1 The proposed net revenue budget requirement of £208.237m for 2011/12 and five year capital programme (2010/11 – 2014/15) of £192.635m is recommended to Full Council on 28 February 2011, subject to any final amendments.
- 10.2 Increases to fees and charges as outlined in **Appendix C** be approved.
- 10.3 The Revised Prudential Indicators outlined in **Appendix E** be recommended to Council for approval.

This page is intentionally left blank

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		

SECTION I - DELIVERY OF BUDGET		
<p>1. Delivery of a Balanced Revenue Budget</p> <p>(a) Comprehensive Spending Review and Settlement The Local Government provisional settlement was received on 13 December 2010. Although reductions had been anticipated at 28% over a 4 year period, the reduction in resources has been front loaded. The scale of the reductions have required the Council to seek additional budget savings and in some cases bring forward future year delivery plan actions. This by nature will increase the risks to delivery of a balanced budget.</p> <p>In addition the settlement covers a 2 year period only.</p> <p>The Government has announced a Government resource review will commence early in the new year. It is expected that this will see a move away from a fully needs based formula to a more incentivised approach to funding Local Government services.</p> <p>This increases the uncertainty in terms of planning for the medium term.</p> <p>(b) Risk of non-delivery of budget plans Directors have identified a number of pressures within their budgets for 2011/12 and future years.</p>	<p>The latest budget proposals indicate a balanced budget can be achieved.</p> <p>Departmental allocations will be continue to be reviewed in the period leading up to the Council Tax setting meeting on 28 February 2011.</p> <p>Additional revenue resources have been prioritised and allocated to front facing services in 2011/12 to contribute towards known budget pressures.</p> <p>Budget variation targets remain at 1% overspend and 2% under spend.</p> <p>Financial Management procedures remain in place regarding carry forwards. A monthly combined performance and finance scorecard is considered by CMT and Cabinet Planning</p> <p>Detailed quarterly reports are presented to Cabinet and subject to Scrutiny</p> <p>Detailed project plans are being developed to support the high level delivery plans.</p>	<p>AMBER</p>

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		

<p>Directors have produced and signed up to high level plans to deliver a balanced budget. Resources required to deliver plans may lead to plans being phased resulting in planned savings being deferred</p>	<p>Delivery Plans have been subject to a robust challenge at CMT and DMTs. There has been Portfolio challenge of the delivery plans prior to the final budget proposals.</p> <p>Budget deliver plans have been subject to Scrutiny.</p> <p>Progress reports against Delivery Plans are incorporated into finance and performance reporting and will continue to be presented and challenged by Cabinet and Scrutiny.</p> <p>The Council has a good track record in delivering savings in 2010/11 with £10m of the £13m target secured by end of December 2010.</p> <p>Reserves consolidated to form a revenue invest to save reserve. This reserve is available to support initiatives including to meet set up costs of delivery plan projects.</p> <p>Invest to save reserve in both capital and revenue to enable pump prime investment to generate revenue savings in future years.</p> <p>The Council continues to include a contingency provision in the budget of £0.5m in line with previous years.</p> <p>The Bellwin Scheme is available for emergency expenditure – this provides 85% funding of costs that exceed the Council's threshold of approximately £0.700m.</p>	
---	---	--

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		
<p>2010/11 forecasted revenue budget overspend as reported in December quarterly monitoring report will add pressure if CMT are not able to return a balanced situation by year end.</p>	<p>All departments are seeking to minimise the overspend in 2010/11 and return a breakeven budget. The 2010/11 overspend has reduced during the period September to December as mitigating actions start to produce tangible results.</p>	
<p>2. <u>Service Specific Issues</u></p> <p>(a) Children and Young People</p> <p>The number of Children in the care of the local authority has increased mainly due to the high profile national and local media cases which has been reflected in the budget (budgeted at current levels). The cost of caring for an individual child varies depending on their particular needs</p> <p>There are potential capacity issues within the social work area due to the requirement to implement the Laming recommendations on case loads. Recommended 15 – 20 but in Plymouth currently range from 20-31.</p> <p>There has been a significant increase (up to 90%) in the number of children subject to protection plans where the risk has been managed within the community rather than being taken into the care system. Such a high increase will be extremely challenging to sustain.</p> <p>Strong changes in policy direction towards prevention and early intervention from Department of Health and Department for education will require more intensive and targeted services.</p>	<p>Continued rigour with the decision making process of the placement review panel.</p> <p>The successful implementation of the 'Payment for skills' foster care payment scheme will enable more placements to be made appropriately within Plymouth by increasing the number of carers into the profession and through the higher quality factors increase the councils capacity to care for children with more complex needs.</p> <p>Continued investment in workforce development, particularly with newly qualified social workers.</p> <p>Successful implementation of a fully functioning Care First system will help to mitigate the requirement for additional social workers.</p> <p>The transfer of some children in need cases to other agencies through the Common Assessment Framework will ensure that the needs of the children are met by the body best placed to support them and help to contain the pressure on the Council.</p>	<p>AMBER</p>

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		
<p>Court ordered assessments may add financial costs where the court determines that a parent and child assessment is required in deciding if and how a child is safeguarded. Currently, the court determine who and how the assessment is undertaken</p> <p>The Education White Paper pushes schools and the LA to drive up education standards with failing schools expected to make structural reforms where necessary. Two academies are operating with a significant number actively exploring academy status.</p> <p>A significant number of staff are funded from Government grant. The department continues to work through the implications of grant reductions.</p>	<p>There is a robust process for considering the additional services allocated (if any) for each potential case.</p> <p>The Council is working with the courts to agree an 'in house' approach to parent and child assessments which would reduce the risk of the family being sent away for an assessment</p> <p>There is a management group to oversee the Corporate impact of the Academy agenda.</p> <p>The Department has been reducing staffing and encouraging flexible working.</p> <p>The provisional settlement has helped to clarify the grants position enabling actions to be firmed up.</p>	
<p>(b) Adult Social Care</p> <p>Within Adult Social Care there are nationally recognised demographic changes which impact the budget, due to both an ageing population and increased complex needs.</p> <p>The services are volatile and small changes in service user numbers of those with high care needs can impact on the budget.</p> <p>The government's personalisation and modernisation agenda will present challenges and lead to the transformation of the service.</p>	<p>Accurate and timely monitoring information provided to lead officer for Adult Social Care.</p> <p>Review of data quality, linked to Carefirst project and other systems.</p> <p>The Director of Community Services has established a Programme Board to manage the delivery of action plans and the transformation of adult social care services.</p>	AMBER

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		

<p>There remains uncertainty around the the additional grant transfer from health. Negotiations have yet to commence on the conditions that may be attached.</p> <p>Service and funding decisions made by NHS Plymouth (previously known as Plymouth Primary Care Trust) can impact on the costs incurred by the Council. In particular, the NHS Plymouth Transforming Community Services and the Quality, Innovation Productivity and Performance (QIPP) agendas could have implications for the Adult Social Care services, but may also present opportunities</p>	<p>Negotiations to be held with health as a matter of urgency</p> <p>A Health and Social Care Integration Board is in place to improve our partnership arrangements. The Director of Community Services and the Chief Executive of NHS Plymouth meet regularly to discuss high risk issues with the patient/service users at the heart of the agenda</p>	
<p>(c) Stock Transfer</p> <p>As part of the transfer the Council has been required to provide a number of warranties. There may yet be residual costs and claims that will fall to the Council, eg public liability claims.</p> <p>The Council faces financial issues into the future relating to the stock transfer</p> <p>An application to CLG to formally close the HRA, and thus allow the residual HRA Working Balance to transfer to GF, cannot be made until the final subsidy claim has been certified by the external auditor.</p>	<p>The Council has negotiated monies, as part of stock transfer, via VAT shelter and Right to Buy receipts, whilst these monies are a capital resource they have not been allocated to the capital programme. These monies are to assist in tackling issues relating to stock transfer.</p> <p>Quarterly joint liaison meetings take place with PCH.</p> <p>The Corporate Items budget for 2011/12 and departmental budgets have been and will continue to be adjusted for stock transfer implications. These are expected to reduce as the Council's transformational change programme progresses.</p> <p>The final subsidy claim has been certified by the Auditor and a submission to close the HRA will be made in the next few weeks.</p>	AMBER

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		
	Cabinet have approved the appropriation of all remaining land and property which will further support the application for closure.	
<p>(d) Environmental Services</p> <p>Landfill tax is set to increase by £8 per tonne each year until 2014. This will add a budget pressure of £650k per year. The Council may face fines of up to £150 per tonne if we landfill more biodegradable waste than our landfill allowance (LATs) and have not been able to purchase surplus LATs from other Authorities</p> <p>It is anticipated that there will be further financial pressures on councils post 2014 to reduce amounts of landfill</p>	<p>Targets to reduce the percentage of waste going to landfill have been set.</p> <p>The Council will need to consider purchasing LAT's in 2012/13 and 2013/14 dependent on the estimated amounts of biodegradable waste being landfilled. Officers will be regularly updating estimates based on waste collected and any recycling levels .</p> <p>The Council is entering into a Private Finance Initiative, (PFI), with Devon County and Torbay Councils to build a new 'waste into energy' plant. The Council's Partnership appointed the German Waste Company MVV Umwelt as preferred bidder in December 2010 and the three Councils are being asked in February 2011 to approve the submission of a final business case to DEFRA as part of the process to secure the PFI credit support to the project.</p>	RED
<p>(e) Development</p> <p>The removal of regional structures, in particular the Regional Development Agency (RDA), and their replacement with Local Enterprise Partnerships has led to the removal of funding streams that the RDA have traditionally been able to provide to support economic development based activity</p>	Council Officers are closely involved in discussions relating to successor arrangements	AMBER

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		
<p>The 2011/12 Budget includes the creation of a ring-fenced Growth Fund. One of the significant contributors to this income stream is anticipated to be the 'New Homes Bonus' the details of which are currently out to consultation</p>	<p>Officers will be actively progressing the creation of new homes to generate the maximum level of resource for the Council. PCCs response to the consultation challenged the proposal to offset any new homes by the number of homes demolished as we believe that acts as a disincentive to regeneration initiatives.</p>	
<p>3. <u>Corporate Issues</u></p> <p>(a) Maintenance Liabilities</p> <p>Inadequate budget provision to meet maintenance liabilities</p> <p>Provision has been made in the revenue budget to meet the costs of the routine maintenance of the Council's operational buildings. Improvement works are charged to the capital budget. The asset management strategy identifies that there is a significant backlog in maintenance obligations.</p> <p>Risks include health and safety issues that may arise during the year and the uncertainties over the future of the Civic Centre.</p>	<p>Asset management keep under review all the Council's assets including identifying and considering assets for disposal.</p> <p>Accommodation reserve set up to meet one off repairs to Civic Centre (and other Council Offices) pending outcome of negotiations on the future of Civic Centre.</p> <p>The Accommodation strategy will reduce the number of offices and thus the ongoing maintenance liability</p> <p>The insurance reserve can be used to meet the costs of urgent health and safety repairs.</p>	GREEN
<p>(b) Redundancies</p> <p>Impact of redundancies on revenue budget</p> <p>The budget delivery plans will result in a reduction of staffing across the Council.</p>	<p>A redundancy reserve has been set up and a top up will be considered as part of the year end corporate health considerations as appropriate.</p>	AMBER

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		
<p>Redundancies result in one-off costs, including a contribution to the pension fund.</p> <p>International Financial Reporting Standards (IFRS) require the cost of redundancies to be accounted for in the year they are declared not when they are paid.</p>	<p>The reserve can be carried forward to future years to enable resources to match accounting requirements</p> <p>We will minimise the number of redundancies through vacancy management, effective redeployment practices and close working with the unions.</p> <p>There may be an opportunity to apply for a Capitalisation Direction in 2011/12 if redundancy costs exceed thresholds. However this will impact on Capital Programme.</p> <p>The Council could consider spreading the pension fund top-up over three years.</p>	
<p>(c) Equal Pay The Council has received a number of equal pay claims and grievances. These will be dealt with by way of grievance hearings and through the Employment Tribunal system. Formal dates for the hearings have yet to be set</p>	<p>The Council secured a Capitalisation Direction to cover equal pay claims in 2007/08. This can be used for any claims submitted prior to 31 March 2008.</p> <p>Equal pay reserve set up 31 March 2009 for claims submitted after March 2008. (£350k).</p> <p>Regulations allow impact of equal pay claims to be deferred until actual payment.</p> <p>The Council can apply for a capitalisation direction in 11/12 if costs exceed threshold.</p>	AMBER
SECTION II – IMPACT OF MAJOR PROJECTS / CORPORATE ITEMS		
4. <u>Major Projects</u>		AMBER

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		
<p>Delivery of Major Projects- timing and resources</p> <p>The Council currently has a number of cross cutting major projects either in progress or planned for the medium term. The key risk is delivering the projects on time and to budget.</p> <p>The requirement to reduce staffing to balance budgets may impact on the ability to adequately resource projects.</p> <p>Many projects require services to be delivered in an innovative way. There may need to be a requirement for external advisors which puts pressure on budgets.</p>	<p>Clear project plans in place for key areas.</p> <p>Revenue and Capital Funding allocated to Corporate priorities under budget process.</p> <p>Invest to save principles have now been established</p> <p>Progress on Major Projects overseen by a Project Delivery Board with finance input.</p>	
<p><u>The main projects are:</u></p> <p>(a) Care First</p> <p>The Council has begun a 3 year programme to harmonise the Children's & Family and Adults Social Care Teams onto a single computer system. The costs of this project will span a number of years in which time costs can fluctuate.</p>	<p>A Care First Project Board has been set up, chaired by the Assistant Chief Executive.</p> <p>A business case to fund the project from the Invest to Save fund is currently being finalised.</p>	AMBER
<p>(b) Plymouth Life Centre</p> <p>The construction of the Plymouth Life Centre is a complex design and build project with a mixed funding stream including several grants with certain conditions.</p>	<p>The Plymouth Life Centre and Leisure Related Projects Programme Board in place. Board meets monthly to monitor progress.</p> <p>The construction is part of a robust contract which details construction milestones and financial milestones. The contract will be closely monitored by the Council's appointed project managers EC Harris.</p> <p>Costs and risks well understood and subject to robust scrutiny.</p>	GREEN

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		

<p>(c) Waste PFI</p> <p>The cost of disposing the City's waste is due to rise sharply over the coming years. Since closing the Council's landfill site, Chelson Meadow, we have entered into a contractual arrangement to dispose our waste in Cornwall for the immediate future.</p> <p>The Council is currently developing a Energy from Waste PFI solution in partnership with Torbay and Devon County Councils. The capital and revenue costs of this project are significant and volatile to change.</p>	<p>A waste management reserve has been created with the balance of this reserve currently at £1.5m. Consideration to top up this reserve will be given as part of the year end corporate health adjustments.</p> <p>The Council is entering into a Private Finance Initiative, (PFI), with Devon County and Torbay Councils to build a new 'energy from waste' plant. The Council's Partnership appointed the German Waste Company MVV Umwelt as preferred bidder in December 2010 and the three Councils are being asked in February 2011 to approve the submission of a final business case to DEFRA as part of the process to secure the PFI credit support to the project.</p> <p>Subject to approval, contracts are anticipated to be signed within a few months, this will provide more certainty around future revenue disposal costs from 2014/15 onwards</p> <p>This will be subject to MVV Umwelt receiving planning permission for the proposed facility.</p>	RED
<p>(d) Eastern Corridor</p> <p>The bidding approval process, under which PCC was seeking to secure £77m of funding (for 2015/16 onwards) for transport works to support future housing growth on the Eastern corridor of Plymouth, was suspended in the recent Comprehensive Spending Review.</p>	<p>The Capital Delivery Board will keep the situation under review and consider any funding opportunities that may arise to supplement future developer contributions, to enable schemes to be developed.</p>	RED

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		

SECTION III - IMPACT OF ECONOMY		
<p>5. <u>Economic Impact on Income</u></p> <p>Reduced income from fees and charges</p> <p>The economic climate continues to see a reduction in income such as car parking and commercial rent income</p> <p>Vat increase may impact on usage and income receivable</p>	<p>Departments have reviewed underlying income assumptions.</p> <p>Increases to fees and charges are propped where applicable based on benchmarking with other authorities</p> <p>Key PIs in relation to collection rates reported/monitored in bi-monthly monitoring report.</p> <p>Increase in VAT to be passed on to users where appropriate</p>	GREEN
<p>6. <u>Treasury Management</u></p> <p>(a) <u>Borrowing risk – portfolio imbalance PWLB/LOBO</u></p> <p>Currently there is a high proportion of market loans to PWLB which reduces the Council's ability to restructure its debt portfolio.</p> <p>Increase in PWLB interest rate as part of Comprehensive Spending Review will make new borrowing more expensive.</p> <p>Average interest payable on loans exceeds rate of interest receivable on investments increasing pressure on budget.</p>	<p>New long term borrowing to be taken from PWLB to address the imbalance.</p> <p>Devon Debt brought in house during 2010/11 which will enable greater flexibility over debt repayment.</p> <p>Continue strategy to make greater use of variable rate debt and maximise short term temporary borrowing options.</p> <p>Use balances and reserves to meet cash flow and borrowing requirements.</p> <p>Officers will seek to reschedule debt in 2011/12 to deliver further budget savings.</p>	GREEN

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		

<p>(b) Investment losses – Iceland Banks Recovery of monies in Landsbanki and Glitnir subject to court proceedings</p> <p>Council continues to incur legal fees.</p> <p>Capitalisation Direction utilised in 2009/10- delays in court proceedings on Landsbanki and Glitnir mean borrowing costs now being incurred.</p>	<p>Plymouth City Council representation on the Local Authority Iceland Bank Steering Committee.</p> <p>Capitalisation Direction maximised in 2009/10 enabling any potential losses to be spread over a 20 year period. Reserve set up as part of closedown 2009/10 used to meet legal fees and costs of borrowing in the first instance. Reserve topped up by interest recovered on dividend payments.</p> <p>Dividend payments being received from Heritable £1.573m (50.11%) recovered to date. Dividend payments continue to include interest up to 8 October 2008.</p>	RED
<p>7. Capital Programme Current housing market makes it difficult to generate sufficient capital receipts to fund capital programme at assumed level.</p> <p>Impact of Credit Crunch on Treasury Management with knock on effect on Capital Programme.</p> <p>Any shortfall may require additional temporary borrowing which will impact on revenue budget.</p> <p>The settlement has clarified the position in respect of the immediate impact on resources, although longer term resources still remain uncertain.</p>	<p>Constant review of capital receipts position and other financing options as part of monitoring.</p> <p>Review of capital programme to reduce dependency on capital receipts undertaken as part of budget setting.</p> <p>Capital Financing reserve set up – balance of £0.975m which can be used to fund temporary borrowing costs to plug timing differences in receipt of capital receipts.</p>	AMBER

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		
	<p>The level of grants will be constantly monitored, with projects being delivered over several years not being commenced until there is certainty over linked grant funding.</p> <p>The programme has been reviewed and a revised programme is being submitted to cabinet for approval as part of this budget report.</p> <p>Continuing dialogue with the relevant Government departments</p>	
SECTION IV – FURTHER BUDGET ASSUMPTIONS		
<p>8. <u>Inflation assumptions</u> Difficult to identify impact of inflation / deflation as economic uncertainty continues. RPI remains high at around 4.7%, but there is a move by the Government to use the lower CPI rate eg future pension increases.</p>		
<p>(a) <u>Pay award</u> The budget for 2011/12 assumes a pay award freeze. Details are still awaited on the recommended increase for low pay staff.</p>	<p>Budget provision is held corporately for the potential increase for low paid staff.</p>	GREEN
<p>(b) <u>Energy costs</u> <u>Gas and Electricity</u> The Council procures general energy directly from the wholesale markets and is therefore subject to changing market conditions. The Council's Corporate contract will fix British Gas' administrative charges and margin but does not fix the cost of energy and the network charges.</p>	<p>The price of the transmission network is regulated by Ofgem and is subject to five yearly reviews.</p> <p>Currently, the consortium is buying forward for next financial year (April 2011 - to March 2012)</p>	AMBER

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		
<p><u>Streetlighting (Unmetered Electricity)</u> The Council forward purchases electricity for street lighting through Laser - a government procurement organisation that hedge buys on behalf of its members. The Council has forward-procured electricity for Oct 2010 to Sept 2011 but has seen an increase in overall price of 23%.</p>	<p>The accommodation strategy and the move to reduce carbon tax emissions should lead to a reduction in energy consumption.</p>	
<p>(c) NNDR The NNDR multiplier is subject to an annual increase in line with RPI. The actual multiplier for 2010/11 is still awaited. In addition properties can be subject to revaluation during the year which can lead to wide swings in amounts payable by individual service budgets from year to year.</p>	<p>Departmental budgets have received a growth allocation to meet increased costs of NNDR and budgets have been adjusted (both up and down) for the impact of property revaluations.</p>	GREEN
<p>(d) Other Inflationary increases have been contained for social care commissioning (private and independent sector), with exceptions relating to previously agreed medium term contracts. Irrespectively, these contracts will all need careful management to contain costs and drive service improvements.</p>	<p>This is consistent with guidance from commissioning colleagues. Contracts will need to be closely monitored.</p>	AMBER
SECTION V - OTHER		
<p>9. <u>Partners</u></p> <p>(a) New deal For Communities (NDC) Grant – Devonport Regeneration Community Partnership (DRCP) NDC funding ends on 31 March 2010. The Council will remain responsible for closing down the project and making the final grant submissions.</p> <p>The Council may incur residual costs should spend by the projects miss grant cut off dates.</p>	<p>Monthly meetings held between senior Council Officers, DRCP staff and GOSW.</p>	AMBER

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		
<p>The Council may incur redundancy costs.</p> <p>There is also an inherent risk to the Council of grant clawback should grant conditions not be met or if assets are disposed of in future years.</p>	<p>The Council continues to hold monies in reserve as a result of the agreed flexibility sought in 2007/08 to maximise grant spend. This reserve is earmarked for specific DRCP projects. Approval from GOSW that this reserve can be carried forward after 31 March 2011 with no penalty giving flexibility to fund project slippage.</p> <p>DRCP taking action to downsize staffing levels in advance of grant end. The majority of staff hve now left or been found alternative employment through the redeployment pool.</p> <p>Statutory redundancy costs to be met from NDC grant</p> <p>Council Officer seconded to project office 2 days per week commencing January 2011 to ensure closedown requirements met</p> <p>Succession plan signed off by CLG. Currently awaiting clarification on grant asset disposal clawback conditions</p>	
<p>(b) NHS</p> <p>There is a close relationship between the costs incurred by adult social care and NHS Plymouth (previously known as the Plymouth Community Primary Care Trust).</p> <p>Both organisations face future budget pressures and challenging transformation agenda's</p> <p>Uncertainty over the conditions that will be attached to the new funding transfer from Health</p>	<p>The Council has strengthened its relationship with NHS Plymouth through Memorandum of Understanding and a Health Social care Integration Board.</p> <p>Regular liaison and meetings will be maintained.</p>	AMBER

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		

<p>10. <u>Insurance Cover</u></p> <p>The adequacy of the authority's insurance arrangements to cover major unforeseen risks There was a shortfall in the insurance provision at the end of 2009/10 requiring a top-up. Monitoring during 2010/11 indicates the provision should be sufficient to meet all known liabilities.</p> <p>Any shortfall in the provision at year end would be met from the earmarked insurance reserve and/or general balances.</p> <p>The treatment of any surplus would be considered in the light of the year end transfers to and from reserves.</p>	<p>The Council continues to keep the adequacy of its insurance fund under review.</p> <p>An increase to internal premiums has been implemented for 2011/12. The internal premiums have been reapportioned across departments based on revised claims history.</p> <p>A number of pro-active risk management measures are being implemented in response to the identification of problem areas.</p> <p>The Council is seeking reimbursement of costs incurred from contractors</p> <p>The Bellwin Scheme is available for emergency expenditure – this provides 85% funding of costs that exceed the Council's threshold of approximately £0.700m.</p>	GREEN
<p>11. <u>Outstanding Liabilities-Risk Management</u></p> <p>Contingent Liabilities The Council is aware of the following contingent liabilities:</p> <p>Municipal Mutual Insurance Ltd- Scheme of Arrangement PLUSS Organisation Ltd Section 117 refunds Single Status Equal Pay claims Civic Centre</p>	<p>The Council operates a system of internal control to identify and manage risk.</p> <p>Contingent liabilities are added to the risk register but specific budget provision is not normally made in the accounts.</p> <p>The Council keeps under review all its outstanding financial liabilities.</p>	AMBER

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		

<p>Connexions (Careers South West). Contaminated land Treasury Management- Icelandic banks Warranties under Housing Stock Transfer agreement, including environmental and asbestos warranties. Local Land Charge income</p> <p>Further information is available in the Statement of Accounts 2009/10.</p>	<p>Contingent liabilities identified and reported as part of Statement of Accounts.</p> <p>Provision accounts set up as appropriate once certainty of liability known, but not expected to be settled by year end.</p>	
<p>12. Pension Fund Deficit</p> <p>The Council's balance sheet shows a pensions fund deficit of £470m at 31 March 2010.</p> <p>A triennial pensions review is currently underway. This will set the pension contribution rates for the next 3 years. The actuary has indicated that the Council's pension fund contribution rate will remain at the current rate of 19.4%. However, the Council is expected to make a 3 year contribution to the fund of £59m. Should our contributions fall short of this amount, for example as a result of a reduction in staffing levels, the Council will be required to make a one off top up to the fund.</p> <p>Outsourcing/transferred services- Legislation requires pensions liabilities to be fully funded for all staff transferring under TUPE arrangements.</p> <p>The Government is currently undertaking a pensions review</p>	<p>The deficit is reported as part of the Council's Annual Statement of Accounts and is therefore subject to Member scrutiny.</p> <p>The FRS17 deficit in the Statement of Accounts is not calculated on the same basis as the triennial review which takes a much longer term view.</p> <p>The triennial review is indicating a more favourable position on the fund and the superannuation rate is to remain at 19.4%.</p> <p>The Council makes a 'top-up' to the fund when staff are made redundant.</p>	AMBER
<p>14. Conclusion</p> <p>This Appendix represents the risks associated with the budget and the actions required to mitigate the risks. These have been taken into account in the budget setting process.</p> <p>It should be noted that the Council also operates a system of internal control to identify and manage risk, with a key element the maintenance of strategic and operational risk registers.</p> <p>The departmental delivery plans are also subject to a vigorous risk assessment process and have been risk rated. Details are shown on the delivery plans themselves.</p>		

Risk to Budget Proposals (Updated January 2011)

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		

Section 2

LOCAL GOVERNMENT ACT 2003, SECTION 25 STATEMENT**SECTION 2 - ADEQUACY OF RESERVES (Updated January 2011)**

The requirement for financial reserves is acknowledged in Statute. Sections 32 and 43 of the Local Government Finance Act 1992 requires billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. However, there is no set guidance on the minimum level of reserves that should be held.

The recommendation for the minimum prudent level and optimal level of reserves has therefore been based on the robustness of estimate information and an assessment of the strategic, operational and financial risks facing the authority over the next three years and Section 1 of this Appendix. Plymouth has significantly improved the approach to risk management over recent years. Our strategic and operational risk registers are comprehensive and are regularly reported to, discussed and challenged by senior officers and members.

In order to assess the adequacy of unallocated reserves the following factors have been taken into account:

- The level of earmarked reserves, which are shown in Annex 1 to this Appendix.
- There is always some degree of uncertainty over the timing and the full effects of any economy measures and/or service reductions that will be achieved. Directors have been requested to be prudent in their assumptions and that those assumptions, particularly about demand led budgets, will hold true in changing circumstances.
- The Bellwin Scheme Emergency Financial Assistance to Local Authorities provides assistance in the event of an emergency. The local authority is able to claim assistance with the cost of dealing with an emergency over and above a threshold set by the Government (Plymouth City Council's threshold for 2011/12 has yet to be confirmed but will be set at 2% of net revenue budget, and is currently estimated as around £0.700m). The assistance is usually 85% of any eligible costs over the threshold. Any incident for which assistance is sought must involve conditions, which are clearly exceptional by local standards and the damage to local authority infrastructure or communities must be exceptional in relation to normal experience. In the first instance these initial costs will have to be met from reserves.
- The continuing economic climate which is having an impact on income levels.
- The continuing financial climate which has seen a reduction in interest rates and Government support to prop up the UK banking industry.
- The risk of major litigation, both currently and in the future.
- Risks in the inter-relation between the NHS and Social Service authorities .
- Unplanned volume increases in major demand led budgets.

- The need to retain a general contingency to provide for any unforeseen circumstances, which may arise.
- The continuing uncertainties surrounding the recovery of monies in Iceland banks.
- The need to retain reserves for general day to day cash flow needs.
- An Increasing deficit on the pension fund.
- Potential redundancies in the light of Government grant reductions.

The effect of base budget changes, the full year effect of previous decisions, corporate priorities, demographic growth and legislative change have been identified and will continue to be identified during the budget and medium term planning process.

The Council has a good track record of delivering the budget. Variations from approved budget since becoming a Unitary authority have been within the range +0.3% to -1.7%. In 2009/10 a favourable variation of (£1.515m) or (0.8%) was achieved prior to the final corporate health adjustments for the year.

The Council continues to set Directors a budget variance tolerance of no more than +1% overspend and -2% under spend of their budget allocation for any financial year, and performance against this target is reported to Cabinet as part of the performance and budget monitoring reports.

The achievement of delivery plan actions has been closely monitored during 2010/11 with regular reporting on a risk rated basis (RAG) to CMT. CMT and cabinet planning also receive monthly scorecards highlighting performance and finance issues and whilst budget pressures have continued to be experienced across all Directorates in 2010/11, the reporting and implementation of timely corrective or alternative actions has seen the overall forecast deficit reduce from £3.342m in September 2010 to £1.964m at the end of the December reporting period. The Council is still aiming to achieve a breakeven position at the end of the year.

The medium term financial strategy outlines in more detail the Council's policy on reserves for the period 2011/12 to 2013/14. The Council regularly reviews the appropriateness and use of reserves throughout each financial year. Where relevant, recommendations for changes are reported to Cabinet on an on-going basis. As a minimum, **all** specific reserves will be reviewed on an annual basis in March as part of the end of year accounting closedown arrangements.

The Council's 'Working Balance' is the revenue reserve that is put aside to cover any significant business risks that might arise outside of the set budget. This reserve stood at £11.517m at 31 March 2010, representing just under 6% of net revenue budget. It is forecast that the balance will remain at this level at the end of March 2011.

Taking all the above into account, it is recommended that the Working Balance for 2011/12 should equate to at least 5% of net revenue spend. This is in line with the Council's medium term strategy objective.

This Working Balance will continue to be kept under review in the light of the other factors the Council needs to consider in delivering its priorities and in the light of benchmarking.

RESERVES

1. As part of the 2011/12 budget process, a review has been undertaken of the Council's earmarked reserves to identify the purpose of each reserve, and the estimated movement on these balances in 2011. A summary of the estimated movement is shown in Table 1 to this Annex.
2. In total, current balances are considered to be sufficient to meet existing commitments, and overall, whilst some of the reserves are required to be ring-fenced or do have restricted use, it would be possible to use some of these balances to supplement the Working Balance and support the 2011/12 and future budgets if required, whilst still leaving adequate balances remaining to support existing commitments and unforeseen events which might require financing from these reserves.
3. Whilst, historically, it has been the Council's policy to maintain separate reserves for those services which operated as trading services, (the major ones are On Street Parking, Off Street Parking, Pannier Market), there is no requirement to keep separate reserves for many of these activities. Transfers from these balances to supplement the general Working Balance or support the overall budget have become commonplace and although most of the balances on these reserves have become exhausted, annual transfers to reserves will continue to be made from trading surpluses allowing, an albeit reduced, continued level of support to the general fund.
4. Reserves may also be established at the end of the financial year to carry forward certain unspent balances from the budget to finance the cost of specific commitments which may have slipped over into the following year or for one-off projects. The existing policy is that up to 50% of revenue under spends may be carried forward at year end providing they were declared in the mid year report and that all overspends should be carried forward unless Cabinet determines otherwise.
5. Following a review of all reserves in August 2010, a sum of £2.333m was identified as available for reallocation. In November 2010, Cabinet approved that this amount should be transferred to a new Invest to Save Reserve to be utilised to support the set up costs of delivery plan projects. A sum of £0.071m has subsequently been transferred back to the cemetery reserve to meet essential improvement works.
6. Other reserves held by the Council in the current year include:
 - Capital Financing Reserve
 - Waste Management Reserve
 - Equal Pay
 - Accommodation Reserve
 - Redundancy Reserve
 - Commuted Maintenance Reserves
 - Insurance Reserve

Further detail of the reserves and their purpose is given in the Annex. Movements to and from reserves are kept under review during the year and an update is included in the mid-year budget monitoring report.

7. Schools Balances

In addition to the reserves detailed in the table, the Council also holds significant balances for schools. Schools are expected to manage within the delegated budgets which are allocated to them and at the end of each financial year schools are required to carry forward any budget variations to the following year. At 1st April 2010, school balances totalled £6.114m (net).

Appendix A
Section 2 Adequacy of Reserves

	Balance as at 31/03/10	Transfers to Reserves	Transfers from Reserves	Balance as at 31/03/11	Transfers to Reserves	Transfers from Reserves	Balance as at 31/03/12	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Off Street Parking	0	(1,640)	1,640	0	(1,569)	1,569	0	Represents Accumulated trading surplus. Used to support Spending priorities in department
On Street Parking	0	(1,381)	1,381	0	(1,142)	1,142	0	Represents Accumulated trading surplus. Used to support Spending priorities in department
City Market	(0)	(216)	216	(0)	(216)	216	(0)	Represents Accumulated trading surplus. Used to support Spending priorities in department
Commuted Maintenance	(1,104)	(25)	225	(904)	0	20	(885)	Contribution from developers /section 106 agreements to provide for future maintenance and enhancement spend over a period of years.
Education Carry Forwards	(2,063)	(760)	2,047	(776)	(52)	828	(0)	Schools ringfenced resources mainly from grants
Taxis	10	(42)	0	(32)	(52)	0	(84)	Represents Accumulated trading position- funds ringfenced to taxi Account
Street Trading	(111)	0	0	(111)	0	0	(111)	Represents Accumulated trading surplus
Land Charges Development Fund	(52)	(35)	35	(52)	(35)	35	(52)	To fund improvements in the LLC service- legislation
Accommodation Reserve	(1,812)	0	250	(1,562)	0	250	(1,312)	To meet costs of repairs to Office Accommodation, mainly Civic Centre
Insurance Reserve	(1,179)	179	50	(950)	0	50	(900)	To meet any unforeseen/increased costs of insurance claims or works to minimise insurance risk
Carry Forwards	(1,163)	30	983	(150)	0	150	0	Reserve set up from end of year budget underspends to meet future Council priorities. This reserve will generally be utilised in full in the following year.
JE contingency	(1,345)	(590)	1,935	0	0	0	0	Utilised in 2010/11 budget
Pensions Fund	(238)	0	0	(238)	0	0	(238)	Reserve set up at Closedown 2009/10 to partially offset pension increases
Redundancies	(582)	(452)	500	(534)	0	534	0	To meet redundancies costs regarding budget delivery plans
Invest to save fund	0	(2,262)	0	(2,262)	0	1,000	(1,262)	New reserve agreed by cabinet November '10 to support set up costs for revenue Invest to Save and efficiency projects
C/FW	(9,639)	(7,194)	9,262	(7,571)	(3,066)	5,794	(4,843)	

Appendix A
Section 2 Adequacy of Reserves

	Balance as at 31/03/10	Transfers to Reserves	Transfers from Reserves	Balance as at 31/03/11	Transfers to Reserves	Transfers from Reserves	Balance as at 31/03/12	
B/FW	(9,639)	(7,194)	9,262	(7,571)	(3,066)	5,794	(4,843)	
DRCP	(1,164)	0	800	(364)	0	318	(46)	Reserve set aside to meet future expenditure in Devonport, in lieu of grant funding in 2007/08, and fund DNIM post
CIP	(2,298)	1,425	873	(0)	0	0	(0)	Fund set up to support Corporate Improvement Priorities- balance on fund at end of 2010/11 transferred to new Invest to Save Fund.
Capital Reserve	(975)	0	16	(959)	0	100	(859)	To be used to support the capital programme and meet the temporary borrowing costs as a result in timing differences in achievement of capital receipts
Waste Balancing Reserve	(1,500)	0	0	(1,500)	0	0	(1,500)	Reserve set up to proactively provide and manage the anticipated revenue shortfall prior to implementation of the PFI 'waste to energy' plant.
PFI reserve	(1,343)	(84)	0	(1,427)	(72)	0	(1,499)	PFI credits received in advance- balancing account will be required to meet costs in future years
Job Evaluation/Equal Pay	(350)	0	0	(350)	0	0	(350)	To meet the costs of any successful back dated JE claims. All claims subject to tribunal hearings.
Commercial rents sinking fund	(73)	(80)	0	(153)	0	0	(153)	RDA rents sinking fund re Tamar House, to be used to cover any shortfall in rental income/maintenance liabilities- re-payable to RDA under the funding agreement
Strategy for Change (BSF)	(250)	250	0	0	0	0	0	Fund set up to support bidding process for BSF. Following removal of programme, balance on fund transferred to Invest to save Reserve.
Iceland Bank	(131)	(69)	200	0	0	0	0	Fund utilised to meet temporary borrowing costs of capitalisation Direction and ongoing legal costs of recovery of investment
Urban Enterprise Fund	(367)	(127)	163	(331)	0	163	(168)	Match funding to ensure that Plymouth gains access to the European funding available to the region to support Urban Enterprise
Other Reserves	(1,219)	286	155	(778)	(42)	62	(757)	All reserves have been reviewed and a number of balances have been transferred to the invest to save Reserve.
Sub Total	(19,310)	(5,593)	11,469	(13,434)	(3,180)	6,437	(10,177)	
Working Balance	(11,517)	(250)	250	(11,517)	0	0	(11,517)	General Balance available to meet unforeseen expenditure. This balance represents 5.7% of net revenue expenditure and is in line with Unitary Council averages
Grand Total	(30,827)	(5,843)	11,719	(24,951)	(3,180)	6,437	(21,694)	

() Means favourable

Adjusted Departmental Net Budget Analysis

Department/Service	Adjusted Budget 2010/11	Budget Prioritisation Review	Budget Delivery Target	Indicative Budget 2011/12 as per December report	Virements and Other non recurring items	Corporate Adjustments	Adjustments following Settlement		Departmental Budgets 2011/12
							Grants	Additional target adjustments	
Children and Young People	£000	£000	£000	£000	£000	£000	£000	£000	£000
Schools	0	0	0	0	0	0	0	0	752
Funded Programmes	752	0	752	752	0	0	0	0	3,096
Performance and Policy	3,096	0	0	3,096	0	0	0	0	9,345
Leamer and Family Support	9,354	0	9,354	9,354	0	(9)	0	0	12,438
Lifelong Learning	11,885	0	11,885	11,885	576	(23)	0	0	27,953
Social Care	27,206	0	27,956	27,956	(1)	(29)	(1,700)	(50)	(4,201)
Departmental Budget Savings Target	(1,181)	0	(1,241)	(2,422)	0	0	0	0	0
Total Children and Young People	51,111	750	(1,241)	50,621	575	(63)	(1,700)	(50)	49,383
Corporate Items									
Other Corporate Items	(21,194)	748	(20,446)	(20,446)	(450)	177	19,842	(600)	(3,874)
Corporate Items - major projects	(820)	400	(420)	(420)	(432)	0	0	0	(852)
Capital Financing	10,599	(300)	10,299	10,299	0	0	0	0	10,299
Departmental Budget Savings Target	1,510	(1,510)	0	0	0	0	0	(1,881)	(1,881)
Total Corporate Items	(9,905)	(662)	0	(10,567)	(882)	177	19,842	(2,481)	3,692
Community Services									
Adult Health and Social Care	72,646	1,000	73,646	73,646	(3)	2	242	0	73,887
Public Protection services	0	0	0	0	0	0	0	0	0
Culture Sport and Leisure	10,762	(200)	10,562	10,562	(3)	30	0	0	10,589
Street services	25,864	0	25,864	25,864	(68)	32	0	0	25,828
Safer Communities	1,541	0	1,541	1,541	3	0	0	0	1,544
Service, Strategy and Regulation	1,760	0	1,760	1,760	8	0	0	0	1,768
Departmental Budget Savings Target	(1,596)	0	(2,723)	(4,319)	0	(67)	0	(50)	(4,436)
Total Community Services	110,977	800	(2,723)	109,054	(71)	5	242	(50)	109,180
Corporate Support									
Departmental Management	181	0	181	181	0	0	0	0	181
Finance, Assets & Efficiencies	15,335	(100)	15,235	(388)	(388)	(25)	0	(300)	14,522
HR Organisational Development	2,920	0	2,920	(251)	(251)	0	0	0	2,669
ICT information systems	5,974	0	5,974	7	7	(1)	0	0	5,980
Customer Services	2,257	0	2,257	(54)	(54)	1	0	0	2,204
Democracy and Governance	5,831	(100)	5,731	(5)	(5)	5	0	0	5,731
Departmental Budget Savings Target	(820)	0	(3,790)	(4,610)	820	(48)	0	(50)	(3,888)
Total Corporate Support	31,679	(200)	(3,790)	27,689	129	(68)	0	(350)	27,400
Development and Regeneration									
Planning Services	1,404	0	1,404	(6)	(6)	1	0	0	1,399
Strategic Housing	3,087	0	3,087	(266)	(266)	(4)	0	0	2,817
Business Support	307	0	307	425	425	0	0	0	732
Transport	12,592	0	12,592	47	47	214	1,115	0	13,968
Waste Management Project Team	519	(50)	469	469	0	0	0	0	469
Property & Economic Development	(1,437)	0	(1,437)	50	50	85	0	0	(1,302)
Departmental Budget Savings Target	(234)	0	(295)	(532)	0	(27)	0	(450)	(1,009)
Total Development & Regeneration	16,234	(50)	(295)	15,890	250	269	1,115	(450)	17,074
Chief Executive									
Departmental Management	1,307	0	1,307	512	512	0	0	0	511
Policy Performance and Partner	571	0	571	(512)	(512)	0	0	0	795
Corporate Communications	(150)	0	(150)	(361)	(361)	(1)	0	0	570
Departmental Budget Savings Target	1,728	0	(211)	1,517	(1)	(6)	0	0	(367)
Total Chief Executive	1,728	0	(211)	1,517	(1)	(6)	0	0	1,509
Total Council Revenue Budget	201,825	638	(8,260)	194,203	0	314	19,499	(3,381)	208,237

This page is intentionally left blank

Fees and Charges

1. Introduction

- 1.1 Councils have powers to charge for a wide range of services. Many of these powers derive from legislation that applies to specific service areas. However under the local Government Act 2003, Council's also have wide powers to charge for discretionary services.
- 1.2 Fees, charges and rents, will account for around 8% of the Council's income in 2011/12. The pie chart below shows income from fees and charges by Service (including investment interest):



2. Statutory Charges

- 2.1 A number of charges are determined by Statute and revisions to charges are normally made by the issue of annual regulations. Areas where statutory charges apply include:
- Adult Residential and Nursing care – uplifted in line with welfare benefit increase under statutory guidance (see below)
 - Certain Environmental fees and charges
 - Local land Searches – Are currently set to a statutory maximum.
 - Registration Services – Including Births, Deaths and Marriage certificates are charged at the statutory rates which are unchanged from April 2010.

3. Discretionary Charges

- 3.1 Service managers are expected to review charges as part of the annual budget setting exercise unless a service review has been, or is due, to be undertaken. The underlying principle outlined as part of the budget report in 2009/10 is that fees and charges should be reviewed annually and uplifted by the rate of inflation (RPI), currently 4.7%, with the exception of services where charges have been implemented or amended to fund services improvements or where benchmarking

shows that the Council's costs may be low (or high) in comparison to those charged elsewhere.

- 3.2 In deciding whether to increase fees and charges departments continue to have regard to the current economic climate, as well as the impact of the recent increase in VAT from 17.5% to 20%.
- 3.3 Many of the Departmental Budget Delivery Plans, as presented to Council on 6 December 2010 and updated within this report, outline proposals to increase discretionary fees and charges.
- Bereavement Service – the Cremation fees and charges have been reviewed and amended. Benchmarked locally and increased above the rate of inflation.
 - Bulky Waste Collections – the bulky waste collection charge will increase from £15 to £20 from 1st April 2011
 - Car Parking - Proposed changes to charges are currently under public consultation where a range of changes have been proposed. It is proposed to increase, hold and reduce some charges as a package designed to generate income without deterring customers. The proposals strike a balance through a mixture of increasing income through higher charges and through incentivising people to purchase certain tariffs. Any proposals have to be considered with both the parking and wider transport policies/strategy. The implementation date is expected to be 1st March 2011 (subject to process)
 - Marine Services - Benchmarking has been undertaken which has highlighted, when comparing like for like, Plymouth City Councils charges, such as mooring fees, are not consistent with many other Authorities. Proposals are currently being drafted which will see charges rise to be more inline with other comparable Authorities. It is anticipated that these proposals will be implemented in April/May 2011 (subject to process).
- 3.4 Outside of the budget setting exercise, charges may be implemented or amended to fund service improvements or where benchmarking shows that the Council's costs may be low (or high) in comparison to those charged elsewhere. Where this is the case, increases would normally be agreed via a specific report to Cabinet The following increases have already been approved::
- Mount Edgcumbe admission fees – a range of price increases from 7% to 30% have been applied to reflect current market prices, together with the introduction of incentive rates to target areas to enable growth. (Mount Edgcumbe joint committee report – 10 December 2010)

- Mount Edgcumbe car parking – charges have been increased by 50% to fall in line with price increases applied by Cornwall Council to neighbouring car parks. Parking permits have been increased by 120% from £25 to £55. (Mount Edgcumbe joint committee report – 10 December 2010)
- Taxi Trade – revised charges were agreed by Licensing Committee in August 2010. This is a trading undertaking and will not impact on the General Fund.

3.5 The setting of fees and charges is a complex process which involves an assessment of the market, benchmarking and other methods of determination. Those processes are not yet finalised in all areas and will need refinement before concrete proposals can be made, consequently, it is recommended that authority for determining the final level of fees and charges is delegated to the executive. Charges still to be reviewed include:

- Building Inspection Fees – Currently set to ensure cost recovery over a three year period and are being reviewed. Major changes are not anticipated as the amendments will amount to ‘fine tuning’ rather than major changes.
- Gambling and Gaming fees will be subject to a separate report in February 2011.
- The Charging Schedule for Highways agreements have been unchanged since March 2000 and it is proposed to increase most of the rates to from April 2011 to take account of current costs. The proposals are currently going through the usual approval process.

4. Increases not previously reported

4.1 The following increases in fees and charges are now proposed with effect 1 April 2011 unless otherwise stated:

- Exclusive rights of burial in earthen graves. Deeds to rise by 10%
- Introduction of a fee for a lease of a forfeit grave, 10% less than a new grave deed fee
- Introduction of fee for 5 year lease of shrub - £108, renewal of lease £60
- Waste Disposal Charges will rise by 15% due to an increase in Landfill Tax of £8 per Tonne (£48 2010/11 to £56 2011/12)
- Air quality monitoring. Fees set by tender exercise with Defra to provide these services
- Contaminated Land enquiry fees to rise from £62 to £75, (21%)

- Beach Hut annual and monthly tenancies will increase by 25% as a result of a benchmarking exercise
- Trading Standards. “Buy with Confidence Scheme” membership fees will be frozen (£50 for a sole trader to £200 if 16 + employees)
- The increase for skin piercing licence will rise to Premises - £108, Person - £55
- The income from the sale of recyclables is significant but is dependant on market factors and we propose to seek the best available price for resaleable commodities.
- Neighbourhood and Environmental Quality – see Tables 1- 3 below
- Registration Services – Attendance at Approved premises for Marriages and Civil Partnerships, Discretionary fees and RBD attendance are reviewed on a regular basis. The fees for new bookings effective from April 2011 are included in the Table 4 below

NEIGHBOURHOOD AND ENVIRONMENTAL QUALITY – FEES AND CHARGES 2011/12

Animal Health and Welfare Licences

Table 1

Licence	2010/11	2011/12
Dangerous wild animal	£275	£303
Breeding of dogs	£73	£128
Animal boarding establishments	£88	£154
Pet animals	£73	£128
Riding establishments	£185	£259

Based on Comparison with charges by similar councils

Stray Dog Release Fee

Table 2

Day of release	2010/11	2011/12	Statutory fee (Y/N)
Day 1	£63	£25	Y (£25)
Day 2	£83	£107	Y (£25)
Day 3	£109	£119	Y (£25)
Day 4	£109	£131	Y (£25)
Day 5	£109	£143	Y (£25)
Day 6	£109	£155	Y (£25)
Day 7	£170	£167	Y (£25)

Based on Prescribed Fine of £25 (Environmental Protection (Stray Dogs) Regulations 1992)

Pest Control treatments

Table 3

	2010/11	2011/12	Statutory fee (Y/N)
Domestic (all charges based on per treatment)			
Rats	£0	£0	N
Mice	£36	£45	N
Squirrels	£88	£110	N
Wasps	£36	£45	N
Fleas	£70	£88	N
Commercial			
Rats	£70 per hour	£88 per hour	N
Mice	£70 per hour	£88 per hour	N
Squirrels	£88 per treatment	£110 per treatment	N
Insect disinfestations	£70 per hour	£88 per hour	N

Based on

- Cost recovery for officer time
- Cost recovery for cost of treatment, e.g. products, equipment, etc.
- Benchmarking with other councils in regional West Pest Liaison Group

Registration Fees

Table 4

	Fees 2010/11	Fees 2011/12 (Published April 2010)	Fees effective April 2011 (New Bookings)
Approved Premises Licensing			
New Application	£1420		£1,800
Renewal	£1036		£1,300
Approved Premises attendance (M) & (CP) Ext.			
Mon - Sun	£293	£304	
Mon - Fri			£325
Sat			£350
Sun			£375
Bank Holiday	£358	£371	£400
Approved Premises attendance (M) & (CP) Int.			
15 minute	£40	£40	£40 (as Stat fee)
30 minute (Mon – Sat)	£101	£105	
30 minute (Mon – Fri)			£100
30 minute (Sat)			£130
45 minute	£137	£142	

APPENDIX C

45 minute (Mon – Fri)			£150
45 minute (Sat)			£180
Celebratory Ceremonies			
Weekday	£111	£113	£150
Saturday	£156	£159	£225
Sunday/Bank Holiday	£178	£182	£300
Individual Citizenship			
Weekday	£56		£75
Week evening	£88		£100
Saturday	£117		£200
Sunday	£152		£225
Certificates			
Priority Service (same day)	£5		£11
Postage (Standard service)			£0.50
(M) & (CP) Ceremony Booking Fee			
Amendment fee			£5
Cancellation Fee			Lose booking and any amendment fee plus equivalent to 50% of advanced fee if less than 4 weeks notice

5. Publication of Charges

5.1 There are a number of areas for which the Council is required to publish its schedule of charges and these are listed below. They mainly affect Adult and Children's Social Care.

5.2 Community Services**5.2.1 Residential Care**

Client contributions towards residential care are determined by statutory guidance. Clients are financially assessed and their contribution generally increases in line with the increase applied to welfare benefits.

The only exceptions to this are the very small number of clients who are placed in the Council's in-house residential homes who have the financial ability to pay the full cost of care. Under statutory guidance, Councils should calculate the full cost of residential care provided by homes run by the authority. This standard charge is also applied to other local authorities and Health organisations when they use the Council's in-house homes. The 2011/12 standard charge will be uplifted by the same inflation factor applied to welfare benefits.

5.2.2 Charging for Non Residential Adult Social Care Services

Client contributions towards community based services are subject to national statutory guidelines.

In line with the national personalisation agenda the Council has approved a revised Fairer Contributions Policy which underpins the principles for fairer charging set out in the 2009 DH guidance and will reflect local decisions that the maximum contribution will be set at 100% of the personal budget.

5.2.3 Staff Meals and Beverages

A number of staff have meals and beverages supplied due to the nature of their employment such as staff working in the residential homes.

It is recommended to increase the charges in future by applying the annual inflationary increases. Applying the October 2010 CPI of 3.2%, rounded for ease of collection, results in the following recommended changes.

Table 5

Meal Charges		
	Current	Proposed
Breakfast	£1.20	£1.25
Main meal – main course only	£2.20	£2.25
Dinner – two course	£3.15	£3.25
Tea	£0.70	£0.75
Snack / Supper	£1.25	£1.30
Beverage Charges		
Charge per month		
Hours worked per week – 30 +	£3.50	£3.60
Hours worked per week – under 30	£1.85	£1.90

5.3 Children's Services

5.3.1 Proposed Allowances for young people leaving care 2011/12

This paper sets out the proposed allowances for young people leaving care, effective from Monday 11 April 2011. Rates and increases will be based on the Department for Work and Pensions (DWP) benefit rates for 2011/12, when available. The following table sets out the proposed allowances.

Proposed Care Leaver Allowances 2011/12

Allowances are payable from 11 April 2011*

Table 6

Allowance Type	Weekly Rates 2010/11	Proposed New rates 2011/12
Personal Allowance (where young person in own accommodation) Rate set by DWP	£51.85	£53.45
Young People in Custody	£10.00	£10.00
Hardship loan	£25.93	£26.73
Travel Costs	£14.00	TBC
Education and Training Incentive	£18.00	£18.00
Education or training equipment	£282.00	£282.00
Birthday & Festival Allowance (each)	£120.00	£60.00
Social and leisure Allowance	£267.00	£267.00
Payment to Supported Lodgings Carers (PCC Rates: 16 – 18)	£155.00 + £20.00 from young person	£155.00 + £20.00 from young person
Payment to Supported Lodgings Carers (PCC Rates: 18+)	£85.00* + £20.00 from young person	£85.00* +£20.00 from young person
Leaving Care Grant (One off payment)	£1,193.00	£1000.00
Found Placement	£50.00	£50.00
Maternity Grant	£500.00	£500.00
University Bursary	£2,000	£2,000
Birthday Allowance at 19	£20.00 £40.00 if in training	£20.00 £40.00 if in training

5.3.2 Other allowances can be payable dependent on a young persons living situation. In these cases the rates are determined using rates published by the DWP.

- 5.3.3 The local authority is required to meet the accommodation costs of students studying at higher education or residential further education. These costs are dependent on individual arrangements.
- 5.3.4 Supported lodgings 18+, and housing support for young people who find their own accommodation. This charge was introduced following the withdrawal of Supporting People funding and will enable young people aged 18+ stay in supported lodgings, where it is deemed that they require the support of such a placement. This payment is in line with the payments made to providers via the Sustainable Independence Contracts.
- 5.3.5 The latter payment is in effect a “rent” payment, where a young person finds their own placement (generally a friend) and PCC has determined by way of an assessment that this is “suitable accommodation”. Housing costs are determined by market forces and as a result it is not possible to quantify these in this report.
- 5.3.6 Proposed Foster Carer Allowances 2011/12

This section sets out the proposed Foster Carer weekly maintenance rates, effective from Monday 11 April 2011. Rates have historically been set using the National Fostering Network recommended rates for local authority Foster Carers, the authority has decided there will be no increase to Band 2 carers and above in line with standardising inflation.

Foster Carer Allowances 2011/12

Table 7

Band 1 Foster Carer	Rates 2010/11	Proposed New rates 2011/12
Age Band (yrs)	£	£
0 - 4	125.09	131.53
5 - 10	142.52	149.80
11 - 15	177.38	186.48
16+	215.74	226.80

Bands 2-3-4 Foster Carer (Experienced, panel approved for full range of placements)	Rates 2010/11	Proposed New rates 2011/12
Age Band (yrs)	£	£
0 - 4	164.50	164.50
5 - 10	179.13	179.13
11 - 15	208.25	208.25
16+	237.23	237.23

Band 3 - Reward (taxable payments paid in addition to maintenance)	Rates 2010/11	Proposed Rate 2011/12
	£	£
Band 3	100.00	100.00

Band 4 - Reward (taxable payments paid in addition to maintenance)	Rates 2010/11	Proposed Rate 2011/12
	£	£
Band 4	411.00	411.00

6. Recommendation

6.1 The fees and charges as outlined above be approved.

Plymouth City Council Capital Programme
 Medium Term Financial Programme 2010/2011 - 2014/2015
 5 Year Sub Programme

Service	Latest Forecast 2010/11 £000	Latest Forecast 2011/12 £000	Latest Forecast 2012/13 £000	Latest Forecast 2013/14 £000	Latest Forecast 2014/15 £000	Total Programme 10/11 - 14/15 £000
Childrens Services	30,759	33,412	10,211	-	-	74,382
Community Services	20,212	24,007	2,331	-	-	46,550
Corporate Support	2,658	6,987	560	500	-	10,705
Development	23,828	20,795	5,386	5,160	5,829	60,998
Total Capital Programme	77,457	85,201	18,488	5,660	5,829	192,635

Plymouth City Council Capital Programme
 Medium Term Financial Programme 2010/2011 - 2014/2015
 5 Year Sub Programme

Childrens Services

Service	Sub-Programme	Latest Forecast 2010/11 £000	Latest Forecast 2011/12 £000	Latest Forecast 2012/13 £000	Latest Forecast 2013/14 £000	Latest Forecast 2014/15 £000	Total Programme 10/11 - 14/15 £000
Strategic Programmes	BSF	10,580	7,580	2,917	-	-	21,077
	Basic Need	-	500	5,300	-	-	5,800
	Primary Capital Programme	6,263	1,245	-	-	-	7,508
	Special Education and Inclusion	360	363	-	-	-	723
	PFI	700	-	-	-	-	700
School Development Works	Primary Development	11	-	-	-	-	11
	Secondary Development	209	-	-	-	-	209
	Special School Development	9	-	-	-	-	9
School Condition Works	School Condition Works	2,128	239	1,200	-	-	3,567
Surestart, Early Years and Childcare	Children's Centres	853	-	-	-	-	853
	Early Years	935	-	-	-	-	935
Focused Work	Extended Schools	352	-	-	-	-	352
	14-19 Diplomas and International Baccalaureate	549	-	-	-	-	549
	ICT in schools	612	-	-	-	-	612
	School Meals	2,421	720	-	-	-	3,141
	Section 106 projects	172	-	-	-	-	172
	Access	18	100	-	-	-	118
	Safeguarding	105	-	-	-	-	105
	Sustainability, carbon reduction and spend to save	737	-	-	-	-	737
	Youth service	69	-	-	-	-	69
	SEN and Inclusion	418	154	20	-	-	592
Children's Social Care	Children's Social Care	350	-	-	-	-	350
Devolved Formula Capital	Primary	1,518	1,039	-	-	-	2,557
	Secondary	532	795	-	-	-	1,327
	Special	120	200	-	-	-	320
	Nursery	37	65	-	-	-	102
	Other	71	1,278	774	-	-	2,123
Other Items	Play and Sport	515	-	-	-	-	515
	Other Items	115	-	-	-	-	115
Academies - Capital Allocation post BSF	Marine Academy	-	8,561	-	-	-	8,561
	All Saints Church of England Academy	-	10,573	-	-	-	10,573
Childrens Services Total		30,759	33,412	10,211	-	-	74,382

Plymouth City Council Capital Programme
 Medium Term Financial Programme 2010/2011 - 2014/2015
 5 Year Sub Programme

Community Services

Service	Sub-Programme	Latest Forecast 2010/11 £000	Latest Forecast 2011/12 £000	Latest Forecast 2012/13 £000	Latest Forecast 2013/14 £000	Latest Forecast 2014/15 £000	Total Programme 10/11 - 14/15 £000
Environmental Services	Environmental & Regulatory	-	1,093	-	-	-	1,093
	Parks	589	93	-	-	-	682
	Vehicle Purchases	53	-	-	-	-	53
Culture, Sport & Leisure	Plymouth Leisure	742	-	-	-	-	742
	Plymouth Life Centre	17,475	21,252	1,640	-	-	40,367
	Mount Edgcumbe	(1)	-	-	-	-	(1)
	Libraries & Museums	902	468	-	-	-	1,370
Adult Health & Social Care	Community Care	452	1,101	691	-	-	2,244
Community Services Total		20,212	24,007	2,331	-	-	46,550

Corporate Support

Service	Sub-Programme	Latest Forecast 2010/11 £000	Latest Forecast 2011/12 £000	Latest Forecast 2012/13 £000	Latest Forecast 2013/14 £000	Latest Forecast 2014/15 £000	Total Programme 10/11 - 14/15 £000
Information Systems	Information Systems	778	500	500	500	-	2,278
Finance Assets & Efficiencies	Corporate Property	460	6,487	60	-	-	7,007
	DRCP Schemes	1,420	-	-	-	-	1,420
Corporate Support Total		2,658	6,987	560	500	-	10,705

Plymouth City Council Capital Programme
 Medium Term Financial Programme 2010/2011 - 2014/2015
 5 Year Sub Programme

Development

Service	Sub-Programme	Latest Forecast 2010/11 £000	Latest Forecast 2011/12 £000	Latest Forecast 2012/13 £000	Latest Forecast 2013/14 £000	Latest Forecast 2014/15 £000	Total Programme 10/11 - 14/15 £000
Local Transport Plan	Demand Management	21	56	-	-	-	77
	Public Transport	556	117	11	-	-	684
	Walking & Cycling	363	222	-	-	-	585
	Road Safety	24	120	-	-	-	144
	Regeneration & Urban Renewal	174	-	-	-	-	174
	Dft settlement not yet allocated	(2)	3,590	4,218	4,155	4,829	16,790
	A386 special project	170	382	-	-	-	552
	Safety Camera Partnership	38	-	-	-	-	38
	Capital Maintenance	2,065	-	-	-	-	2,065
Transport - Non LTP	Eastern Corridor (excluding East End element - shown line below)	-	-	-	-	1,000	1,000
	East End Community Transport Improvement scheme	12,537	6,930	-	-	-	19,467
	West End	186	-	-	-	-	186
	A38 Junction improvements	448	-	-	-	-	448
Economic Development	City Market electrical refurbishment	25	925	50	-	-	1,000
	Cumberland Gardens	26	-	-	-	-	26
	Devonport Park	1,575	1,300	-	-	-	2,875
	Devonport Heritage Trail	21	-	-	-	-	21
	Commercial Developments (Royal William Yard - noise compensation)	241	20	-	-	-	261
Planning	Housing & Planning Delivery Grant -planning services expenditure	26	-	-	-	-	26
	Stepping Stones to Nature	88	71	5	5	-	169
Retained Waste Projects	Material Recycling Facility	-	852	-	-	-	852
	Chelson Meadow restoration (Capping & Leachate)	3,034	4,826	102	-	-	7,962
Strategic Housing	Home Energy	355	241	-	-	-	596
	Disabled Facilities Grants	1,308	700	700	700	-	3,408
	Decent home Loans	236	94	150	150	-	630
	Empty Homes / Enabling	-	151	-	-	-	151
	Housing Capital Salaries GF (Neighbourhood Regen & Renewals)	277	183	135	135	-	730
	Private Sector Other Works (stock condition)	36	15	15	15	-	81
Development Total		23,828	20,795	5,386	5,160	5,829	60,998

2011/12 TREASURY MANAGEMENT STRATEGY - PRUDENTIAL INDICATORS

PRUDENTIAL INDICATOR	2010/11 Approved	2010/11 Update	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate
	£M	£M	£M	£M	£M
AFFORDABLE BORROWING LIMITS					
Estimated Capital expenditure	93.317	77.457	85.201	18.488	5.66
Capital Financing Requirement - As at 31st March	265.704	261.149	269.456	261.428	253.217
Authorised Limit for External Debt					
Borrowing	312	317	337	331	323
Other Long Term Liabilities	35	32	31	30	30
Total	347	349	368	361	353
Operational Boundary					
Borrowing	260	290	312	302	283
Other Long Term Liabilities	35	32	31	30	30
Total	295	322	343	332	313
Limit for Fixed Interest Rate Exposure					
Net Fixed Rate (Borrowing less investments)	200%	200%	200%	200%	200%
Limit for Variable Rate Exposure					
Net Variable Rate (borrowing less investments)	85%	85%	85%	85%	85%
Upper Limit for sums Invested over 364 days	£25M	£25M	£25M	£25M	£25M
Capital Financing Cost as a % of Revenue Stream					
General Fund	%	%	%	%	%
- Plymouth Debt	6.11	6.12	7.29	7.99	7.33
- Devon Managed Debt	1.56	0.36	0	0	0
Total	7.67	6.48	7.29	7.99	7.33
Incremental Effect of Additional Programme on Council Tax (Band D p.a)	£0.34	-£2.52	£1.96	£17.69	£22.99

Maturity Limits for 2011/12	2010/11	Upper	2011/12	Upper	2011/12
	Limit		Limit		Lower Limit
Under 12 months	65%		50%		0%
12 months and within 24 months	65%		70%		0%
24 months and within 5 years	55%		35%		0%
5 years and within 10 years	50%		25%		0%
10 years and within 20 years	45%		25%		0%
20 years and within 30 years	45%		25%		0%
30 years and within 40 years	45%		25%		0%
40 years and within 50 years	55%		35%		0%
50 years and above	50%		50%		0%

This page is intentionally left blank

CITY OF PLYMOUTH

Subject: Joint Performance and Finance Report
Committee: Cabinet
Date: 8 February 2011
Cabinet Member: Councillor Bowyer and Councillor S Leaves
CMT Member: CMT
Author: Sandra Wilson, Corporate Accountancy and Finance Manager, Patrick Hartop, Policy and Performance Officer
Contact: Tel: (01752) (30)4942
e-mail: sandra.wilson@plymouth.gov.uk
patrick.hartop@plymouth.gov.uk
Ref: SW/Fin12/10
Key Decision: No
Part: I

Executive Summary:

This report outlines the performance and finance monitoring position of the Council as at the end of the third quarter, December 2010 (to 20th January 2011 for capital).

The primary purpose of this report is to detail how the Council is delivering against its key performance indicators in terms of performance, and its financial measures using its capital and revenue resources. It is deliberately strategic in focussing on key areas of performance, expenditure, and risk, and includes under each Departmental Business section a scorecard, incorporating a summary of performance.

At this stage, the Council is forecasting a revenue overspend at year end of £1.964m a reduction on that reported in the September monitoring report (September quarter reported an overspend of £3.342m) against a net revenue budget of £201.825m (1%). The main variations relate to

- Children's Services £1.725m:
The department continues to experience continuing pressures on the looked after children budget due to increased numbers compared to budget in the Independent Sector Placements in residential Care and in Foster Care. Further modelling of the numbers of children is taking place to predict when diversion from care strategies will bring spend back to budget in order to ensure intervention is targeted in the right areas. Safeguarding is however, paramount. There is also a forecast increase in the cost of transporting children with complex needs, and officers are currently reviewing the children's transport policy and will present options to Cabinet at a future meeting.
- Community Services £0.511m:
The main reason for the overspend in community services is due to continuing pressures in Learning Disability services relating to long stay residential services

and supported living, and an increase in short stay residential and nursing care. The transformation agenda continues to shape the future of adult social care services in Plymouth. In terms of environmental services an ageing fleet of specialist vehicles has led to an increase in repair costs and increases in subsequent vehicle hire costs. The department is working with external consultants to reclaim a landfill tax rebate which will help to reduce the forecast overspend. It is hoped this will be received in the current year.

- Development £0.111m:
The department is facing an increased cost pressure of winter highway maintenance following the adverse weather conditions at the end of last year, and increased costs in respect of the waste management project team due to the acceleration of the project.

Directors continue to take action wherever possible to reduce spend and it is anticipated that the overspend will further reduce by year end.

The latest approved Capital Programme for the year as approved by Full Council in December 2010 is £92.179m. This is now forecast to reduce to £77.457m by year end due to reprofiling and other movements on the programme. Actual spend to date (20th January 2011) is £48.863m. New schemes totalling £0.075m are to be referred to full Council for inclusion on the programme.

The provisional Grant Settlement for 2011/12 was received on 13 December 2010. The result is a significant reduction in funding over the next two years. The Corporate Management Team is working with the Cabinet to develop a transformational change programme that fundamentally challenges the organisation's culture, structure and approach to service delivery. Further details are outlined in the 2011/12 budget reports.

Corporate Plan 2010-2013 as amended by the four new priorities for the City and Council:

This quarterly report is fundamentally linked to delivering the priorities within Council's corporate plan.

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

It is intended that the Medium Term Financial Forecast will be updated regularly throughout the year to take account of the variances and pressures identified through the quarterly reports.

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.

N/a

Recommendations & Reasons for recommended action:

That Cabinet:-

1. approve Directors addressing the remaining shortfall in 2010/11.
2. note the latest 2010/11 capital forecast of £77.457m and Council be requested to approve that the following new schemes (included in the latest forecast) be added to the programme for 2010/11:

Jennycliff Café environmental works £0.050m
 Market electrical refurbishment (majority to follow in 11/12) £0.025m

3. approve the reinstatement of the Weston Mill cemetery reserve, by a transfer back from the revenue invest to save reserve, totaling £0.071m, to meet the costs of essential improvement works in 2010/11.
4. approve the budget virements as outlined in section 13.3.4 .

Alternative options considered and reasons for recommended action:

Actions are recommended in response to specific variances in either performance and / or finances identified throughout the report.

Background papers:

- Plymouth City Council Corporate Plan 2010-13
- 2010/11 Budget Papers
- Plymouth City Council Medium Term Financial Strategy – revised October 2010
- Joint Finance and Monitoring report to 30 June 2010, reported to Cabinet 10 august 2010
- Joint Finance and Monitoring report to 30 September 2010, reported to Cabinet 16 November 2010

Sign off:

Fin	MC1 011. 018	Leg	1078 4/DV S	HR	N/A	AM	N/A	IT	N/A	Strat Proc	N/A
Originating SMT Member: Malcolm Coe, AD Finance, Assets & Efficiencies											

**Plymouth City Council
Performance and Finance Monitoring – 2010/11
Quarter Three to 30 December 2010**

1. Introduction

- 1.1 The Council continues to place greater ownership and accountability on departmental management teams in relation to improving performance and delivering against budget. This report outlines the progress against key performance indicators as well as the financial position for the year as at the end of December 2010 (20 January for Capital).
- 1.2 In line with previous reports, a score card that focuses on the areas of concern and actions being undertaken to remedy any shortfalls in either performance or budget variations, has been included within each Directorate report. This year has seen a focus on the monitoring of delivery plan actions by the departments and this report continues to outline the current position against approved plans.
- 1.3 The departmental scorecards now include key Human Resources indicators, with an overall summary for the Council included in the Executive Summary.
- 1.4 This report contains the following sections and Appendices:-

Section 'A' – Executive Summary - Performance

Section 'B' – Executive Summary - Finance

- Revenue
- Income Summary
- Capital
- VFM

Section 'C' – Executive Summary - HR

Section 'D' – Departmental Performance & Finance Report

- Department scorecards
- Department Budget Delivery Plans
- Department Risk items
- Departmental Medium Term Issues
- Corporate Items and Cross Cutting Issues

Section 'E' - Concluding Remarks

Section 'F' - Recommendations

Appendices







Appendix A – Finance Monitoring Summary Graph.

SECTION A - EXECUTIVE SUMMARY PERFORMANCE

2. Performance

- 2.1 A performance summary is provided for departments in a scorecard format along with budget variances. The narrative within the scorecard is intended to provide a high level overview with a focus on explaining corrective action where required. The scorecards use a RAG (red, amber, green) traffic light system to indicate current performance.

RAG rating key:

Budgets			
	0% - 0.8% overspend / 0% - 1.8% under spend		0.8% - 0.99% overspend / 1.8% - 1.99% under spend
	1% or more overspend / 2% or more under spend		
Measures – an average of all measures that sit within Departments			
	Indicators are on track		the AVERAGE of all indicators is up to 15% off target
	The AVERAGE of all indicators is more than 15% off target		

Key performance issues to note

2.2 Development

Strategic Housing

The majority of indicators are performing on target for this quarter. The number of licensed multiple occupancy premises inspected is off track with 101 being inspected against a target of 125 as is the number of affordable homes delivered being 97 against a target of 114, nevertheless, we expect to achieve the year end target..

Transport

The LTP3 Consultation has now concluded and the long term strategy and 5 year implementation plan for the city's transport infrastructure will now be finalised.

2.3 Corporate Support

Finance Assets and Efficiencies

Council Tax collection within year is forecast to narrowly miss the target of 96.5% by 0.3%, however, this is still an improvement compared to the 2009/10 collection rates (3rd consecutive year of improved rates). Overall Council Tax collection rates remain on target to achieve 98.8% which is in line with Unitary Council average.

Timeliness of processing housing and council tax benefit is at 22.8 days against a target of 20 days. In order to improve the current situation we will engage internal audit to help monitor our error rates more regularly. We will also undertake a

significant staff and process restructure of the service which will commence following consultation with the Unions this month.

Human Resources

The percentage of appraisals undertaken across the Council to the end of December reached 94%. The target of 95% is unlikely to be met as there will always be a certain number of staff who are unavailable for their appraisals due to long term sick and maternity leave.

Customer Services

Our web-based map fault reporting tool 'Plymouth on a Map' has been launched without publicity to ensure the back office process is robust, and is now being used by customers - with lots of positive feedback for its ease of use.

2.4 Community Services

Environmental Services

The increase in recycling this year, (32.83%) of waste recycled and diverted from landfill at the end of the quarter is lower than the annual target (36%) but is better than at the same point last year. Waste going to landfill continues to reduce (80,395 tonnes currently forecast against an annual target of 85,000 tonnes).

Adult Social Care

Both indicators relating to Carers receiving needs assessment, review and a specific service and social care clients receiving self directed support continues to perform well. Adults with a learning disability in settled accommodation and employment remains significantly below target and are being monitored closely. Reviews in general are also being given greater focus and activity which will improve performance against these indicators.

2.5 Children's Services

Social Care

Although performance on a number of indicators has improved, many still remain below target. Initial assessments have improved over the quarter but are still below target, 64.7% against a target of 72.25%. The current number of children in independent residential care is 16 (compared to budget 14).

Learner and Family Support

Performance against both Special Educational Needs Statements issued within 26 weeks indicators continue to improve and are meeting their targets.

2.6 Plymouth 2020 priorities

Level 1 & 2 indicators have been agreed at the Partnership Board meeting on the 2 December 2010. Three year targets are currently being developed and any gaps

identified at level 2 are now being addressed with final definitions being agreed by 28 January.

- 2.7** Central Government has now released a draft 'Single Data List' for consultation. From April 2011, local authorities will only need to provide data from those listed indicators to central government which will then be open to regular review, scrutiny and challenge. The consultation period for the Single Data List ends on the 4th February 2011.

SECTION B EXECUTIVE SUMMARY – FINANCE

3. General Fund Revenue Budget

3.1 A budget overspend of £1.964m is forecast on the revenue budget as shown in table 1 below. This is an improvement of £1.378m in the period. It is still expected that this will reduce further by year end.

Table 1

DEPARTMENT	Latest Approved Budget	Latest Forecast Outturn	Monitoring Variation to 31 December	Movement in Period
	£000	£000	£000	£000
Director for Children and Young People	52,047	53,772	1,725	(114)
Director for Community Services	111,117	111,628	511	(1,039)
Director for Development and Regeneration	16,233	16,344	111	119
Director for Corporate Support	32,565	32,525	(40)	(20)
Chief Executive	2,160	2,119	(41)	(22)
Corporate Items and Capital Financing	(12,297)	(12,599)	(302)	(302)
TOTAL	201,825	203,789	1,964	(1,378)

3.2 As shown in the table, departmental budget variances of £1.964m are forecast at the end of December 2010. Further details of the variations are outlined in the individual Directors reports in Section C of this report. The more significant variations are summarised below:

3.2.1 Children's (Adverse £1.725m):

- Pressure due to Increased in costs of transporting children as previously reported and although reducing, the school catering service continues to project a trading deficit.
- Continuing pressures on the looked after children budget due to increased numbers compared to budget in the Independent Sector Placements in residential Care and in Foster Care. Further modelling of the numbers of children is taking place to predict when diversion from care strategies will bring spend back to budget in order to ensure intervention is targeted in the right areas. Safeguarding is however, paramount.

3.2.2 Community Services: (Adverse £0.511m)

- Continuing pressures in Adult Social Care in Learning Disability services relating to long stay residential services and supported living, and an increase in short stay residential and nursing care.
- Environmental Services – repair and hire cost pressures due to the ageing of the specialist vehicle fleet.
- Work with external consultants, instructed on a no win no fee basis, continues to determine the potential value and timing of a substantial one off land fill tax rebate. It has been assumed that this will be received in the current year.

3.2.3 Development (Adverse £0.111m)

- Increased cost pressure of winter highway maintenance for the Transport department.
- Waste Management Project Team have incurred higher costs in 2010/11 arising from the acceleration of the project.

3.2.4 Corporate Support (Favourable £0.040m)

- Projected vacancy saving assuming that Pertemps agency staff are used to cover essential vacancies pending restructure.
- Legal fees are lower than budgeted and income recovery has improved.

3.2.5 Corporate items (Favourable £0.302m)

- Mainly increased income from Treasury Management

3.3 Delivery Plans – Actions at some risk of non – achievement - £2.759m

In setting the budget for 2010/11, departmental delivery plans totalling £9.514m were agreed in order to achieve a balanced budget. Following the announcements of cuts to a number of grants and policy changes by the new coalition Government in July 2010, departments were set a further target to reduce their budgets by an additional £3.985m. Actions to address the additional targets are outlined in the relevant Directorate reports where appropriate.

However, whilst delivery plans may have been identified, an element of the savings proposed have yet to be achieved in full. Progress against each delivery plan action is closely monitored against a RAG rating. Against total delivery plans of £13.499m, £2.759m are rated as either amber or red risk.

Table 2 below summarises the progress against delivery plans as at the end of December by department.

Table 2 – Delivery Plan Summary

Department	Budget Book	Additional Savings Targets	Total Delivery Plan Actions	Green	Amber	Red
	£000	£000	£000	£000	£000	£000
Children and Young People	1,583	1,181	2,764	2,248	0	516
Community Services	5,273	1,596	6,869	4,931	1,238	700
Development & Regeneration	1,125	238	1,363	1,058	305	0
Corporate Support	460	820	1,280	1280	0	0
Chief Executive	412	150	562	562	0	0
Corporate Items	661	0	661	661	0	0
Total	9,514	3,985	13,499	10,740	1,543	1,216

4 Income Summary

4.1 The position on income collection across the Council as at 30 December 2010 is shown in table 3 below:

Table 3

Type of debt	AE Quartile	Budgeted income 2010/11	Year to date Actual % 2009/10	Year to date Actual % 2010/11	Achieved % 2009/10	Year end Target % 2010/11	Year end Projected % 2010/11
Council Tax	4	£93m	80.7	81.4	95	96.5	96.3
NNDR	2	£80m	83.9	87.1	96	97.5	97.5
Sundry Debt	n/a	£49m#	90.5*	92.5^	96^	92.5	92.5^
<i>Commercial Rent</i>	n/a	£5m#	87*	94.6^	98^	90	90^
<i>Trade Waste</i>	n/a	£1m#	93.5*	99.6^	99^	94	94^
<i>Adult Residential Care</i>	n/a	£9m#	91.7*	93.3^	95^	94	94^

Sundry debt fluctuates during the year. Figures shown are an average per annum for a rolling 12 month period

^ Does not include debt which has been raised in the last 30 days

* Estimated

4.2 Council Tax:

Cumulative collection at the end of December is £75.7m (81.4%) against a target of £76m (81.7%) a shortfall of £233K (0.25%).

Year to Date: Collection is £650K (0.7%) ahead of the same point last year with projected collection for 2010/11 of £89.6m (96.3%) based on current performance. A projected shortfall of £186K.

4.3 NNDR:

Cumulative collection at the end of December is £69.7m (87.1%). On target to collect £78m (97.5%).

4.4 Sundry debt:

Collection at the end of December is £33.8m (92.5%) against debt raised of £36.6m since 01 Apr 10.

Year to date: Collection is an estimated £980K (2%) ahead of the same point last year with projected collection for 2010/11 at £45.3m (92.5%) based on current performance.

5. Capital Programme

- 5.1 The latest approved capital budget for 2010/11 is £92.179m which was approved at Full Council on 6 December 2010. The current revised 2010/11 forecast spend is £77.457m and actual expenditure to 20 January 2011 is £48.863m, representing 63.1% of the latest forecast.
- 5.2 Table 4 shows the movement in the approved programme since the last quarterly report and the full Council report.

Table 4

	Original Approved Budget incl Slippage	Latest Budget Approved at Dec 2010 Full Council	New CDB recommended Approvals	Re-Profiling	Variations	Latest Forecast as at 20 Jan 2011
	£000	£000	£000	£000	£000	£000
Children & Young People	38,488	34,357	0	(3,648)	50	30,759
Community Services	29,029	25,770	50	(5,606)	(2)	20,212
Corporate Support	820	3,232	0	(589)	15	2,658
Development & Regeneration	31,604	28,820	25	(5,054)	37	23,828
Total Capital Monitoring	99,941	92,179	75	(14,897)	100	77,457

- 5.3 Details of the more significant monitoring variations, reprofiling and new approvals are outlined below:

£000

New Capital Delivery Board Approvals

- 50 Jennycliff Café - installation of a self-contained sewage treatment plant at Jennycliff Café The project will generate significant savings against the current cost of operating temporary Toilet and Sewerage facilities.
- 25 City Market – Essential electrical system replacement works required to existing service installations to be funded from unsupported borrowing. The majority of the scheme will be completed in 2011/12 at a provisional scheme cost of £1m.

Variations over £100,000

- (276) Estover Campus – The total scheme costs have been reviewed in the light of progress to date and the contingency budget has been reduced.
- 261 Playbuilder Projects – The Playbuilder programme has been realigned following confirmation of central Government funding. The confirmed total represents an increase over previous indications from the DfE.

Re Profiling

- (145) Compton Primary, Replacement of Temporary Classrooms – The project started on site later than originally intended due to delays in letting the contract.
- (500) High View Primary, New School – Reprofiling is based on an updated cash flow projection from the contractor. The project remains on build schedule.
- (363) Hospital School (Outreach Centre), New Building – Works have now started on site and an updated schedule has been received from the contractor which has indicated that work will now be completed in the new financial year.
- (300) Kitchens (various schools)
- (121) Longcause Sports Hall – Updated cashflow following the original contractor going into liquidation.
- (2,108) Devolved Capital – total reprofiling, representing anticipated carry forward of grant managed by schools. DfE stipulates that this grant must be delegated (via a specified formula) for local management by schools, which includes the option to carry monies forward for up to 3 years.
- (600) Devonport Park - Prolonged adverse weather during December has resulted in a four week delay to path work and landscaping.
- (852) Materials Recycling Facility - Project now reprofiled into 2011/12 pending future developments.
- (1,258) East End - The construction of the retaining walls along Gdynia Way and Elliott Road Bridge has taken longer than originally programmed, which has had an impact on when the Phase Two works commenced.
- (1,204) Capping works at Chelson Meadow - Reprofiling arising from site clearance issues now resolved through court action.
- (250) Disabled Facilities Grant - Following the Local Government Finance Settlement, the Housing Service is facing pressures on its future capital programme. It is proposed to carry forward funding from 2010/11 by managing the delay of non mandatory schemes, in order to develop the most viable programme to meet mandatory housing needs over the next 3 years.
- (197) A386 George Junction - The District Valuer is reviewing 177 compensation claims and it is estimated that only some of these will be settled in 10/11.
- (172) Empty Homes / Enabling Schemes – Slippage into 2011/12.
- (279) Transport - various section 106 funded works.
- (211) Strategic Housing – Other projects including Home Energy Saving and Decent Home Loans.
- (589) Accommodation Strategy - Due to the interest in the sale of the Civic Centre and potential bids that have started to be formulated around the sale, the expenditure rate and time frame of the accommodation strategy has changed. This is therefore the Project Officers review and latest cashflow of works realistically likely to be carried out in 2010/11.

- (5,044) Plymouth Life Centre - The Construction works for Section One are progressing five weeks later than the revised Completion Date (10/10/11), due to poor weather conditions. The contractor has implemented a number of mitigation measures in connection with such and is currently assessing impact on the forecast Completion Date. A current estimate would indicate completion of Section One on 14/11/2011.
- (468) Plympton Library - delay due to enforced change of procurement route.
- (76) Springhill (Ham & Peverell Play Improvements)

5.4 Actual Expenditure at 20 January 2011 was £48.863m as shown in table 5.

Table 5

	Latest Forecast 20 Jan 2011	Actual Spend to 20 Jan 2011	Spend as % of Latest Forecast
	£000	£000	%
Children & Young People	30,759	21,815	70.9%
Community Services	20,212	11,397	56.4%
Corporate Support	2,658	860	32.4%
Development & Regeneration	23,828	14,791	62.1%
Total Capital Monitoring	77,457	48,863	63.1%

5.5 Funding:

The capital schemes for the latest 2010/11 forecast are estimated to be funded as follows:

Table 6

Funding Source	£'000
Capital Receipts	4,127
Unsupported Borrowing	12,756
Supported Borrowing	8,089
Grants, Contributions & S106	50,659
Revenue & Funds	1,826
Total	77,457

5.6 Invest to Save Projects

The programme already includes the Accommodation Strategy at £6.450m profiled over the next few years. This report recommends the Jennycliff Café scheme £0.050m as a new 'invest to save' project to the 2010/11 approved programme. The budget report also included on this agenda refers to the position on other potential invest to save schemes.

6. VFM Statement

6.1 Measuring and reporting Value for Money gains

The Authority continues to encourage initiatives for identifying VFM efficiency gains with good success. With the demise of the National Indicator reporting requirement the channel and accountability for reporting of efficiencies within the Council has now changed. The internal reporting of efficiencies has continued to improve across the Council through a monitored VFM programme which is focused on benefit delivery through the Budget Delivery Plans for each Directorate. The programme has ensured that governance of the VFM monitoring process has been enhanced and ensures that gains are challenged before inclusion, thus ensuring compliance with good practice. Discussions are being held between Finance and VFM teams to identify how this approach can be further refined for 2011/12 in order to ensure that our customers and clients feel that we provide Value for Money and an update on how this will be developed will be provided in the next report.

6.2 VFM Programme

The VFM programme of major projects is continuing to identify considerable cross-Council efficiencies and these include:

Procure 2 Pay

This project aims to deliver better control of expenditure across the Authority through development of a more efficient and effective purchasing process. Centralised buying through professional and trained buyers is a key area of current development and is progressing well.

Order to Cash/Debtor Management

This project aims to improve cash collection and standardise debtor management processes across the Council.

Single Point of Contact (SPOC) for Corporate Support

This project has been initiated to improve the access to the services provided for internal customers of Corporate Support areas through provision of a single point of contact.

SECTION C – EXECUTIVE SUMMARY – HR

7. HR Summary

7.1 The total wage bill for the Council (including on-costs) is around £130million. Each year the Council's budget includes a savings target of 3% for 'vacancy savings' which is naturally achieved from vacant positions and natural wastage/turnover.

7.2 HR indicators have been introduced for establishment, sickness and agency spend and details are now included on the departmental score cards. This section summarises the position across the Council as a whole, excluding schools.

At the end of the quarter there are;

- 3699.3 FTE employees against the budgeted establishment of 4603.2 FTE positions
- Agency Spend was 0.52% of the monthly wage bill
- Sickness – the Council has set a target of 7 working days per FTE. Sickness levels at the end of the quarter are 5.76 working days per FTE for this financial year to date (April – December 2010) and 9.02 working days per FTE for the last rolling 12 months

7.3 The Council aims to reduce the direct and in-direct costs of the workforce through:

- Natural wastage / turnover
- Planned retirements / use of temporary contracts
- Recruitment controls and improving redeployment opportunities
- Reducing the overheads of the workforce (direct and indirect)
- Negotiated workforce reductions
- Modernisation and workforce re-modelling
- Maintaining capacity and improving productivity (which will also require some investment from the Council in skills, training and support)
- Reducing the overall size of the workforce

7.4 Redundancies:

- At the end of December, 17 Council staff had received a redundancy payment, with the total paid being £264,204, of which £143,963 is in respect of pension strain payments payable to the pension fund. The costs will be met from the redundancy reserve
- A further £229,164 has been paid in respect of schools based staff with these payments being met from the central allocation of the Direct Schools Grant (DSG).

SECTION D – DEPARTMENTAL PERFORMANCE & FINANCE REPORT


8. Children's Services

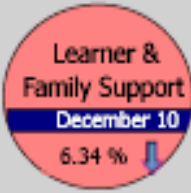



8.1 General Fund Revenue Monitoring – Forecast is an overspend of £1.725m

The latest forecast is £53.772m compared to a revised net budget of £52.047m and represents an adverse forecast year end position of £1.725m, or 3.31% against latest approved budget.

Further explanation is reported in the scorecard.

Children & Young People Services Quarterly Budget & Performance Report

Monthly Service Budget	Performance	Comments
 <p>Social Care December 10 6.40 % ↓</p>	 <p>Social Care ↓</p>	<p>The latest forecast for Children's Social Care shows a reducing overspend of (£0.211m) resulting in an forecast year-end overspend of £1.749m arising from significant pressures around Children in Care placements, Parent & Child Assessments and the additional cost of Legal Agents within the care process. Interventions to review care placements for effectiveness is reducing the overall numbers of children in care to 397 with the number of Children subject to a Child Protection Plan also decreasing, to 338. The current number of children in independent residential care is 16 (compared to budget 14). Whilst placement moves have increased slightly our aim is not to move children between placements unnecessarily (which impacts upon 3+ placements moves (NI062)). There are mixed results for the youth offending service - good performance in relation to re-offending and court disposals but an increased number of first time offending young people during quarter two (99). Whilst performance is currently on target, the focused Police work in Plympton has resulted in more first time offenders. Joint 'prevention' work is currently being undertaken to try and address this.</p>
 <p>Performance & Policy December 10 -11.08 % ↓</p>	 <p>Commissioning Policy and Performance</p>	<p>The Performance & Policy budget is reporting a net year end forecast underspend of (£0.343m). Commissioning, Planning and Performance have put delivery plans in place to reduce costs in order to deal with the departmental overspend which has resulted in increased savings within the quarter of (£0.214m). Our Young People substance misuse and Teenage Pregnancy partnerships are currently reviewing activity in response to financial pressures being experienced by Partners. Key activity focusing on relationship and sex education, access to contraception and prevention and early intervention continue and remain the key priority areas for activity. The latest official data for Q3 (2009) reports a drop from Q2 of 4.4 to 44.8 per 1000 girls(15-17). This represents a drop from the 2008 year end of 3.8. This drop has closed the gap between the Plymouth rate and the England average rate. Outturn data for 2009 is due in February 2011. For planning comparisons, the local proxy data (from Derriford Hospital) reported 258 conceptions in 2008/09 with a reduction to 238 in 2009/10. The data for 2010/11 up to August 2010 projects a further drop of around 24% to 180. We clearly need to be cautious given the diverse range of factors that can affect the conception rate but performance outcomes for the official outturn data looks promising.</p>
 <p>Lifelong Learning December 10 -2.11 % ↓</p>	 <p>Lifelong Learning →</p>	<p>The latest <u>Lifelong Learning</u> budget reports a favourable year end forecast variation of £0.269m which results from the achievement of delivery plans and the continued drive to achieve departmental savings. Performance is positively reflected in the high number of green rated measures. Work is ongoing to improve performance in children in care attainment and 16-18 year olds not in education, employment or training.</p>

Monthly Service Budget Performance	Comments 2/2
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>Learner & Family Support December 10 6.34 % ↓</p> </div> <div style="text-align: center;">  <p>Learner & Family Support ⇒</p> </div> </div>	<p>The latest forecast shows a net forecast overspend of £0.588m mainly due to:</p> <ul style="list-style-type: none"> • <u>Pupil Access Services</u> Transport - £0.506m forecast overspend mainly due to the increase in complexity of children requiring transport. Many children now require 1:1 support in taxis rather than on minibuses which has increased the number of routes operated and the number of passenger assistants. An ageing minibus fleet is also increasing the cost of vehicle maintenance. Officers are currently reviewing options for changes in transport policy with a view to reducing costs. • <u>Schools Catering Service</u> - forecast deficit has been further reduced to £0.150m as a result of continued increased take-up of primary school meals, improved efficiency in the use of food and the reduction of overtime. There has been a significant increase in the number of free schools due to the economic climate. • <u>Integrated Disability Service</u> -Forecast pressure has increased by £0.073m due to unforeseen housing adaptations of £0.052m and a £0.021m reduction in expected grant funding. The pressure of £0.366m which mainly relates to direct payments and short breaks has been partially offset by the use of the Aiming High for Disabled Children grant, bringing the net overspend of the service to £0.139m. <p><u>LFS Management</u> -Forecast overspend of £0.178m resulting from fewer vacancy savings has reduced to £0.110m as a result of ending secondments and ceasing all non essential expenditure. Performance is positive as reflected in the RAG rating. We now have no RED ragged performance measures. This is due to focused work in key areas and successful delivery of actions plans, particularly in our SEN teams. Performance reported in Q3 sees both Statements issued within 26 weeks measures meeting their targets. In addition, up-take of school lunches in both the primary and secondary sectors are increasing and we anticipate that publicity campaigns, new menu's and event days will have a positive impact on awareness and uptake improving performance further.</p>
<div style="text-align: center;">  <p>Schools ⇒</p> </div>	<p>Quarter 3 - 2010 monitoring of the DSG indicates the forecast pressure of £1.770m has reduced to £0.236m due to the achievement of delivery plans developed to limit the level of overspend carried into 2011/12 and savings on expected prudential borrowing costs. The pressures are mainly due to the increased cost of special educational needs allocations to schools, independent special school placements and the early year's free entitlement resulting from the increased birth rate. Although the Councils general fund is not directly affected by the adverse position on the DSG, budgetary pressures on Schools could impact on various performance indicators.</p>
<div style="text-align: center;">  <p>Funded Programmes December 10 0.00 % ⇒</p> </div>	<p>There are no material financial variations to report at this stage.</p>
<p>Human Resources</p> <div style="border: 1px solid black; padding: 5px; width: fit-content; margin-top: 10px;"> <p>Children's Services Corporate HR reporting - m</p> </div>	<p>HR indicators have been introduced for establishment, sickness and agency spend. The rating is the average of all three. At the end of the quarter there are;</p> <ul style="list-style-type: none"> ▪ 1183.2 FTE employees against the budgeted establishment of 1561.9 FTE positions as help on SAP ▪ Agency Spend was 0.45% of the monthly wage bill ▪ Sickness – the Council has set a target of 7 working days per FTE. Sickness levels at the end of the quarter are 7.12 working days per FTE for this financial year to date (April – December 2010) and 11.08 working days per FTE for the last rolling 12 months.

8.2 Key High Level Risks

- Achieving financial performance within Children Social care budget delivery continues to be a challenge whilst ensuring that safeguarding issues are not compromised
- Reducing the number of Court ordered Parent & Child assessment placements.
- Continual recruitment of experienced Social Work staff in order to provide a robust service.
- Meeting increasing demand and delivering financial savings within Dedicated Schools Grant direct schools spend and central expenditure
- Addressing the issues associated with changes to the level of grant funding contained in the budget

8.3 Departmental Medium Term Financial issues

The key medium term issues for the department are:

- Maintaining front line services during a financially challenging climate, in particular the significant level of grants funding frontline services.
- Achieving the Delivery Plans
- Integration with Health partners
- Impact of schools becoming Academies

9. Community Services



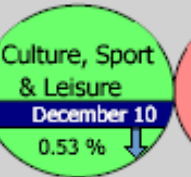


9.1 Community Services Forecast is an overspend of £0.511m

The latest forecast is £111.628m against a revised budget of £111.117m, and represents an adverse forecast year end variance of £0.511m or (0.46%) against latest approved estimate. This is an improvement of 1.039m during the period.

Further explanation is reported in the scorecard.

Community Services Quarterly Budget & Performance Report

Monthly Budget	Performance	Comment
<p style="text-align: center;">Safer Communities December 10 -4.90 %</p>	<p style="text-align: center;">Safer Communities →</p>	<p>Safer Communities - Responsible AD: Pete Aley Overall, the net year end forecast underspend has increased by £0.045m from £0.035m at the end of quarter 2 to £0.080m at the end of quarter 3. The variation is due to a further £0.023m vacancy savings and identifying £0.022m curtailing spend against projects to achieve higher savings.</p> <p>Violent crime levels are falling - up to the end of December 2010, there were 75 fewer crimes recorded when compared to the same period in 2009/10. This includes reductions in both serious violence (of 9 crimes to a total of 266) and less serious violence (of 66 crimes to 1775). We remain on target to reduce less serious violence by 10.6% over three years. However when compared to similar cities we are not performing so well on serious violence. Therefore, working with the police and other partners, we are focusing on prevention, early intervention and enforcement. Overall crime levels in Plymouth remain low compared to similar cities and we are best amongst similar cities for low levels of acquisitive crime.</p>
<p style="text-align: center;">Environmental Services December 10 -1.96 %</p>	<p style="text-align: center;">Environmental Services →</p>	<p>Environmental Services - Responsible AD: Jayne Donovan Overall, the net year end forecast has reduced from £0.578m overspend at the end of quarter 2 to £0.504m underspend at the end of quarter 3. The favourable variation in the period is mainly due to a possible landfill tax refund of £0.900m paid for Chelson Meadow landfill tonnages. The department is working with external consultants on the claim to HMRC. The remaining favourable variation in the period can be largely attributed to the settlement of an outstanding legal case involving the Taxi trade accounts within Public Protection Services. However, vehicle repair and maintenance costs are increasing due to an aging fleet and the high cost of specialist repairs. Income from Trade Waste continues to be lower than budgeted despite making a small surplus of £0.029m.</p> <p>A series of events took place during the quarter to encourage more recycling including the promotion in particularly poor performing parts of the city, plus promotional events over the Christmas period aimed at recycling excess waste including Christmas trees, wrapping paper and glass bottles. Despite the increase in recycling this year, the percentage (32.83%) of waste recycled and diverted from landfill (NI192) at the end of the quarter is lower than the annual target (36%) but is better than at the same point last year. Waste going to landfill continues to reduce (80,395 tonnes currently forecast against an annual target of 85,000 tonnes).</p>
<p style="text-align: center;">Business Support October 10 0.00 %</p>	<p style="text-align: center;">Business Support →</p>	<p>Business Support – Responsible AD: Pete Aley £0.060m net overspend which has been offset against additional departmental delivery plan actions of £0.465m which is a good news story as this has protected front line services in the department from further pressures</p>

Monthly Budget	Performance	Comment	2/2
		<p>Adult Social Care - Responsible AD: Pam Marsden</p> <p>Net year-end forecast underspend for December is £0.225m reflecting a net saving of (£1.104m) since Quarter 2. This reflects an increase in costs associated with residential and nursing care for older people offset by a reduction in community based services and staffing costs.</p> <p>Self-directed support (NI130) stands at 25.8% against a December target of 23% and we are one of the highest performing authorities in the South West. Our implementation plan for service transformation in 2011-12 will focus on testing and rolling out significant organisational change involving all frontline staff. The aim is to ensure the new way of working is fully implemented by April 2012 and we would expect to achieve the new national milestone of full delivery of personal budgets by 2013. Carers performance (21.4%) is above target for December (18%) following data validation which has led to an improvement in performance. Learning Disabilities indicators linked with employment (NI146) and settled accommodation (NI145) are both currently under-performing. However, those currently in employment have been identified and will be reviewed in order for the target of 5.9% to be reached by the end of the financial year. Reviews in general (1_AAC) are also being given greater focus, activity which will improve performance against these indicators.</p> <p>The level of absence in ASC is considered a priority and the service has in place a number of actions to address the issue. These include monthly absence reports for the departmental management team, 3rd and 4th tier managers; follow up of the 'top 100' sickness cases and training for all 3rd and 4th Tier managers.</p>	
		<p>Culture, Sport and Leisure - Responsible AD: James Coulton</p> <p>Overall, the net year end forecast overspend has reduced from £0.128m at the end of quarter 2 to £0.057m at the end of quarter 3. This is mainly due to an overall net reduction in utilities costs across Leisure facilities, slippage of £0.057m Leisure Management project costs into 2011/12 identified against a different project profile with only two bidders and a spring 2011/12 contract start date, offset by a £0.023m worsening commercial trading position within Mount Edgcumbe identified at final closedown of the operations.</p> <p>Management actions to ensure a balanced budget for Mount Edgcumbe in 2011-12 have been endorsed by the portfolio holder and agreed by the Mount Edgcumbe Joint Committee.</p> <p>Final tenders for the leisure management contract will be received by 28th January and the preferred tender recommended to Cabinet in March. The Plymouth Life Centre is behind schedule due to adverse weather over the Christmas period, but work is underway to make up for lost time. Following England's unsuccessful World Cup bid (announced in December), the World Cup consortium has now ended.</p>	
<p>Human Resources</p> 	<p>At the end of the quarter there are 1286.2 FTE employees against the budgeted establishment of 1593.5 FTE positions as held on SAP. Agency Spend was 0.80% of the monthly wage bill. Sickness levels at the end of the quarter are 10.31 working days per FTE for this financial year to date and 15.06 working days per FTE for the last rolling 12 months (corporate average 9.02 working days lost in rolling 12 months) against an annual target of 7 working days per FTE equivalent. Mitigation comments are included in service comments above.</p>		

9.2 Key High Level Risks

The key financial risks during 2010/11 across Community Services are summarised below.

- Offsetting the residual in year budget reduction and reducing spending to deliver a balanced budget continue to be a significant challenge
- Achieving Adult Social Care Delivery Plans and associated budget reductions without compromising safeguarding issues and ensuring sufficient scope to develop the market successfully to meet the requirements of the personalisation agenda
- Growth in demography and increasing levels of long term care needs for high dependency within Adult Social Care
- Impact on social care of the Primary Care Trust QIPP efficiencies
- Negotiations with Health Partners will be key in ensuring recent in year health social care funding opportunities announced in the financial settlement are targeted against the most effective activities and services
- Environmental Services - Managing expectations of enhanced level of service against the current budget, particular in the service area of Waste Collection Street Scene
- Mount Edgumbe – a projected overspend has been highlighted to the Joint Committee with officers of both constituent authorities working to present options to reduce the overspend and publish a balanced business plan for the future

9.3 Departmental Medium Term Financial issues

The key medium term issues for the department are:

- Maintaining front line services during a financially challenging climate, in particular where reductions in grants will impact upon expenditure in front line services and a diverse range of delivery plans will require implementation over a short period of time.
- Achieving the challenging Adult Social Care Transformation with reductions without compromising safeguarding issues.
- Growth in demography and increasing levels of long term care needs for high dependency
- Integration with Health partners and negotiating health social care funding announced in the recent financial settlement
- Municipal Waste Management Strategy (MWMS) identified that waste management costs would increase significantly due to the need to procure a waste disposal facility. This equates to £8m per annum (2011-2013), reducing to a £6m annual increase (2014-2039).
- In the short term, the Authority also faces additional budgetary pressures to implement new recycling initiatives, buy LATS credits, fund increased landfill tax (£8 per tonne each year), and fund contributions to the 'balancing fund' account created to meet the £215m shortfall.
- Increased costs associated with an ageing fleet of vehicles.


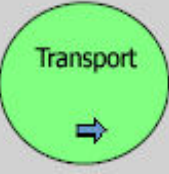



10. Development and Regeneration







10.1 Development and Regeneration – Forecast Overspend spend of (£0.111m) (0.68%)

The latest forecast is £16.344m against a latest approved budget of £16.233m, representing a forecast year end overspend of (£0.111m) (0.68%).

Further explanation is reported in the scorecard.

Development Quarterly Budget & Performance Report

Budget	Performance	Comment
		<p>The net adverse variation of £112k is mainly due to the increased cost pressure of winter highway maintenance partly offset by savings in other areas of the budget.</p> <p>The Transport & Highways Partnership continue to deliver the winter maintenance programme effectively despite the harsh weather and are investigating alternative methodologies to improve value for money. The East End Transport Scheme continues to be delivered and is still programmed for completion in November 2011.</p> <p>The LTP3 Consultation has now concluded and the long term strategy and five year implementation plan for the city's transport infrastructure will now be finalised</p>
		<p>There are no material financial variations to report at this stage. This is a small support team.</p>
		<p>The net adverse variation of £50k relates mainly to reduced commercial rent income due to the economic climate.</p> <p>The reshaped service is focussing on developing new strategic partnerships that will rebalance the economy, drive forward investment and attract new visitors to the city.</p> <p>The LSP Wealthy Theme Group has reviewed the Local Economic Strategy and confirms that it remains sound. Five themed groups have been set up; Business, Skills, Centres, Participation, Leadership. Each has a private sector lead person who will help drive forward the core components of the LES and the specific initiatives across the city.</p> <p>The concept of the Devon, Torbay and Somerset Local Economic Partnership is in the first round of proposals; this will be led by the business sector and is expected to go to Government during February 2011 for consideration.</p> <p>Outcome measures for the growth priority are now being finalised with the minor tweaking of words.</p>

Budget	Performance	Comment
		<p>Notwithstanding considerable adverse variations arising from a significant projected shortfall in building control fee income, the Service is forecasting a net favourable variation of £84k. This is because of proactive income generation initiatives, a robust approach to driving out efficiencies and delivering savings, and reprogramming of the Local Development Framework.</p> <p>Progress with the delivery of affordable and net additional homes is on target. The service is working up other measures that will support the Council's commitment to the Growth Agenda.</p>
		<p>Strategic Housing is showing a balanced net budget position through prompt management action to manage in year pressures of £200k This has been through a mix of reducing non essential spend, vacancy management , driving efficiencies and income, and charging directly related expenditure to capital on a non-recurring basis.</p> <p>Overall most indicators are performing to target including those covering energy efficiency, homelessness and fuel poverty. There is an increase in homeless presentations, but we are maintaining prevention targets. New affordable homes targets are projected to deliver to target, bringing in the £40m inward grant and match of an equivalent private sector amount to construction in the city. We are negotiating further funds based on slippage from failing schemes across the country to deliver key projects.</p> <p>Capital grants for next years mandatory and essential private sector housing programme work rolling on from 2010/11 have not been clarified. Management action has been to slow non essential and discretionary spend to re-think this years programme. We expect this to realise slippage (from specific grants received in 2010/11) which will need to continue mandatory and essential work in 2011/ 12. Priorities will be agreed through the Housing Strategy Conference.</p>
		<p>The net adverse variation of £33k is due to higher costs in 2010/11 arising from the acceleration of the project.</p> <p>The South West Devon Waste Partnership has received and evaluated final tenders and has selected MVV Umwelt as its preferred bidder. The Partnership is on target to meet the accelerated programme i.e. sign contracts by 31 March 2011 (from 31 May 2011) subject to receiving approval from each partner Council in February and Defra in March. It is anticipated at this stage of the financial year that any resource implications arising from the accelerated programme should be manageable within the overall budget when 2011/12 funding is taken into account.</p> <p>As at the end of December 2010, residual waste to landfill continues to fall and the Council has landfilled 6,692 tonnes less biodegradable waste than the permits held and is within target. It is estimated that the Council will landfill 6,800 tonnes less biodegradable waste than its total holding of Landfill Allowance Trading Scheme (LATS) permits by the end of Quarter 4. These surplus permits can be carried over to 2011/12 to meet future LATS obligations.</p>
<p>Human Resources</p> 	<p>HR indicators have been introduced for establishment, sickness and agency spend and the rating is the average of all three.</p> <p>At the end of the quarter there are;</p> <ul style="list-style-type: none"> ▪ 332.8 FTE employees against the budgeted establishment of 378.8 FTE positions ▪ Agency Spend was 0.33% of the monthly wage bill ▪ Sickness – the Council has set a target of 7 working days per FTE. Sickness levels at the end of the quarter are 7.36 working days per FTE for this financial year to date (April – December 2010) and 11.29 working days per FTE for the last rolling 12 months. <p>NB: Please note that the establishment figures exclude the Devonport Regeneration Community Partnership (DRCP); however the sickness figures are inclusive of the DRCP.</p>	

10.2 Key High Level Risks

- Heavy reliance on income generation which is affected by market forces e.g. car-parking
- Direct and indirect implications of cessation/reductions in Government grants (Rev & Cap)
- Revenue costs of developing schemes not always chargeable to capital
- Requirement to invest to develop schemes which are 'ready to go' when the economic situation improves as growth is a key priority for the Council
- Some previously recurring grants have been utilised to cover the cost of core service provision e.g. New Growth Points funding

10.3 Departmental Medium Term Financial issues

- Reduced funding for Housing capital grants will affect the affordable housing programme as Private Sector Housing Grant funding has been removed. Disabled Facilities Grant funding has been significantly reduced. The impact on capital and revenue is currently being assessed.
- Resourcing a long term growth agenda rather than reacting to short term delivery needs will be challenging in the current economic climate.
- Loss of external funding through grants will impact on areas of core service in future

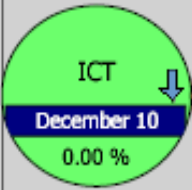
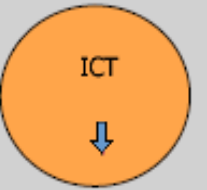
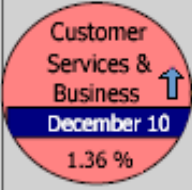



11. Corporate Support

11.1 General Fund Revenue Monitoring— Forecast under spend of (£0.040m) (0.12%)

The latest forecast is £32.525m against a latest approved budget of £32.565m, representing a forecast year end under spend of (£0.040m) (0.12%).

Further explanation is reported in the scorecard.

Corporate Support Quarterly Budget & Performance Report		1/2
Budget	Performance	Comment
		<p>Performance of collection rates remains generally positive with the collection of National Non Domestic Rates (NNDR) forecast to achieve the end of year target of 97.5%. Council Tax collection within year is forecast to narrowly miss the target of 96.5% by 0.3%, however, this is still an improvement compared to the 2009/10 collection rates (3rd consecutive year of improved rates). Overall Council Tax collection rates remain on target to achieve 98.8% which is in line with unitary council average.</p> <p>According to the latest Audit report, our benefits accuracy has improved between 2008/09 and 2009/10. However, further improvement is needed along with speed of processing claims which currently stands at 22.8 days to process a claim against a local target of 20 days. In order to improve the current situation we will engage internal audit to help monitor our error rates more regularly. We will also undertake a significant staff and process restructure of the service which will commence following consultation with the Unions later this month.</p> <p>Corporate Support - the department has demonstrated good progress against the budget delivery plans set for 2010/11. Overall, the department is forecasting a small end of year underspend. This is a major achievement considering the significant reduction in revenue budget alongside the additional requirement to generate further in year savings of £820k as announced in June 2010.</p>
		<p>A new e-recruitment system is being implemented. This will offer anybody interested in working for the Council the opportunity to search all current vacancies electronically, apply online, receive vacancy alerts and make speculative enquiries. This system is currently being used for a specific Children's Social Care campaign but will be made available for all Council vacancies in the next few months.</p> <p>In times of change and significant challenges, staff members are being invited this month to apply for the Council's Leadership Programme, which starts in March and is an accredited and intensive programme. Those who attend the programme will be expected to take the business forward and make a real contribution to the Council and the city.</p> <p>A comprehensive staff survey was undertaken in November/December 2010, with an excellent response of 58%. Headline findings were shared with Team Plymouth and initial actions agreed. More detailed findings have just been circulated to Assistant Directors. These will be shared with staff and action plans out in place by the end of March 2011.</p> <p>Formal negotiations and consultation are taking place between Plymouth City Council (Management) and Trade Union (Staff side) over a wide range of issues relating to employment. The aim of the negotiations is to reach a collective agreement on options to help achieve the savings of more than £30 million over three years while minimising the impact on front line services.</p> <p>The percentage of appraisals undertaken to the end of December reached 93%. Whilst the target set is for 95% of appraisals complete it is not anticipated that performance will increase much beyond this point as there will always be a certain number of staff who are unavailable for their appraisals due to long term sick and maternity leave.</p>

Budget	Performance	Comment	2/2
		<p>Overall availability of the top 14 remains at 98% although there was a serious issue with access to the Revs and Bens system which affected 50% of users and took the availability down to 94% for the month. Changes have been implemented to ensure this does not reoccur. In December there was a major virus incident in Development affecting over 5000 files which had to be restored from backup. Investigations have shown that quick reactions from the user and Service desk avoided a much larger issue. An awareness campaign was launched to let staff know what to do in the event of a virus.</p> <p>Stronger contract management and the selling of spare Microsoft licences to neighbouring authorities is helping to address the budget shortfall.</p> <p>Freedom of Information service level compliance for 2010 figures are 1% below the national target of 90%, however are improving following awareness raising with staff. Data Protection requests by people for information held about them on file are below the target figure, as the number of requests for information exceeds current resourcing, but processes are being reconsidered in order to meet the demand .</p>	
		<p>Staffing costs have been kept at a minimum level through reduction in Pertemps staff in order to achieve the additional in-year savings target. Customer Services achieved an excellent performance on complaints, with 100% of Ombudsman and Stage 2 complaints dealt with within target timescales, with only Amey Highways missing our Stage 1 target response times due to a change in management and a programme of training has commenced to improve this situation. Our web-based map fault reporting tool 'Plymouth on a Map' has been launched without publicity to ensure the back office process is robust, and is now being used by customers - with lots of positive feedback for its ease of use.</p>	
		<p>There has been a substantial increase in legal costs recovery and legal fee income. Coroner fees are also below budget.</p>	
<p>Human Resources</p> 	<p>HR indicators have been introduced for establishment, sickness and agency spend and the RAG rating is the average of all three.</p> <p>At the end of the quarter there are;</p> <ul style="list-style-type: none"> 836.4 FTE employees against the budgeted establishment of 988.2 FTE positions as held on SAP Agency Spend was 0.30% of the monthly wage bill Sickness – the Council has set a target of 7 working days per FTE. Sickness levels at the end of the quarter are 8.37 working days per FTE for this financial year to date (April – December 2010) and 13.1 working days per FTE for the last rolling 12 months. 		

11.2 Key High Level Risks

- ICT Investment Programme ~ capacity to address the Council transformational change agenda e.g. technology required for an effective customer contact centre amongst others
- Challenge of improving support services whilst managing down spend
- HR ensuring that expertise is retained and redundancy costs are minimised
- Capacity within the department to support the Council's change agenda and challenging financial targets

11.3 Departmental Medium Term Financial issues

- The Comprehensive Spending Review (CSR) for the whole council
- Accommodation Strategy
- SLA agreements with PCH due to end on 31 March 2011 are currently being reviewed
- Increasing demand for services




12. Chief Executive

12.1 Chief Executives Departmental – Forecast is an under spend of (£0.041m)

The latest forecast is spending of £2.119m against a revised budget of £2.160m, representing a forecast year end favourable variance of (£0.041m).

Further explanation is reported in the scorecard.

Assistant Chief Executive Quarterly Budget & Performance Report

Monthly Service Budget	Performance	Comments
	<p>Savings due to unfilled vacancies within Design Studio and Corporate Communications has been offset against a shortfall in design studio income. Corporate decision to reduce printing across the authority and utilise electronic media has resulted in large under spend against printing in Communications. This under spend has been offset against a proportion of the savings target set for the Chief Executive Department.</p> <p>Single branding Corporate Communications is implementing an updated visual identity that aims to reduce costs by streamlining different styles and identities used across the council. It is also introducing procedures to help reduce the spend on print and publicity across the council by £400,000 over the next year</p>	<p>Savings due to unfilled vacancies within Design Studio and Corporate Communications has been offset against a shortfall in design studio income. Corporate decision to reduce printing across the authority and utilise electronic media has resulted in large under spend against printing in Communications. This under spend has been offset against a proportion of the savings target set for the Chief Executive Department.</p> <p>Single branding Corporate Communications is implementing an updated visual identity that aims to reduce costs by streamlining different styles and identities used across the council. It is also introducing procedures to help reduce the spend on print and publicity across the council by £400,000 over the next year</p>
	<p>An adverse budget pressure due to a reduction in both the performance reward grant allocation and the voluntary sector contribution has been offset by a carry forward from previous years and a transfer from the reserve fund.</p> <p>These funds will not be available for future years so budget pressures remain from 11/12 onwards. Work is ongoing in the Civil Protection Unit to identify additional savings and costs to be recovered external service users.</p> <p>Single Data List Central Government has now released a draft 'Single Data List' for consultation. From April 2011, local authorities will only need to provide data from those listed indicators to central government which will then be open to regular review, scrutiny and challenge. This list does not replace the National Indicator Set as many of the data returns are volume data rather than performance indicators. However, included are a number of new departmental indicators which cover areas monitored by the National Indicators set which have been identified in Government departmental delivery plans. The consultation period for the Single Data List ends on the 4th February 2011.</p> <p>Plymouth 2020 priorities Three year targets are now being developed for Level 1 and 2 indicators. Any gaps identified at level 2 are now being addressed with definitions being agreed by 28 January.</p>	<p>An adverse budget pressure due to a reduction in both the performance reward grant allocation and the voluntary sector contribution has been offset by a carry forward from previous years and a transfer from the reserve fund.</p> <p>These funds will not be available for future years so budget pressures remain from 11/12 onwards. Work is ongoing in the Civil Protection Unit to identify additional savings and costs to be recovered external service users.</p> <p>Single Data List Central Government has now released a draft 'Single Data List' for consultation. From April 2011, local authorities will only need to provide data from those listed indicators to central government which will then be open to regular review, scrutiny and challenge. This list does not replace the National Indicator Set as many of the data returns are volume data rather than performance indicators. However, included are a number of new departmental indicators which cover areas monitored by the National Indicators set which have been identified in Government departmental delivery plans. The consultation period for the Single Data List ends on the 4th February 2011.</p> <p>Plymouth 2020 priorities Three year targets are now being developed for Level 1 and 2 indicators. Any gaps identified at level 2 are now being addressed with definitions being agreed by 28 January.</p>
<p>Human Resources</p> 	<p>HR indicators have been introduced for establishment, sickness and agency spend and the RAG rating is the average of all three.</p> <p>At the end of the quarter there are;</p> <ul style="list-style-type: none"> ▪ 47.4 FTE employees against the budgeted establishment of 53.8 FTE positions as held on SAP ▪ Agency Spend was 0.36% of the monthly wage bill ▪ Sickness – the Council has set a target of 7 working days per FTE. Sickness levels at the end of the quarter are 2.98 working days per FTE for this financial year to date (April – December 2010) and 5.71 working days per FTE for the last rolling 12 months. 	<p>HR indicators have been introduced for establishment, sickness and agency spend and the RAG rating is the average of all three.</p> <p>At the end of the quarter there are;</p> <ul style="list-style-type: none"> ▪ 47.4 FTE employees against the budgeted establishment of 53.8 FTE positions as held on SAP ▪ Agency Spend was 0.36% of the monthly wage bill ▪ Sickness – the Council has set a target of 7 working days per FTE. Sickness levels at the end of the quarter are 2.98 working days per FTE for this financial year to date (April – December 2010) and 5.71 working days per FTE for the last rolling 12 months.

12.2 Key High Level Risks

The key financial risk facing Chief Executives during 20010/11 are summarised below;

- Review of Design Studio recharges to ensure that service is able to recover adequate costs in future years.
- Review of Charging to external organisations in respect of statutory duties for the Civil Protection Unit. The Civil Protection Unit needs to ensure that adequate costs are recovered to decrease reliance on services core budget.
- Completion of review of LSP and Performance & Policy. This forms part of the delivery plan actions for 2011/12.
- Completion of review of Civil Protection Unit. Proposal for Peninsula Civil Protection Unit under consideration, implications for Plymouth City Council currently unknown.

12.3 Departmental Medium Term Financial issues

The key medium term issues for the department are:

- Delivery of a challenging review of policy and performance as per the delivery plan for 2011/12.
- Review of arrangements to ensure maximum recovery of costs involved with staging short sermon exercise and services provided to external bodies for Civil Protection work.

13. Corporate Items and Cross Cutting Issues

- 13.1 A net favourable variation of (£0.302m) is forecast against the corporate items budget. Variations across the individual budget headings as shown in table 11.2

Table 12

Service	Latest Approved Budget £000	Forecast £000	Variation £000m
Other Corporate Items	(21,747)	(22,291)	(544)
Major Projects	(1,149)	(379)	770
Capital Financing/ Treasury Management	10,599	10,071	(528)
Totals	(12,297)	(12,599)	(302)

13.2 Capital Financing Budget /Treasury Management

- 13.2.1 Delivery Plan budget savings of (£0.661m) were set against the capital financing budget. At the end of December savings of (£0.568m) have been achieved against the specific delivery plan actions. The shortfall is however being more than offset by increased investment returns and other Capital financing adjustments, giving an

overall favourable variation on the capital financing budget of (£0.528m). Officers continue to explore options to achieve further savings in line with the Treasury Management Strategy.

- 13.2.2 Table 13 below shows the Council's borrowing and investment position at 31 December 2010.

Table 13

	Principal O/S 30 September 2010 £000	Principal O/S 31 December 2010 £000	Average Rate %
PWLB (Public Works Loan Board)	62.555	62,555	5.3702
Market Loans	130,000	130,000	4.4202
Bonds	77	83	1.1397
Temporary Loans	66.950	43.215	0.3509
Total Borrowing:	259.582	235.853	3.9254
Add PFI	33,156	33,156	8.7300
Total Debt 30/12/10	292.738	269.009	
Investments	159.762	127.188	1.8577

- 13.2.3 During the period, officers continued to negotiate short-term loans to cover the capital financing requirement for 2010/11 taking advantage of low borrowing rates on offer and investing these in reserve accounts until required for cash flow purposes. The ability to achieve further savings in the year will depend on the availability of loans and will be impacted by the reduction in supply from other Local Authorities as they use previously available funds to finance expenditure up to year end.
- 13.2.4 The average rate of interest achieved on new deposits so far this year is 1.1995% compared to a budget rate of 1%. The underlying bank base rate remains at 0.5%.
- 13.2.6 During the period, the Council received a further dividend of 4.72p totalling £141,508.25 (including interest of £7,215.02) in respect of deposits in Heritable Bank bringing the total amount recovered to date to £1.573m or 50.11%. Recovery of monies in Glitnir and Landsbanki remain subject to court proceedings. The cost of the continuing external legal advice will be met in the first instance from the Icelandic bank reserve.

13.3 Other Corporate Items

- 13.3.1 This budget contains the costs of items which cannot easily be allocated to departments, such as enhanced Superannuation costs, transfers to reserves and provisions and the general contingency as well as income from support service recharges and Area Based Grant. Any one off cross cutting issue arising during the year would also generally be coded to the corporate items budget.

13.3.2 PAYE

Following a routine tax inspection earlier this year, a number of test transactions were made. This identified the incorrect disclosure of some employee benefits in respect of pooled car and fuel benefit and a challenge on the treatment of the employment status of 'self employed' staff. As a result the Council has made a voluntary declaration of unpaid tax as follows:

- Incorrect disclosure of pooled cars resulting in NIC due on benefit of car and fuel benefits. A payment of £48,410, excluding interest and penalty requested from HMRC.
- Incorrect disclosure of employee status, resulting in a further payment of £10,700 in terms of employer tax and NIC contributions.

Further information has been requested by the tax inspector in relation to the employment status of some School Improvement Partners which is likely to result in a further payment. This is an issue raised nationally by HMRC and centres on Councils' treatment of the relevant individuals as 'self employed'. There may however likely to be much wider implications for the Council in terms of contracted specialist advice and directly engaged temporary staff (ie where these are not contracted via an agency). Work is ongoing to quantify the scale of the problem for Plymouth and as a result 'employment status' has been added to the Council's strategic risk register as a red risk. HMRC are able to request backdated payment of employer Tax and NI contributions covering a 6 year period.

Other 'hot topics' in terms of HMRC inspections include termination payments, procurement cards, Expenses, CIS, Dispensations. We should expect these to be reviewed as part of the next inspection.

13.3.3 Reserves & Provisions

At the 1 April 2010, the Council's earmarked reserves stood at £19.310m. Reserves are to be held for statutory reasons, to comply with proper accountancy practice or have been set up voluntarily to earmark resources for future spending plans. Whilst there is no limit to the amount of money that an authority can hold in reserve, there is a requirement that the level of reserves be kept under review. As part of the last monitoring report, Cabinet approved the transfer of £2.333m of individual reserve balances to a new Invest to save reserve to help fund future projects to deliver budget savings in the light of the Government funding reductions. During the period, there has been a request that £0.071m of this amount be transferred back to the Weston Mill Cemetery Reserve to fund the necessary repairs and refurbishments of Cemetery buildings and facilities e.g. roof repairs, replacement heating system and disabled access. The reserve was originally set up for this specific purpose using income from increased Cemetery fees as agreed by the Industry. This will reduce the revenue Invest to save reserve to £2.262m.

13.3.4 Budget Virements

The Council's net budget requirement was set by Council at its meeting on 1 March 2010 at £201.825m. Amendments to this overall budget can only be made by Full Council. However, during the year there will be several movements in budget allocations across services/departments as part of the delivery of the day

to day business of the Council. Movements in the budget are continually tracked and an audit trail held for budget control purposes. In addition, Financial Regulations require all budget virements in excess of £100,000 to be approved by Cabinet. Cabinet are now requested to approve the following budget virements.

- Reallocation of Development budget savings across Service heads £466,000
- Separation of CE Departmental Management from Policy and Performance unit for reporting purposes £512,000
- Transfer of budget for Community Support Grant scheme from Corporate Items to Corporate Support £100,000

13.4 Major Projects

- Building Schools for the Future (BSF) - The BSF programme was suspended by the Government in June 2010. However Plymouth has now been awarded £19.134m BSF funding split between Marine Academy Plymouth £8.561m and All Saints Church of England Academy £10.573m. This will be received sometime after March 2011 once plans are agreed with Department of Education. At this stage it is not clear whether the grants will be paid direct to the Academies or through the City Council.
- Carefirst - The Project Board continues to meet monthly to manage delivery of the project. The project will address wider service transformation and improvements, behaviours and cultures within services. This will enable us to fully utilise the system and get the maximum benefits, both for safeguarding, operationally and for financial efficiencies. Anticipated spend is in line with budget provision for the current year.
- Residual costs of Stock transfer- A number of pressures are being experienced on the residual stock transfer budget. The budget assumed the transfer of £2m from the HRA Working Balance during the year. However, due to a number of outstanding issues, such as the finalisation of utility bills and contract retention payments, the working balance currently stands at only £1.4m, leaving a shortfall of £0.6m against the budget expectation. This is the subject of ongoing discussions with Plymouth Community Homes.

The final HRA subsidy claim for 2009/10 has now been certified by the External auditor and Officers have applied to DCLG for approval to formally close the HRA.

13.5 Key High Level Risks

The economic situation. In particular

- Continuing low interest rates and restricted counter party list impacting on the ability to achieve target rates of return and meet delivery plan savings
- Changes to PWLB borrowing rates following CSR announcement

SECTION E - CONCLUDING REMARKS

- 14.1 In order to set a balanced budget for 2010/11, each Department was required to identify a number of departmental delivery plans and Appendix A of the budget report, presented to Cabinet on 10 February 2010, outlined the risks to the budget, rating these in the usual traffic light system of Red/Amber/Green. The departmental reports in Section C continue to outline the key risks to the achievement of departmental budgets and issues impacting on future years.
- 14.2 At the end of December, the Council is still forecasting a revenue overspend at year end of £1.964m against a net revenue budget of £201.825m a variance of 0.68%, but this has reduced significantly over the period. Directors continue to take action to bring their budgets back to a break even position by year end.
- 14.3 In June 2010 the Government announced a series of in year spending reductions for 2010/11. These reductions, in the main, relate to grant funding. There are also a number of changes to policy, enacted by Government, that will impact on spend for the Council. In response to this each department received an additional in year budget saving target with an overall target to reduce budgets by a further £4m in 2010/11. In terms of delivery plans, this gave a total of £13.499m reductions overall to be achieved in year. There has been good progress against these targets with savings of £10.740m achieved as at the end of December. However, £2.759m of delivery plans still remain at risk of achievement, of which £1.216m are rated as red risk and unlikely to be achieved in the current year.
- 14.5 The provisional Grant Settlement for 2011/12 was received on 13 December 2010. The result is a significant reduction in funding over the next two years.
- 14.6 The Corporate Management Team is working with the Cabinet to develop a transformational change programme that fundamentally challenges the organisation's culture, structure and approach to service delivery. Further details are outlined in the 2011/12 budget report.
- 14.7 In terms of capital, despite the reprofiling of almost £15m spend for 2010/11 during the period the Council still remains on track to deliver a significant capital programme in the current year. The budget report outlines the impact on the capital programme from funding reductions over the medium term.

SECTION F – RECOMMENDATIONS

15. That Cabinet:-

15.1 approve Directors addressing the remaining shortfall in 2010/11.

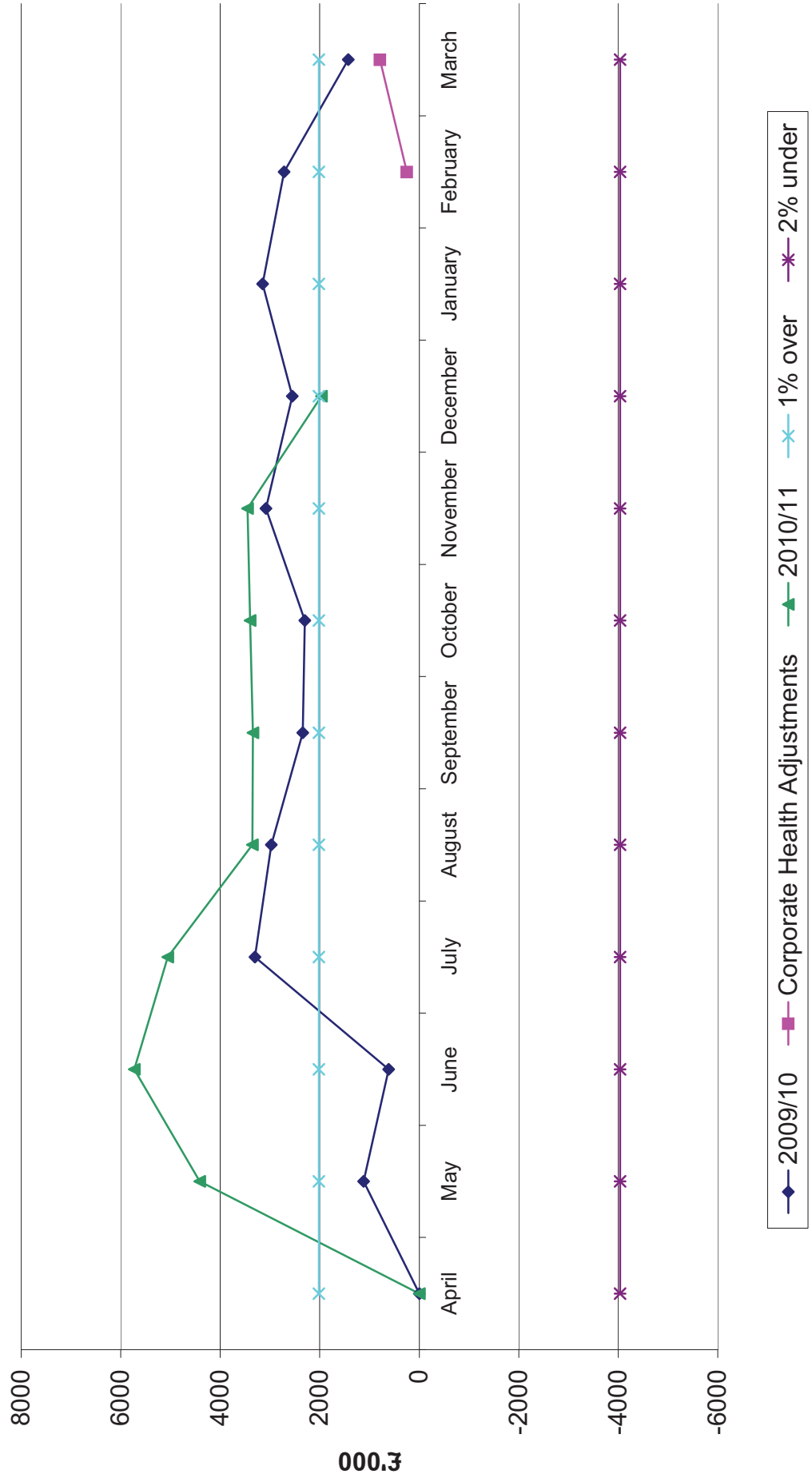
15.2 note the latest 2010/11 capital forecast of £77.457m and Council be requested to approve that the following new schemes (included in the latest forecast) be added to the programme for 2010/11:

Jennycliffe Café environmental works	£0.050m
Market electrical refurbishment (majority to follow in 11/12)	£0.025m

15.3 approve the reinstatement of the Weston Mill cemetery reserve, by a transfer back from the revenue invest to save reserve, totaling £0.071m, to meet the costs of essential improvement works in 2010/11.

15.4 approve the budget virements as outlined in section 13.3.4.

General Fund Monitoring Comparison 2009/10 & 2010/11



This page is intentionally left blank

CITY OF PLYMOUTH

Subject: Forward Plan
Committee: Cabinet
Date: 8 February 2011
Cabinet Member: Councillor Mrs Watkins
CMT Member: Director of Services for Children and Young People
Author: Claire Oatway, Head of Service, Performance and Quality, Services for Children and Young People
Contact: Tel: 01752 307345
e-mail: claire.oatway@plymouth.gov.uk
Ref: CYPP11-1
Key Decision: No
Part: I

Executive Summary:

Plymouth 2020 have set out the strategic priorities for the City around:

- Delivering Growth
- Raising Aspiration
- Reducing Inequality
- Providing Value for Communities

Many of the agencies in the Children and Young People's Trust partnership have a valuable contribution to make to broader goals, for example children's centres promoting smoking cessation in their work, schools helping to improve residents' satisfaction with their local area and GPs raising the level of spend on services provided by the voluntary and community sector. Similarly, other partnerships including the Wealthy and Wise theme groups have a key role to play in relation to children's outcomes. The Plymouth Children and Young People's Plan 2011-2014 focuses on how we will work together to deliver priorities specifically in relation to children, young people and families.

The current Children and Young People's Plan (CYPP) 2008-2011 outlines 10 priorities based on the five Every Child Matters outcomes. The needs of children, young people and families are at the heart of the CYPP, and significant progress has been made over the past three years to improve services and better respond to the needs and voices of our customers. The attached report outlines the key successes that Trust partners have achieved as a result of working together.

The Plymouth Children and Young People's Trust recently became a theme group of the Plymouth 2020 Partnership. While no longer a national requirement, the Children and Young People's Trust remains a local priority for the City and for the Council. The CYPP 2011-2014 will be a key delivery plan to achieve the City's four priorities. In the current review of the PCC Constitution, it is proposed that the CYPP be included under Local Choice Plans and Strategies.

A detailed assessment of children and young people's needs was completed in September 2010 building on the Plymouth Report and including specific theme based needs assessments, performance data, and stakeholder consultation. The views of thousands of children and families in the City have been incorporated into the plan.

In the Plan, Plymouth Children and Young People's Trust asserts five priorities for 2011-2014, based on their relevance and contribution to the City's wider priorities, legislative requirements, and the needs of children and young people that require a partnership response. A key consideration in the selection of each priority is the ability to generate resource efficiencies across agencies, while maximising impact on the lives of families through a multi agency approach.

The proposed priorities, which were agreed by the Plymouth Children and Young People's Trust Board on 10th December 2010, include:

Tackle child poverty

Provide all children with the best possible start to life

Improve levels of achievement for all children and young people

Equip young people with skills, knowledge and opportunities to make a successful transition towards adulthood

Tackle risk taking behaviours through locality delivered services

Under each CYPP priority, the Trust has identified what it proposes to focus on. This will enable the development of detailed delivery plans, which will lay out the commissioning intentions across agencies. Consultation on and development of the delivery plans will take place during the first quarters of 2011. A series of workshops, presentations and interviews will be organised to capture the contribution of partners. This coincides with the additional clarity needed about the available resources, and further detail about changes in legislative requirements will have emerged.

The final CYPP 2011-2014 will include the associated delivery plans and will be completed by April 2011.

Corporate Plan 2010-2013 as amended by the four new priorities for the City and Council:

The Children and Young People's Plan 2011-2014 will directly contribute to the four new priorities for the City. As a theme group of the Plymouth 2020 Partnership, the Children and Young People's Trust will utilise its history of successful partnership work to achieve this. Each of the proposed CYPP 2011-2014 priorities is closely aligned with one of the City four priorities, and represents the role that children, young people and families will play in delivering Plymouth's future. This is further enhanced through the Trust's role as one of the six Plymouth 2020 theme groups. Development of the delivery plans will be aligned with departmental business plans, to ensure that resources are aligned to achieve the stated outcomes.

Development of the Plymouth Plan's performance framework demonstrates how and where the Children and Young People's Plan will be accountable for achieving outcomes. The table

overleaf presents the Level 1 and Level 2 indicators that Trust members will directly and indirectly contribute to through delivery of the CYPP 2011-2014.

2020 Priority	Raise Aspirations	Reduce Inequalities
Level 1	NI 164 Increase in the percentage of working age people with level 3 and above qualifications	NI 116 Reduce Child Poverty
Level 2	NI 075 Achievement of 5 or more A*-C grades at GCSE or equivalent incl Maths & English	Reduce the gap in attainment at Key Stage 4 between the most and least deprived localities in the city
	NI 80 Achievement of a Level 3 qualification by the age of 19	Worklessness and skills (gap)
	NI 117 16-18 year olds not in education, employment or training	NI 64 Child protection plans lasting 2 years or more
	NI 112 Reduce the Under 18 conception rate	Reduce rates of adult smoking in Plymouth
		Decrease the rate of childhood obesity in Year 6 children by 10% by 2020
		17 VSB / NI 53 Prevalence of Breastfeeding at 6-8 weeks
		% of vulnerable families scoring four or more of the 26 factors that contribute to the definition of 'vulnerability'.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

The Children and Young People's Plan 2011-2014 priorities have been identified to maximise efficiencies through a partnership approach and using opportunities to align and/or pool budgets. The CYPP will be costed, and commissioning of services will take place based on the agreed partnership priorities within approved budgets and resources. Development of the detailed delivery plans will take place alongside greater clarity about resources, at both a national and local level, including grant funding opportunities.

Possible implications for staff resources include the establishment of integrated teams, in line with delivery of the locality agenda. This may have implications for asset management in terms of securing appropriate community settings, as well as IT requirements to ensure appropriate information management systems are in place. Additional IT support around information sharing systems to facilitate effective multi agency work may be required, but are in line with plans already in place and again will be based on prioritising existing resources or by bringing forward new invest to save proposals.

The consultation process will take place within existing budget and resources.

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.

An Equality Impact Assessment has been completed for the Plymouth Children and Young People’s Plan 2011-2014.

Recommendations & Reasons for recommended action:

While it is no longer a national requirement for local areas to have a Children’s Trust, it remains a local priority for both the City and the Council. In the current review of the PCC Constitution, it is proposed that the Children and Young People’s Plan be included under Local Choice Plans and Strategies.

Cabinet is requested to agree the priorities for the Plymouth Children and Young People’s Plan 2011-2014, to enable consultation to take place during February and March 2011. Consultation will be undertaken with relevant stakeholders across the City, including other 2020 theme groups, the private sector, key partner agencies including PCC, NHS Plymouth, Devon and Cornwall Police and the Voluntary and Community Sector, as well as with children, young people and families. This will enable the new plan to be launched as the current plan comes to an end.

There will be many opportunities to take part in planned consultation events. Further details can be obtained by contacting Claire Oatway via ct@plymouth.gov.uk or 01752 307425.

Alternative options considered and reasons for recommended action:

The option to not develop the Children and Young People’s Plan 2011-2014 has been considered by both the Plymouth 2020 Partnership Board and the Plymouth Children and Young People’s Trust Board. As a successful and functional partnership, significant progress has been made across agencies to improve outcomes for children, young people and families across the City.

Recognised locally as a priority for the City, the Children and Young People’s Trust is now a theme group of the Plymouth 2020 partnership, with the CYPP acting as a key delivery plan to achieve the City’s four priorities.

Background papers:

- Overview of the Plymouth Children and Young People’s Plan 2011-2014
 - Equality Impact Assessment
 - Plymouth Children and Young People’s Plan 2008-2011
-

Sign off:

Fin	SA/ChS0 315/19.01 .2011	Leg	10755/ DVS	HR		Corp Prop		IT		Strat Proc	
Originating SMT Member											

**PLYMOUTH CHILDREN AND YOUNG PEOPLE'S
PLAN 2011-2014:
DISCUSSION DOCUMENT**



Introduction

Across the Plymouth Children and Young People's Trust we recognise that each of us comes to work every day to make a difference to the lives of the children and young people of Plymouth. Our projects, in all parts of the City, provide much needed support to children, young people and families as we work to enable every child to live, grow, achieve and exceed in their hopes for the future.

Over the last three years, we have worked together with colleagues new and old, and have learned and grown alongside each other. We have faced challenges shoulder to shoulder and have been rewarded and celebrated by our peers. Ofsted's good rating following our announced inspection in 2010 is the most recent landmark. We have proved that we understand the families we work with and with rigour and passion we do all that we can to help families be all that they can.

Nationally, we have been given guidance that Children's Trust arrangements are no longer mandatory. However, the Trust Board have made a collective decision to continue to work together to make a difference. This three year plan will give us the direction we need to keep us moving together in the right direction, and will help us to show that we are listening and responding to what children, young people and parents are telling us.

This plan demonstrates how we will deliver Plymouth2020 priority outcomes for children and young people. This isn't the end of our commitment to making Plymouth one of Europe's finest most vibrant waterfront cities where an outstanding quality of life is enjoyed by everyone. Many of our teams can help to achieve that vision for the City and we must all play our part. Similarly we will work alongside new partners from across the City to co

We must acknowledge that this plan will also take us through some tough times where partners will change and our collective purse tightens. Our advantage though is that we already know that working together helps us to do more than we ever could alone.

Together we will continue to share our expertise. We will continue to work with children, young people and families to provide the services they need. We will continue to enable every child to have the childhood that they deserve.

Cllr Mrs Joan Watkins
Chair of Plymouth Children and Young People's Trust Board

What we have achieved so far

Delivery of the 2008-2011 Children and Young People's Plan has been a huge success. Here is a snapshot of our partnership work over the past three years!

BE HEALTHY

WE SAID WE WOULD: Reduce health inequalities because we know that across the city there are big differences between health outcomes depending on the circumstances, such as deprivation. 41% of children and young people in Plymouth live in the most deprived neighbourhoods.

WE HAVE –

- Rolled out the **'Healthy Schools'** programme across the City - 97% of schools now take part, with a further 53% also engaged in the **'Healthy Schools Plus'**, focusing on specific issues such as mental health, obesity and sexual health.
- Ensured that the **Great Expectations** antenatal programme is delivered through all our Children's Centres in partnership with Midwives, Health Visitors and Mental Health Workers.
- Promoted healthy eating and cooking in schools and across communities - we hosted **'Ready Steady Cook'** style events and helped set up allotment projects to grow fresh produce. This has helped to raise awareness about the importance of healthy eating, although work is still needed to encourage further take up of Free School Meals!
- Successfully introduced an **'Opt Out'** scheme to help expectant mothers and fathers to stop smoking before the birth of their child.
- Extended breastfeeding peer support training across the City – there are now 14 'Latch On' support groups providing early breastfeeding support to mothers.

WE SAID WE WOULD – Improve children and young people's mental health, as we know one in four children and young people will experience emotional or mental health problems at some time during their childhood.

WE HAVE –

- Reorganised the way in which we provide mental health services for children, young people and their families. This now includes a new community based outreach team as well as dedicated teams for children in care, children with a disability and young offenders.
- Implemented a multi agency pilot project to deliver schools based mental health support to children and young people – this has involved training of school staff, co-location of Primary Mental Health Workers within schools, and partnership working across agencies including Educational Psychologists, Parent Support Advisors and Learning Mentors.
- Developed a pathway to support mothers and their babies, including early identification and treatment of post natal depression.
- Started a groundbreaking pilot project to address the stigma associated with mental health problems, through young person led participation activities.

STAY SAFE

WE SAID WE WOULD – Reduce bullying across the city, because children and young people have stated that bullying is a key concern to them, and a barrier to them feeling secure, happy and able to get on with life.

WE HAVE –

- Launched a city wide, multi agency **‘Tackling Bullying Together’** Strategy, along with a practical toolkit to support anyone working with children and young people who may need support and guidance around bullying behaviours.
- Provided training and held awareness raising events to tackle **cyber bullying**. Plymouth’s Safer Internet Day included online safety videos and training delivered to 400 young people aged 9-10yrs on cyberbullying.
- Continued to roll out the Bully Busters initiative through four primary schools and a community youth group to raise awareness and empower young people to deal with bully behaviour themselves. While we have seen a reduction in bullying in line with the national trend, locally we have seen a rise in children and young people worrying about bullying – this is likely due to the work being undertaken to raise the profile of bullying across the city.
- Developed an Online Safety Toolkit for early years settings, which was launched locally by Childcare expert and TV presenter Dr. Tanya Byron because she was so impressed with it.

WE SAID WE WOULD - Continue to strengthen safeguarding services, as these are critical to protect some of the most vulnerable children and young people across the city.

WE HAVE –

- Ensured that 100% of child protection cases are reviewed on time. Work needs to continue in this area to maintain this high standard.
- Established a full multi-agency child protection training programme run by the Plymouth Safeguarding Children’s Board.
- Launched the **Plymouth Pledge** for our children in care, outlining what we have pledged to do as part of our Corporate Parenting role.
- Increased the skills of Foster Carers through introduction of the Payment for Skills scheme, which is a career ladder with four payment levels. Foster Carers can progress through the levels as they develop their skills and care for children with more complex needs.

WE SAID WE WOULD – Reduce children and young people’s unintentional accidents and injuries across the city. Road accidents and accidental poisonings remain an area of concern in Plymouth, and we also know there is a relationship between deprivation and accidents, particularly in the home.

WE HAVE –

- Rolled out the **‘Safe at Home’** project to families in the more deprived areas of the City. Delivered through Children’s Centres in partnership with health, police and the fire service, this project has helped 657 families so far. Nearly two thousand families in total have also received additional education around various aspects of safety in the home.
- Worked across the Trust to deliver awareness and educational events around accident prevention, such as **Junior Life Skills** aimed at 10-11 year olds, which showcases a range of risk scenarios, including electrical safety, fire safety and water safety. The annual **Learn to Live Event** is aimed at emerging drivers and passengers and promotes safety on the roads.

ENJOY AND ACHIEVE

WE SAID WE WOULD – Enable children and young people to have fun as they told us there was not enough focus on ‘enjoying’.

WE HAVE –

- Rolled out the **‘Summer Mix’** programme to young people 11 to 19yrs, which offers 86 different fun and educational accredited course for free. 1044 young people enrolled to attend a course in 2010.
- Established the Allsortz package of services in and around schools to enable disadvantaged children and young people to access activities that they would not otherwise be able to afford.
- Installed Play Pods in five primary schools to raise the profile of the importance of play in schools during break times.
- Introduced free access to Council leisure facilities for children in care. Activities available include swimming, badminton, squash and access to gym facilities.
- Enabled disabled children and young people to access mainstream leisure activities and holiday clubs including sailing, outdoor adventure and music, theatre and dance.

WE SAID WE WOULD – Improve attainment, particularly in Maths and English at all stages, as we know that children and young people want to learn and achieve in the current economic climate, and are aware of the increased competition for employment.

WE HAVE –

- Built and opened three new primary schools, as well as established two academies.
- Established a virtual school for children in care with their own virtual head teacher. In 2009, our highest ever attainment results for these young people were achieved.
- Developed an integrated curriculum across primary and secondary schools in response to young people asking for more active lessons, e.g. outdoor learning.
- We have significantly narrowed the gap between students who gain 5 or more A*-C GCSEs (including English and Maths) in more deprived neighbourhoods compared to more affluent neighbourhoods.
- The number of schools that do not achieve national targets for young people 14-16yrs has reduced significantly.
- Enabled **‘Stories in the City’**, to raise awareness of the importance of reading by linking up community and commercial groups with primary schools across the City. In 2010, over 40 venues hosted story times for pupils aged 5-11yrs.

MAKE A POSITIVE CONTRIBUTION

WE SAID WE WOULD – Reduce risk taking behaviours, such as substance misuse, unprotected sex and criminal activities, as all three issues remain a major concern for us in the City.

WE HAVE –

- Made real steps to reduce the numbers of teenage pregnancies, but we are still above the national average and need to continue our work with young people. This includes the roll out of **‘clinic in a box’** in youth centres as well as a dedicated young person’s sexual health clinic.
- Set up **‘Streetwise’** - where Youth Workers team up with the police and other Council services to identify young people who are causing concern within the community. The project offers activities such as football and break-dancing, but also has an enforcement aspect.
- Launched **‘Operation Stay Safe’** – to protect young people who are out on the streets late at night and who are at risk of becoming victims of crime, or of being drawn into criminal behaviour.
- Significantly improved access to specialist drug and alcohol treatment for young people.
- Reduced the number of young people who are entering the criminal justice system for the first time.

WE SAID WE WOULD – Improve opportunities for young people to make a positive contribution, as we want to ensure that children and young people are positively involved at all levels in developing both their own futures and the future of the City.

WE HAVE –

- Increased opportunities for children and young people to become more involved in decision making, such as the Equal Voices project, Youth Council, Listen and Care Council and locality youth forums.
- Implemented **‘Hear by Right’**, to help services follow best practice on the safe, sound and sustainable participation of children and young people.
- Engaged with parents through the Plymouth Parent Partnership, including Parent Support Advisors who are attached to every school in the City and provide advice and support to parents.
- Enabled young people aged 13-19yrs to successfully use the £300,000 annual youth opportunity and capital fund to apply for projects under ‘places to go’ and ‘things to do’.

ACHIEVE ECONOMIC WELL-BEING

WE SAID WE WOULD – Raise young people’s aspirations, with particular support for young people who are not in education, employment or training, as we want to ensure they have the skills and tools they need to achieve their own potential.

WE HAVE –

- Launched the **Children’s University** and roll out has begun in two localities. To date, over 500 passports have been requested.
- Developed a ‘Plymouth Promise’ for young people which outlines a set of key entitlements, such as ‘Have access to residential experience’ and ‘Be offered the opportunity to help others through voluntary activity’ for all children and young people in the City.
- Nearly finished our Career Related Pathfinder pilot for children aged 7-11, which includes a range of career related learning activities.
- Guided the majority of our care leavers to ensure that they are in education, employment or training when they turn 19.

What we will do over the next three years

The Plymouth Plan, endorsed by Plymouth2020, creates four shared priority areas for the City. Many of the Children and Young People’s Trust partners will have a part to play in delivering that through:

- **Delivering Growth:** Developing Plymouth as a thriving growth centre by creating the conditions for investment in quality homes, jobs and infrastructure
- **Raising Aspiration:** Promoting Plymouth and encouraging people to aim higher and take pride in the City
- **Reducing Inequality:** Reducing the inequality gap, particularly in health, between communities
- **Providing Value for communities:** Working together to maximise resources to benefit customers and make internal efficiencies

For example, schools will have a part to play in increasing the overall satisfaction with the local area, GPs can contribute by increasing the value of goods and services that they buy from civil society organisations, youth groups can help achieve recycling targets.

This Children and Young People’s Plan 2011-14 describes how agencies in the Children and Young People’s Trust will work together to achieve the children and young people related outcomes from the Plymouth Plan. It will build on the work undertaken over the last three years, and covers services for all children and young people in Plymouth aged 0-18, as well as:

- Young people who are care leavers and aged 19 or over
- Young people up to the age of 25 with a disability

This plan outlines the direction of travel for the Children and Young People’s Trust for the next three years. Its priorities, presented within this section, have been identified based on the Plymouth Report which looked at the needs of the city combined with more detailed understanding of needs and the shared learning over the past three years.

This plan aims to take the Trust’s partnership work to the next level, by addressing the priority issues and areas of need that require our collective attention. In line with the Government’s overall vision to "help children achieve more", our priorities for 2011-2014 show how we will continue to work together to further improve outcomes for our children, young people and families in Plymouth.

2020 Priority	CYPP 2011- 2014 Priority	What we propose to do
<p>Reduce inequalities</p>	<p>I. Tackle child poverty</p>	<p>I.1 Remove barriers to work e.g. childcare, skills</p> <p>I.2 Maximise income for families for families most affected by the economic situation e.g. take up of in-work benefits, tax credits and free school meals, and access to money and debt advice.</p> <p>I.3 Improve access to decent homes for families e.g. fuel poverty, mortgage rescue, reduce temp housing.</p> <p>I.4 Improve young people’s ability to manage finances sensibly</p> <p>Reducing inequalities across the City is a concern for all partners. Tackling child poverty and its impact has been named as a top priority. Many partners have an important role in reducing child poverty by supporting more families into work and by breaking the generational cycles of worklessness.</p> <p>The effects of inequality and deprivation have been felt across all services working with children, young people and families. In the last children and young people’s plan, many of our priorities - improving attainment, raising aspirations and reducing health inequalities - were closely related to child poverty.</p> <p>We responded by targeting some of our key services in the most deprived localities, by opening up free leisure opportunities and delivering the Plymouth Promise to our young people, by providing subsidized holiday clubs and child care across the City, and by focusing on getting young people most at risk of poverty into education, employment or training – such as young parents, disabled young people or young offenders. With reduced grant settlements we may not be able to offer the same level of support.</p> <p>Our response has had an impact on those we have reached, but we know that child poverty is a societal issue that requires a broader societal approach. In response to the Government’s call to eliminate child poverty by 2020, we will now join forces across partnerships in the City to tackle the root causes of poverty together, and reduce its effects on families. This will mean linking to other priority areas, including the new Housing Strategy and helping parents back into work, including better paid employment through childcare.</p>

2020 Priority	CYPP 2011- 2014 Priority	What we propose to do
<p>Reduce inequalities</p>	<p>2. Provide all children with the best possible start to life</p>	<div data-bbox="740 309 1519 678" style="border: 1px solid black; padding: 5px;"> <p>2.1 Improve the physical and mental health and wellbeing of children and young people.</p> <p>2.2 Strengthen multi-agency child protection across the City.</p> <p>2.3 Provide early support for young people and families with multiple problems, with an emphasis on hidden harm and domestic abuse.</p> </div> <p>The other key element of reducing inequalities is the focus on health inequalities for all ages. Partners can have a positive impact on the health and wellbeing of children and their families, for example offering family exercise or cooking classes or promoting smoking cessation. Helping families with multiple problems such as substance or alcohol misuse or domestic abuse does have a positive long term impact on the health of the city's population.</p> <p>Providing a solid foundation for any child or young person is essential to enable them to fulfil their potential. Within the last plan, we recognised that addressing health issues early in childhood can improve their outcomes later in life, and significant strides have been taken to improve our children and young people's health.</p> <p>The Trust has invested heavily through community based settings such as Children's Centres and schools to promote healthier lifestyles, such as healthy eating, smoking cessation, specialist support for children with complex needs, and mental health support to address post natal depression or to deal with the grief associated with losing a parent.</p> <p>The Trust was praised for its work during Ofsted's safeguarding inspection, demonstrating our continued improvements to child protection. We have strived to ensure our children in care achieve well at school, experience good health and receive the quality of care and support expected as part of our Corporate Parenting role. Keeping children safe is at the heart of all we do and we will not let our standards slip.</p> <p>We know we must do more to enable families at an earlier stage to manage their problems before they become too big and complex. Domestic abuse and hidden harm continue to be a key concern across the City and we need to address these urgently in order to keep children safe within their families.</p> <p>In the background, health services are radically transforming with spending power reducing and moving to GP practices. It is vital that we support these new partners to play a full part in the thriving Children and Young People's Trust.</p>

2020 Priority	CYPP 2011- 2014 Priority	What we propose to do
<p>Raise aspirations</p>	<p>3. Improve levels of achievement for all children and young people</p>	<div data-bbox="675 304 1469 600" style="border: 1px solid black; padding: 5px;"> <p>3.1 Improve educational achievement levels, particularly in Maths and English.</p> <p>3.2 Improve the educational achievement of vulnerable groups.</p> <p>3.3 Build self confidence and promote the well-being of children and young people.</p> </div> <p>Plymouth’s Aspiration theme relates to promoting Plymouth, encouraging people to aim higher and to take pride in the City. All partners can support this work by inspiring and encouraging children and their families to raise their sights or by physically improving their local environments or perhaps taking part in one of the many major sporting or cultural events in the City.</p> <p>Achievement can mean different things to children and young people. It can mean overcoming a personal hurdle, or reaching a goal, be it passing an exam or learning a new skill. Whatever the achievement, it gives children and young people a sense of pride, and provides the confidence they need to push further.</p> <p>There are close links between aspirations and achievement, and both are linked with issues such as poverty, parental attitudes, health and even gender. We have come a long way over the last three years to raise the aspirations and achievement levels of our children and young people. We have built new schools, refurbished others and created a virtual school for our children in care. We continue to promote reading across primary schools, have redesigned the curriculum to make lessons more active and inspirational, and have significantly raised attainment in those schools serving the most deprived localities. In terms of primary schools we recognise that there are still challenges to overcome.</p> <p>We have also learnt that we need to sustain such achievements, and focus on those areas that still require our partnership approach. This will be more important because the Academies agenda and changes to funding settlements have put more emphasis on schools to deliver and commission services to improve achievement. Partners need to continue to work together to support children’s learning. We know that when children and young people are confident and have self belief, they are much more able to achieve so we will continue to support anti-bullying initiatives and make sure that children have appropriate adults they can talk to if they have a problem. There are some key groups who, despite our collective efforts so far, still struggle to achieve at school, for example boys, and we must look at how we can support them. There are also children who excel, and who deserve the inspiration and support to help them achieve their goals too.</p> <p>Services can also play an important role in improving skills and achievement for all ages, for example through family learning.</p>

2020 Priority	CYPP 2011- 2014 Priority	What we propose to do
<p>Deliver growth</p>	<p>4. Equip young people with skills, knowledge and opportunities to make a successful transition to adulthood</p>	<p>4.1 Maximise engagement opportunities with employers, especially for vulnerable 14-19 year olds.</p> <p>4.2 Develop high quality apprenticeships for young people.</p> <p>4.3 Extend opportunities for young people to develop employability skills in science, technology, engineering and mathematics.</p> <p>4.4 Encourage entrepreneurial aspirations among young people.</p> <p>4.5 Excite and prepare young people for transitions, particularly the transition to secondary school, and from children's to adult's services.</p>
		<p>Across the City the Growth agenda seeks to develop Plymouth as a thriving growth centre with an emphasis on increasing the number of jobs, better wages and better connectivity with key markets. All partners can contribute to this area by promoting local businesses, offering suitable childcare, and helping families into work.</p> <p>For many young people, the road towards adulthood is lined with milestones to achieve and hurdles needing to be overcome plus there is a raft of emotional and physical changes to be dealt with. Over the past three years, we have given young people a great start by raising attainment levels across the City at all ages, and helping more and more young people to find employment or further education/training opportunities.</p> <p>We recognise however that in the current financial climate, and faced with rising unemployment levels, we must respond as a partnership to ensure that young people are well prepared and equipped for the world that awaits them. This includes matching of skills to what the job markets need, encouraging young people to set up their own small business, and equipping young people with the ability to manage finances and to know how they will need to become independent and self sufficient. We will work alongside other citywide partnerships such as Wealthy and Wise theme groups to help them meet their goals. This is a priority area where central government spending has been cut, with reduced peninsular-wide investment in services like Careers South West.</p> <p>Some young people will find it hard to make the journey to adulthood, and while we have taken significant steps to improve our services for those over 16yrs, particularly for those with a disability or mental health problem, we know many are still struggling once they are no longer considered as a child at the age of 18.</p>

2020 Priority	CYPP 2011- 2014 Priority	What we propose to do
<p>Provide value for communities</p>	<p>5. Tackle risk taking behaviours through locality delivered services</p>	<p>5.1 Deliver intensive youth support to meet the needs of vulnerable young people aged 11-19yrs.</p> <p>5.2 Promote citizenship and volunteering opportunities</p> <p>5.3 Enable young people to take responsibility and to make safe and informed decisions through the provision of timely and appropriate information and guidance.</p> <p>Providing value for communities is about maximising the resources – cash, assets and skills in the city and making efficiencies. Partners will be supporting this in every priority area by offering the most efficient and effective services, listening to our communities and considering areas where we can share resources. For example, the Fire Service has made small changes to how it does Home Safety checks to tackle the problem of accidental poisoning or injuries in the home.</p> <p>We are reorganising services around a locality-based model in order to tailor support to need in the community. This provides a closer link to neighbourhoods and an opportunity for partners to hear the views of residents more directly, for example we know that anti-social behaviour and young people not having enough to do are regularly voiced as concerns.</p> <p>Another key area is to provide early intervention in those areas that damage young people’s life chances and ultimately cost the state more in the long run. In the last three years we have made significant progress in reducing our teenage conception rate and tackling substance misuse. However, our performance indicators and needs assessment show that we now need to target our interventions more closely, more intensely and at an earlier stage at young people most at risk.</p> <p>Across the Trust we recognise the main areas of harmful risk for this city, and will focus on addressing these in particular – alcohol, repeat offending and anti social behaviour. We understand that by focusing on these we will also be able to tackle other risk taking behaviours as well.</p>